

Supplementary Financial Information for the 1st Half of the Fiscal Year ending March 2014

October 2013
Osaka Gas Co.,Ltd.

1. Consolidated

(million yen)

		FY13.3 Results		FY14.3 2Q Results		FY14.3 Forecast		FY13.3 2Q Results→FY14.3 2Q Results (D-A)		FY14.3 2Q Forecast→Results (D-C)		FY13.3 Results→FY14.3 Forecast (F-B)		FY14.3 Forecast Initial→Revised (F-E)	
		(A) 2Q	(B) Full Year	(C) Forecasted	(D) Results	(E) Initial	(F) Revised	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
Consolidated	Operating Revenues	629,878	1,380,060	684,000	670,304	1,508,000	1,504,500	40,425	OG+36.3, Subsidiaries+15.4, Adjustment in consolidation decrease-11.3	-13,695	OG+1.3, Subsidiaries-4.5, Adjustment in consolidation decrease-10.4	124,439	OG+84.3, Subsidiaries+50.0, Adjustment in consolidation decrease-9.9	-3,500	OG±0.0, Subsidiaries+8.1, Adjustment in consolidation decrease-11.6
	Operating Expenses	584,980	1,295,286	644,000	625,514	1,408,000	1,405,500	40,533		-18,485		110,213		-2,500	
	Operating Profit	44,897	84,773	40,000	44,790	100,000	99,000	-107	OG+0.2, Subsidiaries-0.2, Adjustment in consolidation decrease-0.1	4,790	OG+6.4, Subsidiaries-1.4, Adjustment in consolidation decrease-0.2	14,226	OG+12.9, Subsidiaries+0.1, Adjustment in consolidation increase+1.0	-1,000	OG+2.0, Subsidiaries-3.6, Adjustment in consolidation increase+0.6
	Ordinary Profit	48,306	90,125	41,500	47,720	100,000	100,000	-586	OG-1.0, Subsidiaries-0.0, Adjustment in consolidation increase+0.5	6,220	OG+7.6, Subsidiaries-0.8, Adjustment in consolidation decrease-0.6	9,874	OG+9.6, Subsidiaries-0.7, Adjustment in consolidation increase+0.9	0	OG+3.0, Subsidiaries-2.8, Adjustment in consolidation decrease-0.1
	Net Income After Tax	30,883	52,467	27,000	31,653	64,500	64,500	769	OG-0.3, Subsidiaries+0.9, Adjustment in consolidation increase+0.2	4,653	OG+5.4, Subsidiaries-1.8, Adjustment in consolidation increase+1.0	12,032	OG+9.8, Subsidiaries-2.2, Adjustment in consolidation increase+4.3	0	OG+2.5, Subsidiaries-5.8, Adjustment in consolidation increase+3.3
	Total Assets *	1,464,765	1,566,899	1,558,700	1,593,783	1,625,800	1,656,800	129,018		35,083		89,900		31,000	
	Total Net Worth *	700,251	747,802	751,900	798,689	767,300	802,300	98,437		46,789		54,497		35,000	
	Interest-bearing Debt *	550,227	540,199	601,700	542,461	607,000	607,000	-7,765		-59,238		66,800		0	
Non-Consolidated	Operating Revenues	508,991	1,109,173	544,000	545,379	1,193,500	1,193,500	36,387	Gas+25.4, Miscellaneous+0.7, Incidental Business +10.1	1,379	Gas-3.4, Miscellaneous+1.8, Incidental Business +3.0	84,326	Gas+68.9, Miscellaneous-5.0, Incidental Business +20.4	0	Gas-5.8, Miscellaneous+5.8
	Operating Expenses	480,839	1,063,158	522,000	516,973	1,136,500	1,134,500	36,134		-5,026		71,341		-2,000	
	Operating Profit	28,152	46,014	22,000	28,405	57,000	59,000	253		6,405		12,985		2,000	
	Ordinary Profit	33,697	55,379	25,000	32,664	62,000	65,000	-1,032	Margin of gas sales-3.9, Margin of incidental business+0.6, Operating Expenses and Labor Costs decrease+3.5, Non-Operating Profit decrease-1.2	7,664	Margin of gas sales+0.6, Margin of incidental business+2.5, Operating Expenses and Labor Costs decrease+2.6, Non-Operating Profit increase+1.2	9,620	Margin of gas sales-3.5, Margin of incidental business+2.1, Operating Expenses and Labor Costs decrease+14.4, Non-Operating Profit decrease-3.3	3,000	Margin of gas sales-3.0, Margin of incidental business+3.0, Operating Expenses and Labor Costs decrease+2.0, Non-Operating Profit increase+1.0
	Net Income After Tax	23,373	35,114	17,500	22,991	42,500	45,000	-381		5,491		9,885		2,500	
