

Supplementary Financial Information for the 3rd Quarter of the Fiscal Year ending March 2018

1. Consolidated

		(million yen)									
		FY17.3 Results			FY18.3 Results		FY18.3 Forecast	FY17.3 3Q Results→FY18.3 3Q Results(A→C)			FY17.3Full Year Results→FY18.3Full Year Forecast(B→D)
		2Q	(A)3Q	(B) Full Year	2Q	(C) 3Q	(D) Full Year	Changes	Remarks (billion yen)		Changes
Consolidated	Net Sales	532,399	807,406	1,183,846	584,633	909,589	1,344,500	102,183	OG +103.6, Subsidiaries +14.0, Adjustment in consolidation -15.5		160,653
	Operating Expenses	482,481	747,467	1,086,596	551,413	861,044	1,278,000	113,577			191,403
	Operating Income	49,917	59,938	97,250	33,219	48,544	66,500	-11,393	OG -9.4, Subsidiaries -2.6, Adjustment in consolidation +0.7		-30,750
	Ordinary Income	50,168	59,516	96,276	36,476	50,359	