	Total Assets *	1,186,837	1,236,969	1,204,600	1,233,352	1,255,800	1,258,300	46,514		28,752		21,330		2,500	
	Total Net Worth *	556,884	572,423	586,500	591,417	603,500	606,000	34,533		4,917		33,576		2,500	
	Interest-bearing Debt *	440,481	421,571	426,500	418,209	421,200	421,200	-22,272		-8,290		-371		0	
Consolidated/ Non-Consolidated Ratio	Operating Revenues	1.24	1.24	1.26	1.23	1.26	1.26	-0.01		-0.03		0.02		0.00	
	Operating Profit	1.59	1.84	1.82	1.58	1.75	1.68	-0.02		-0.24		-0.16		-0.08	
	Ordinary Profit	1.43	1.63	1.66	1.46	1.61	1.54	0.03		-0.20		-0.09		-0.07	
	Net Income After Tax	1.32	1.49	1.54	1.38	1.52	1.43	0.06		-0.17		-0.06		-0.08	
	Total Assets *	1.23	1.27	1.29	1.29	1.29	1.32	0.06		0.00		0.05		0.02	
	Total Net Worth *	1.26	1.31	1.28	1.35	1.27	1.32	0.09		0.07		0.02		0.05	
	Interest-bearing Debt *	1.25	1.28	1.41	1.30	1.44	1.44	0.05		-0.11		0.16		0.00	
	consolidated subsidiary simple total	Operating Revenues	230,401	509,276	250,422	245,834	551,226	559,354	15,433	LPG, IPP business, OGE etc	-4,588	Upstream business in USA, etc	50,078	LPG, IPP business etc	8,128
Operating Expenses		215,004	473,120	233,850	230,668	511,226	523,032	15,664		-3,181		49,912		11,805	
Operating Profit		15,396	36,155	16,572	15,165	39,999	36,322	-230	OG-Chemicals, IPP business, LPG etc (increase), Upstream business in USA etc (decrease)	-1,406	OG-Chemicals, OG-Urban Development etc (increase), Upstream business in USA, etc	166	OG-Urban Development, Information Technology, OG-Chemicals etc (increase), Upstream business in USA, etc	-3,677	CTS, OG-Chemicals, OG-Urban Development etc (increase), Upstream business in USA, etc (decrease)
Ordinary Profit		18,710	39,155	19,459	18,642	41,308	38,430	-67	IPP business, OG-Chemicals, LPG etc (increase), Upstream business in USA etc (decrease)	-816	CTS, OG-Chemicals, OG-Urban Development etc (increase), Upstream business in USA, etc	-724	OG-Urban Development, Information Technology, OG-Chemicals etc (increase), Upstream business in USA, etc	-2,877	CTS, OG-Chemicals, OG-Urban Development etc (increase), Upstream business in USA, etc (decrease)
Net Income After Tax		11,941	25,967	14,688	12,849	29,554	23,739	907		-1,839		-2,227		-5,814	
Consolidated	Return on Total Assets (ROA) (%)	2.1%	3.4%	1.7%	2.0%	4.1%	4.0%	-0.1%		0.3%		0.6%		-0.1%	
	Return on Equity (ROE) (%)	4.5%	7.3%	3.6%	4.1%	8.6%	8.3%	-0.4%		0.5%		1.0%		-0.3%	
	Total Assets turnover	0.43	0.91	0.44	0.42	0.94	0.93	0.00		-0.01		0.03		-0.01	
	Equity Ratio (%)	47.8%	47.7%	48.2%	50.1%	47.2%	48.4%	2.3%		-0.12		0.7%		1.2%	
	Debt/Equity Ratio	0.79	0.72	0.80	0.68	0.79	0.76	-0.11		-0.12		0.03		-0.03	
	Earning per Share (EPS) (yen)	14.83	25.20	12.97	15.20	30.98	30.98	0.37		2.24		5.78		0.00	
	Bookvalue per Share (BPS) (yen)	336.31	359.16	361.12	383.62	368.51	385.36	47.32		22.51		26.20		16.84	
	Payout Ratio	---	33.7%	---	---	29.1%	29.1%	---		---		-4.7%		0.0%	
Shareholder's Value Added (million yen)	14,822	18,677	7,760	23,715	27,432	26,903	8,892		15,954		8,226		-529		
Non-Consolidated	Return on Total Assets (ROA) (%)	2.0%	2.9%	1.4%	1.9%	3.4%	3.6%	-0.1%		0.4%		0.7%		0.2%	
	Return on Equity (ROE) (%)	4.2%	6.3%	3.0%	4.0%	7.2%	7.6%	-0.3%		0.9%		1.3%		0.4%	
	Total Assets turnover	0.43	0.91	0.45	0.44	0.96	0.96	0.01		0.00		0.04		0.00	
	Equity Ratio (%)	46.9%	46.3%	48.7%	48.0%	48.1%	48.2%	1.0%		-0.7%		1.9%		0.1%	
	Debt/Equity Ratio	0.79	0.74	0.73	0.71	0.70	0.70	-0.08		-0.02		-0.04		0.00	
	Earning per Share (EPS) (yen)	11.23	16.86	8.40	11.04	20.41	21.61	-0.18		2.64		4.75		1.20	
	Payout Ratio	---	50.4%	---	---	44.1%	41.6%	---		---		-8.8%		-2.5%	
	Shareholder's Value Added (million yen)	10,415	10,215	3,189	16,856	14,043	16,320	6,441		13,667		6,105		2,277	

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

2. Number of Employees and Capital Expenditure

	FY13.3 Results		FY14.3 2Q Results		FY14.3 Forecast		FY13.3 2Q Results→FY14.3 2Q Results (D-A)		FY14.3 2Q Forecasted→Results (D-C)		FY13.3 Results→FY14.3 Forecast (F-B)		FY14.3 Forecast Initial→Revised (F-E)	
	(A) 2Q	(B) Full Year	(C) Forecasted	(D) Results	(E) Initial	(F) Revised	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
Consolidated	Number of Employees (*a)	19,935	19,870	20,252	20,212	20,201	20,201	277		-40		331		0
	Capital Expenditure (million yen)	56,374	112,987	68,704	57,057	134,758	134,758	683	LNG tanker construction etc (increase), Investment in Himeji-Okayama pipeline etc (decrease)	-11,646	Investment in real estate, LNG tanker construction, Gorgon LNG projects in Australia	21,770	Investment in LNG tanker construction, real estate, Gorgon LNG projects in Australia	0
	Investment for Upgrading Existing Businesses	18,402	44,507	18,321	17,150	44,091	44,091	-1,251		-1,170		-416		0
	Investment for Expansion, Greenfield, and M&A	42,454	85,775	77,500	43,190	138,000	138,000	735	LNG tanker construction, Investment in industrial gas sales company in Singapore etc (increase), Ichthys LNG projects in Australia etc (decrease)	-34,309	Investment in real estate, LNG tanker construction, Gorgon LNG projects in Australia etc (decrease)	52,224	Investment in LNG tanker construction, real estate, Gorgon LNG projects in Australia, Himeji-Okayama pipeline etc	0
	Investment (million yen) (*b)	60,857	130,282	95,821	60,341	182,091	182,091	-516		-35,480		51,808		0
Non-Consolidated	Number of Employees (*a)	5,952	5,867	5,951	5,959	5,854	5,854	7		8		-13		0
	Production Facilities	843	6,290	1,216	1,250	6,089	6,089	406		33		-200		0
	Distribution Facilities	22,871	48,777	22,231	20,279	51,986	51,986	-2,592	Himeji-Okayama pipeline etc	-1,952	Himeji-Okayama pipeline etc	3,208	Himeji-Okayama pipeline, Mie-Shiga pipeline etc	0
	Operational Facilities	1,918	5,013	2,093	1,566	5,354	5,354	-352		-527		341		0
	Incidental Business Facilities	66	99	37	58	205	205	-8		21		105		0
Capital Expenditure (million yen)	25,699	60,181	25,578	23,153	63,636	63,636	-2,546		-2,425		3,454		0	

(*a): excluding the seconded and including part-time workers (*b): including capital expenditure

3. Non-Consolidated

	FY13.3 Results		FY14.3 2Q Results		FY14.3 Forecast		FY13.3 2Q Results→FY14.3 2Q Results (D-A)		FY14.3 2Q Forecasted→Results (D-C)		FY13.3 Results→FY14.3 Forecast (F-B)		FY14.3 Forecast Initial→Revised (F-E)	
	(A) 2Q	(B) Full Year	(C) Forecasted	(D) Results	(E) Initial	(F) Revised	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
Gas Sales Revenues	378,772	841,955	407,700	404,207	916,700	910,900	25,434	Fuel cost adjustment factor+30.4, Gas sales volume change-6.7, others+1.7	-3,492	Fuel cost adjustment factor+0.3, Gas sales volume change-8.5, others+4.6	68,944	Fuel cost adjustment factor+79.1, Gas sales volume change-10.9, others+0.7	-5,800	Fuel cost adjustment factor-10.3, others+4.5
Other Sales Revenues	130,218	267,217	136,300	141,171	276,800	282,600	10,953		4,871		15,382		5,800	
Miscellaneous	60,757	133,135	59,700	61,535	128,100	128,100	777		1,835		-5,035		0	
Gas Appliances	48,193	103,878	46,500	48,623	98,900	98,900	429		2,123	GHP sales time-lag etc	-4,978	mainly decrease in residential	0	
House Pipe Installation	9,382	22,496	9,800	9,721	23,000	23,000	338		-78		503		0	
Others	3,181	6,760	3,400	3,190	6,200	6,200	9		-209		-560		0	
Incidental Business	69,460	134,081	76,600	79,636	148,700	154,500	10,175		3,036		20,418		5,800	
Electric Power Supply	43,909	80,243	-	46,239	-	-	2,330	Increase in sales volume and sales unit price	-		-		-	
LNG Sales	18,487	39,403	-	26,179	-	-	7,691	Increase in sales volume, Fuel cost adjustment factor	-		-		-	
Others	7,063	14,435	-	7,217	-	-	153		-		-		-	
Operating Revenues	508,991	1,109,173	544,000	545,379	1,193,500	1,193,500	36,387		1,379		84,326		0	
Fuel Costs	231,525	519,938	265,000	260,880	595,200	592,400	29,354		-4,119		72,461		-2,800	
Labor Costs	35,383	70,735	33,400	32,984	66,100	66,100	-2,399	Decrease in retirement allowances	-415		-4,635	Decrease in retirement allowances	0	
Operating Expenses	79,863	188,003	81,500	79,659	181,000	179,800	-203		-1,840	Decrease in Sales Promotion Expenses	-8,203	Decrease in Retirement Costs of Fixed Assets	-1,200	Decrease in Sales Promotion Expenses
Depreciation Costs	25,408	51,532	24,900	24,470	50,700	49,900	-938		-429		-1,632		-800	
Subtotal	140,655	310,272	139,800	137,113	297,800	295,800	-3,541		-2,686		-14,472		-2,000	
Other Expenses	108,658	232,947	117,200	118,979	243,500	246,300	10,321		1,779		13,352		2,800	
Miscellaneous	55,447	125,184	54,900	56,209	120,300	120,300	761		1,309		-4,884		0	
Gas Appliances	45,928	102,943	45,100	46,421	97,700	97,700	493		1,321	GHP sales time-lag etc	-5,243	mainly decrease in residential	0	
House Pipe Installation	9,519	22,241	9,800	9,787	22,600	22,600	268		-12		358		0	
Incidental Business	53,210	107,762	62,300	62,769	123,200	126,000	9,559		469		18,237		2,800	
Electric Power Supply	28,780	55,033	-	30,411	-	-	1,630		-		-		-	
LNG Sales	18,540	39,934	-	26,295	-	-	7,754	Increase in Fuel Costs	-		-		-	
Others	5,889	12,795	-	6,063	-	-	174		-		-		-	
Operating Expenses	480,839	1,063,158	522,000	516,973	1,136,500	1,134,500	36,134		-5,026		71,341		-2,000	
Operating Profit	28,152	46,014	22,000	28,405	57,000	59,000	253		6,405		12,985		2,000	
Non-Operating Profit	5,545	9,364	3,000	4,258	5,000	6,000	-1,286		1,258		-3,364		1,000	
Non-Operating Revenues	9,583	17,387	6,600	7,993	12,500	13,500	-1,590	Decrease in profits by sale of securities etc	1,393	Increase in dividends received	-3,887	Decrease in profits by sale of securities etc	1,000	Increase in dividends received
Non-Operating Expenses	4,038	8,023	3,600	3,735	7,500	7,500	-303		135		-523		0	
Financial Expenses	3,235	6,464	3,300	3,309	6,800	6,800	74		9		335		0	
Ordinary Profit	33,697	55,379	25,000	32,664	62,000	65,000	-1,032		7,664		9,620		3,000	
Extraordinary Profit and Loss	0	-3,057	0	0	0	0	0		0		3,057		0	
Income Tax (Current and Deferred)	10,323	17,207	7,500	9,672	19,500	20,000	-651		2,172		2,792		500	
Net Income After Tax	23,373	35,114	17,500	22,991	42,500	45,000	-381		5,491		9,885		2,500	

4. Breakdown of Gross Margin

(million yen)

	FY13.3 Results		FY14.3 2Q Results		FY14.3 Forecast		FY13.3 2Q Results→FY14.3 2Q Results (D-A)		FY14.3 2Q Forecasted→Results (D-C)		FY13.3 Results→FY14.3 Forecast (F-B)		FY14.3 Forecast Initial→Revised (F-E)	
	(A) 2Q	(B) Full Year	(C) Forecasted	(D) Results	(E) Initial	(F) Revised	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
Gross Margin of Gas Sales	147,246	322,017	142,700	143,326	321,500	318,500	-3,920	Fuel cost adjustment factor-4.5, Gas sales volume changes-4.5, others+2.8	626	Fuel cost adjustment factor+2.3, Gas sales volume changes-4.6, others+2.9	-3,517	Fuel cost adjustment factor+9.8, Gas sales volume changes-9.8, others-3.5	-3,000	Fuel cost adjustment factor-0.5, Gas sales volume changes-5.0, others+2.5
Gas Appliances	2,265	934	1,400	2,201	1,200	1,200	-64		801	Increase in sales of ENE-FARM (fuel cell)	265		0	
House-Pipe Installation	-136	255	0	-86	400	400	70		-66		144		0	
Others	3,181	6,760	3,400	3,190	6,200	6,200	9		-209		-560		0	
Gross Margin of Miscellaneous Sales	5,310	7,950	4,800	5,328	7,800	7,800	15		526		-150		0	
Electric Power Supply	15,128	25,209	-	15,828	-	-	700	Decrease in Depreciation Costs	-		-		-	
LNG Sales	-52	-531	-	-116	-	-	-63		-		-		-	
Others	1,174	1,640	-	1,153	-	-	-20		-		-		-	
Gross Margin of Incidental Business	16,250	26,319	14,300	16,866	25,500	28,500	616	mainly increase in power business	2,566	mainly increase in power business	2,180	mainly increase in power business	3,000	mainly increase in power business
Subtotal	21,560	34,269	19,100	22,192	33,300	36,300	632		3,092		2,030		3,000	
Profit/ Loss on Fuel Cost Adjustment System	-7,369	-20,789	-11,934	-9,625	-10,385	-10,932	-2,256		2,308		9,857		-547	
Crude Oil Price (\$/bbl)	114.0	113.9	115.0	107.7	115.0	108.8	-6.3		-7.3		-5.1		-6.2	
Exchange Rate (yen/\$)	79.4	83.1	95.0	98.9	95.0	99.4	19.5		3.9		16.3		4.4	

5. Gas Sales Volume

	FY13.3 Results		FY14.3 2Q Results		FY14.3 Forecast		FY13.3 2Q Results→FY14.3 2Q Results (D-A)		FY14.3 2Q Forecasted→Results (D-C)		FY13.3 Results→FY14.3 Forecast (F-B)		FY14.3 Forecast Initial→Revised (F-E)	
	(A) 2Q	(B) Full Year	(C) Forecasted	(D) Results	(E) Initial	(F) Revised	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
Averaged Temperature	23.5	16.7	23.4	23.7	17.0	17.1	0.2		0.3		0.4		0.2	
Gas Sales per Household (m3/month)	23.8	32.5	23.6	22.5	31.6	31.1	-1.3		-1.1		-1.4		-0.6	
Residential	831	2,272	829	789	2,222	2,182	-42	-5.1%	-39	-4.8%	-90	-4.0%	-39	-1.8%
Non-residential	2,899	5,761	2,924	2,906	5,871	5,836	7	0.2%	-18	-0.6%	75	1.3%	-35	-0.6%
Commercial	464	898	454	458	864	867	-6	-1.2%	4	0.9%	-31	-3.4%	3	0.4%
Public and Medical	313	642	306	316	617	619	3	0.8%	9	3.1%	-23	-3.5%	2	0.4%
Industrial	2,122	4,222	2,164	2,132	4,390	4,350	10	0.5%	-31	-1.4%	128	3.0%	-40	-0.9%
Wholesale	222	469	221	220	466	462	-2	-0.9%	-1	-0.5%	-7	-1.6%	-4	-0.8%
Total Gas Sales Volume (million m3) *45MJ/m3	3,953	8,503	3,974	3,916	8,559	8,480	-37	-0.9%	-59	-1.5%	-22	-0.3%	-78	-0.9%
Supply for Non-Regulated Customers	2,479	4,894	2,518	2,485	5,053	5,000	6	0.2%	-34	-1.3%	106	2.2%	-52	-1.0%
Number of Customers (thousand)	7,057	7,086	7,090	7,101	7,112	7,112	44		11		26		0	
Number of Newly Built Houses (thousand)	37	91	40	40	98	100	3		-1		9		2	

(Reference) Consolidated Gas Sales Volume

	FY13.3 Results		FY14.3 2Q Results		FY14.3 Forecast		FY13.3 2Q Results→FY14.3 2Q Results (D-A)		FY14.3 2Q Forecasted→Results (D-C)		FY13.3 Results→FY14.3 Forecast (F-B)		FY14.3 Forecast Initial→Revised (F-E)	
	(A) 2Q	(B) Full Year	(C) Forecasted	(D) Results	(E) Initial	(F) Revised	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
Osaka Gas	3,953	8,503	3,974	3,916	8,559	8,480	-37		-59		-22		-78	
Nabari Kintetsu Gas	12.1	22.2	11.9	11.7	21.4	21.2	-0.4		-0.1		-1.0		-0.1	
Toyooka Energy	4.2	7.4	4.2	4.0	7.4	7.2	-0.2		-0.2		-0.2		-0.2	
Shingu Gas	0.7	1.3	0.7	0.7	1.3	1.2	0.0		0.0		0.0		0.0	
Total Gas Sales Volume (million m3) *45MJ/m3	3,970	8,534	3,991	3,932	8,589	8,510	-38		-59		-24		-79	

6. Sales of Major Gas Appliances

	FY13.3 Results		FY14.3 2Q Results		FY14.3 Forecast		FY13.3 2Q Results→FY14.3 2Q Results (D-A)		FY14.3 2Q Forecasted→Results (D-C)		FY13.3 Results→FY14.3 Forecast (F-B)		FY14.3 Forecast Initial→Revised (F-E)	
	(A) 2Q	(B) Full Year	(C) Forecasted	(D) Results	(E) Initial	(F) Revised	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
Floor Heating (1,000 units)	67	129	70	80	145	155	12		10		26		10	
Bathroom Heater and Drier (1,000 units)	32	66	32	38	69	71	6		6		6		2	
Mist Sauna (1,000 units)	19	35	17	21	36	38	2		4		3		2	
Ecowill (Residential Co-generation) (1,000 units)	2.6	4.0	2.1	3.3	4.0	4.7	0.8		1.3		0.7		0.7	
Enefarm (Residential Fuel Cell Co-genera) (1,000 units)	5.0	6.112	6.9	8.0	10.0	10.5	3.0		1.1		4.4		0.5	
Air-conditioning Systems (1,000 Refrigeration tons)	77	139	103	102	170	170	25		-1		31		0	

7. Breakdown of Operating Expenses

(million yen)

	FY13.3 Results		FY14.3 2Q Results		FY14.3 Forecast		FY13.3 2Q Results→FY14.3 2Q Results (D-A)		FY14.3 2Q Forecasted→Results (D-C)		FY13.3 Results→FY14.3 Forecast (F-B)		FY14.3 Forecast Initial→Revised (F-E)	
	(A) 2Q	(B) Full Year	(C) Forecasted	(D) Results	(E) Initial	(F) Revised	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
Repairing Costs	13,216	31,947	12,900	13,157	30,000	30,000	-59		257		-1,947		0	
Supplies Expenses	2,403	5,963	2,600	2,640	5,800	5,800	237		40		-163		0	
Rent	5,575	10,951	5,400	5,292	10,600	10,600	-282		-107		-351		0	
Consigned Work Expenses	22,036	48,233	23,000	23,087	49,500	49,500	1,051	Increase in system development expense	87		1,266	Increase in system development expense	0	
Tax	12,920	26,727	13,400	13,248	27,900	27,800	327		-151		1,072		-100	Decrease in business taxes
Sales Promotion Expenses	10,112	24,003	10,600	8,955	25,300	24,600	-1,157	Decrease in sales expense etc	-1,644	costs payment time-lag	596		-700	Decrease in sales expense etc
Retirement Costs of Fixed Assets	3,496	16,314	3,300	3,527	6,900	6,900	31		227		-9,414		0	
Miscellaneous Expenses	3,398	7,715	3,400	2,915	8,500	8,100	-482		-484		384		-400	
Other Expenses	6,704	16,148	6,900	6,833	16,500	16,500	129		-66		351		0	
Total	79,863	188,003	81,500	79,659	181,000	179,800	-203		-1,840		-8,203		-1,200	

8. Free Cash Flow

(1) Consolidated

(million yen)

	FY13.3 Results		FY14.3 2Q Results		FY14.3 Forecast		FY13.3 2Q Results→FY14.3 2Q Results (D-A)		FY14.3 2Q Forecasted→Results (D-C)		FY13.3 Results→FY14.3 Forecast (F-B)		FY14.3 Forecast Initial→Revised (F-E)	
	(A) 2Q	(B) Full Year	(C) Forecasted	(D) Results	(E) Initial	(F) Revised	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
Net Income After Tax	48,306	84,630	41,500	47,720	100,000	100,000	-586		6,220		15,369		0	
Corporation Income Tax	-20,688	-32,058	-24,404	-18,694	-33,914	-33,914	1,994		5,710		-1,856		0	
Depreciation Costs	40,974	82,818	39,262	41,029	80,114	79,314	55		1,766		-3,504		-800	
Internal Reserves	-45,122	-5,793	-26,933	-20,782	-13,135	-13,135	24,339	Inventory fluctuation etc	6,150	Increase in debt etc	-7,341	Decrease in debt etc	0	
Cash Flow from Operating Activities	23,469	129,597	29,424	49,273	133,064	132,264	25,803		19,848		2,667		-800	
-Capital Expenditure	-18,402	-44,507	-18,321	-17,150	-44,091	-44,091	1,251		1,170		416		0	
Free Cash Flow	5,067	85,089	11,103	32,122	88,973	88,173	27,055		21,018		3,083		-800	

*[- Capital Expenditure] excludes capital investment for maintaining or upgrading existing businesses, and is not equal to the announced CAPEX because the figures here are on cash flow basis.

(2) Non-Consolidated

(million yen)

	FY13.3 Results		FY14.3 2Q Results		FY14.3 Forecast		FY13.3 2Q Results→FY14.3 2Q Results (D-A)		FY14.3 2Q Forecasted→Results (D-C)		FY13.3 Results→FY14.3 Forecast (F-B)		FY14.3 Forecast Initial→Revised (F-E)	
	(A) 2Q	(B) Full Year	(C) Forecasted	(D) Results	(E) Initial	(F) Revised	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
Net Income After Tax	33,697	52,322	25,000	32,664	62,000	65,000	-1,032		7,664		12,677		3,000	
Corporation Income Tax	-13,250	-18,802	-16,957	-12,200	-21,274	-21,274	1,050		4,757		-2,471		0	
Depreciation Costs	26,021	52,721	25,333	25,024	51,673	50,873	-997		-308		-1,848		-800	
Internal Reserves	-38,307	271	-20,968	-18,031	-10,227	-10,727	20,275	Inventory fluctuation etc	2,937	Increase in debt etc	-10,999	Increase in sales credit	-500	
Cash Flow from Operating Activities	8,161	86,513	12,407	27,457	82,171	83,871	19,296		15,049		-2,641		1,700	
-Capital Expenditure	-18,402	-44,507	-18,321	-17,150	-44,091	-44,091	1,251		1,170		416		0	
Free Cash Flow	-10,241	42,005	-5,913	10,306	38,080	39,780	20,548		16,220		-2,224		1,700	

*[- Capital Expenditure] excludes capital investment for maintaining or upgrading existing businesses, and is not equal to the announced CAPEX because the figures here are on cash flow basis.

<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 1st Half of the Fiscal Year
ending March 2014**

(million yen)

FY13.3 end: Number of Consolidated Subsidiaries 130. Affiliates Recorded by Equity 9 FY14.3 2Q end: Number of consolidated subsidiaries 129 Affiliates Recorded by Equity 11	Operating Revenues										
	FY13.3 Results		FY14.3 2Q	FY14.3 Forecast		FY13.3 2Q Results→FY14.3 2Q Results (C-A)		FY13.3 Results→FY14.3 Forecast (E-B)		FY14.3 Forecast Initial→Revised (E-D)	
	(A) 2Q	(B) Full Year	(C) Results	(D) Initial	(E) Revised	Changes	Remarks	Changes	Remarks	Changes	Remarks
(Gains of Equity Method Affiliates included in the segment total)	—	—	—	—	—	—	—	—	—	—	—
Gas	471,330	1,038,550	496,736	1,084,000	1,093,500	+25,406		+54,948		+9,500	
Osaka Gas	439,530	975,091	465,742	1,044,800	1,039,000	+26,212		+63,908		▲5,800	
Osaka Gas Customer Relations	6,337	12,712	6,374	12,688	12,688	+37		▲23		±0	
Osaka Gas Housing & Equipment	7,431	16,147	7,467	16,680	17,820	+35		+1,672	Increase in sales of kitchen units and bath units	+1,140	Increase in sales of kitchen units and bath units
Kansai Business Information	3,494	8,359	3,815	6,699	10,158	+320	Increase in event orders	+1,798	Increase in event orders	+3,459	Increase in solar power works and commissioned works
Creative Techno Solution	14,817	26,399	14,048	22,431	25,228	▲769	Decrease to average level; previous term saw an exceptional increase in sales volume of cogeneration systems	▲1,171	Decrease to average level; previous term saw an exceptional increase in sales volume of cogeneration systems	+2,796	Solar power work
Osaka Gas Security Service	4,513	9,260	4,645	9,285	9,285	+131		+25		±0	
Kinpai	5,599	15,332	5,863	15,900	15,900	+63		+567	Increase in operation revenues due to increase in house construction	±0	
(Gains of Equity Method Affiliates included in the segment total)	—	—	—	—	—	—	—	—	—	—	—
LPG, Electricity, and Other Energies	98,979	215,502	113,404	258,000	260,000	+14,425		+44,497		+2,000	
Osaka Gas	69,460	134,081	79,636	148,700	154,500	+10,175		+20,418		+5,800	
Liquid Gas	5,691	11,809	6,378	12,784	13,110	+687	Increase in operating revenues due to CP increase	+1,300	Increase in sales volume of LNG	+325	
Osaka Gas LPG	6,909	15,997	7,145	17,250	17,996	+236	Increase in sales volume of LPG	+1,999	CP increase	+745	Increase in sales unit price due to CP increase
Nissho Petroleum Gas	7,005	17,663	7,517	22,748	20,375	+512	Increase in sales unit price due to CP increase	+2,712	Increase in sales unit price due to CP increase	▲2,373	Decrease in sales unit price due to CP costs difference from assumption
Nissho Propane Sekiyu	5,553	20,877	6,128	24,597	23,919	+575	Increase in sales volume of kerosene	+3,042	Increase in sales unit price due to CP increase	▲677	CP costs difference from assumption
(Gains of Equity Method Affiliates included in the segment total)	—	—	—	—	—	—	—	—	—	—	—
International Energy Businesses	5,255	10,764	6,039	17,500	13,000	+783		+2,235		▲4,499	
Osaka Gas Energy America Corporation	2,318	4,763	2,949	5,481	5,427	+631	Increase in IPP operation	+663	Increase in IPP operation	▲54	
Osaka Gas Resources America Corporation	0	116	322	6,125	1,660	+322	No development in previous term	+1,543	Development started in earnest	▲4,465	Not good condition on produce
Osaka Gas International Transport	915	1,933	748	1,461	1,688	▲166		▲245		+227	
Idemitsu Snorre Oil Development *1	—	—	—	—	—	—	—	—	—	—	—
(Gains of Equity Method Affiliates included in the segment total)	—	—	—	—	—	—	—	—	—	—	—
Environment and Non-Energy Businesses	84,345	185,643	88,060	199,500	204,500	+3,715		+18,856		+5,000	
Real Estate	9,407	20,561	9,470	27,610	28,709	+62		+8,148	Increase in condominium apartment sales	+1,099	Increase in condominium apartment sales
Osaka Gas Maison	0	0	0	0	0	±0		±0		±0	
Information Technology	12,542	28,348	12,791	30,500	30,499	+248	Increase in soft sales for OG group	+2,151	Increase in system development for OG group	±0	
Sakura Information Systems	9,502	19,140	9,318	19,200	19,058	▲186		▲82		▲142	
Ube Information Systems	2,430	5,158	2,459	5,306	5,306	+28		+147		±0	
Advanced Materials	7,464	15,258	7,601	14,828	16,774	+137		+1,515	Increase in sales of fine materials	+2,145	Increase in sales of fine materials
Osaka Gas Chemicals	7,464	15,258	7,601	14,828	16,774	+137	Increase in sales of activated carbon materials	+409	Increase in sales of activated carbon materials	+483	Increase in sales unit price due to weak yen
Japan EnviroChemicals	7,045	15,477	7,898	15,404	15,887	+793		+409		+483	
Others	7,375	14,728	7,242	14,766	14,637	▲133		▲91		▲129	
OG Sports	4,735	9,911	4,823	9,606	9,606	+88		▲304		±0	
Osaka Gas Finance	2,175	9,636	3,701	12,324	12,324	+1,526	Increase in Solar power work	+2,688	Increase in Solar power work	±0	
Osaka Gas Engineering	3,873	7,653	3,697	7,269	7,274	▲175		▲379		+5	
Osaka Gas Autoservice	2,758	6,063	2,845	6,266	6,387	+87		+323		+120	
L-Net	4,380	9,392	4,323	9,142	10,074	▲57		+681	Increase in facilities management business	+931	Increase in facilities management business
Osaka Gas Business Create	1,916	3,803	1,807	3,783	3,727	▲109		▲76		▲56	
Osaka Gas Excellent Agency	—	—	—	—	—	—	—	—	—	—	—
(Gains of Equity Method Affiliates included in the segment total)	—	—	—	—	—	—	—	—	—	—	—
Subtotal	659,910	1,450,460	704,241	1,559,000	1,571,000	+44,330		+120,539		+12,000	
Elimination and Consolidation	-30,032	-70,400	-33,937	-51,000	-66,500	▲3,904		+3,900		▲15,500	
Total	629,878	1,380,060	670,304	1,508,000	1,504,500	+40,425		+124,439		▲3,500	

*1 affiliated company recorded by equity

**Segment and Subsidiaries Information
for the 1st Half of the Fiscal Year
ending March 2014**

(million yen)

FY13.3 end: Number of Consolidated Subsidiaries 130. Affiliates Recorded by Equity 9 FY14.3 2Q end: Number of consolidated subsidiaries 129 Affiliates Recorded by Equity 11	Segment Profit (Operating Profit + Gains of Equity Method Affiliates)										
	FY13.3 Results		FY14.3 2Q	FY14.3 Forecast		FY13.3 2Q Results→FY14.3 2Q Results (C-A)		FY13.3 Results→FY14.3 Forecast (E-B)		FY14.3 Forecast Initial→Revised (E-D)	
	(A) 2Q	(B) Full Year	(C) Results	(D) Initial	(E) Revised	Changes	Remarks	Changes	Remarks	Changes	Remarks
(Gains of Equity Method Affiliates included in the segment total)	28	4	46	11	-1	+17		▲6		▲12	
Gas	14,664	23,373	14,301	34,300	34,500	▲363		+11,126		+200	
Osaka Gas	11,901	19,695	11,539	31,500	30,500	▲362		+10,804		+1,000	
Osaka Gas Customer Relations	164	201	175	135	166	+10		▲34		+31	
Osaka Gas Housing & Equipment	213	536	196	500	614	▲16		+77		+114	
Kansai Business Information	150	361	304	368	556	+153	Increase in event orders	+195	Increase in event orders	+187	Increase in solar power works and commissioned works
Creative Techno Solution	1,355	1,160	1,216	452	1,027	▲139	Decrease in sales volume of cogeneration systems	▲133		+574	Solar power work
Osaka Gas Security Service	108	303	75	365	350	▲32		+46		▲15	
Kinpai	-70	107	50	191	311	+120	Increase in revenue of real estate rent	+204	Increase in revenue of real estate rent	+120	
(Gains of Equity Method Affiliates included in the segment total)	61	482	164	249	299	+103		▲183		+50	
LPG, Electricity, and Other Energies	20,189	38,275	21,858	38,900	42,500	+1,468		+4,224		+3,600	
Osaka Gas	16,250	26,319	16,866	25,500	28,500	+616		+2,180		+3,000	
Liquid Gas	416	870	444	985	998	+28		+128		+13	
Osaka Gas LPG	76	518	419	653	681	+342	Increase in sales volume	+163		+28	
Nissho Petroleum Gas	109	168	14	76	88	▲94		▲80		+11	
Nissho Propane Sekiyu	24	287	11	218	200	▲12		▲87		▲17	
(Gains of Equity Method Affiliates included in the segment total)	3,424	5,570	3,593	4,953	7,003	+169		+1,433		+2,050	
International Energy Businesses	4,626	7,649	3,007	9,400	5,000	▲1,619		▲2,648		▲4,400	
Osaka Gas Energy America Corporation	963	1,867	1,218	1,968	2,115	+255	Increase in IPP operation	+247	Increase in IPP operation	+147	
Osaka Gas Resources America Corporation	0	-268	-1,907	2,580	-3,800	▲1,907	Not good condition on produce	▲3,531	Not good condition on produce	▲6,380	Not good condition on produce
Osaka Gas International Transport	287	681	312	519	627	+25		▲53		+107	
Idemitsu Snorre Oil Development *1	1,947	2,807	1,847	2,966	3,854	▲99		+1,047	Decrease in searching expense	+888	Decrease in searching expense
(Gains of Equity Method Affiliates included in the segment total)	139	277	355	385	198	+216		▲79		▲187	
Environment and Non-Energy Businesses	7,748	19,068	8,648	20,100	21,500	+900		+2,431		+1,400	
Real Estate	3,429	6,017	3,267	6,111	6,513	▲162	Decrease in condominium apartment sales profit	+495	Increase in condominium apartment sales	+402	Increase in condominium apartment sales
Osaka Gas Maison	-12	-24	0	0	0	+12		+24		±0	
Information Technology	499	2,620	516	2,899	2,922	+16		+301	Increase in system development	+22	
Sakura Information Systems	97	384	40	944	731	▲57		+346		▲213	Decrease in system development works
Ube Information Systems	63	155	27	150	146	▲36		▲6		▲4	
Advanced Materials	-263	-142	357	-324	234	+621	Increase in sales of fine materials	+377	Increase in sales of fine materials	+559	Increase in sales of fine materials
Japan EnviroChemicals	652	1,383	568	1,427	1,394	▲83		+11		▲32	
Others	1,092	2,109	1,026	2,279	2,117	▲66		+8		▲62	
Osaka Gas Finance	624	1,229	785	1,242	1,388	+160	Decrease in interest of debt	+159	Decrease in interest of debt	+146	
Osaka Gas Engineering	72	694	175	312	414	+102	Increase in revenue of patent	▲280	Decrease in profitability etc	+102	
Osaka Gas Autoservice	325	601	280	400	485	▲45		▲116	Decrease in car lease	+84	
L-Net	0	209	-77	171	171	▲78		▲37		±0	
Osaka Gas Business Create	424	855	450	698	904	+25		+49		+206	Increase in revenue of parking, Decrease in sales management expense etc
Osaka Gas Excellent Agency	46	46	41	54	55	▲5		+6		±0	
(Gains of Equity Method Affiliates included in the segment total)	3,653	6,335	4,160	5,600	7,500	+506		+1,164		+1,900	
Subtotal	47,229	88,367	47,616	102,700	103,500	+386		+15,132		+800	
Elimination and Consolidation	1,321	2,742	1,334	2,900	3,000	+12		+258		+100	
Total	48,551	91,109	48,950	105,600	106,500	+398		+15,390		+900	

*1 affiliated company recorded by equity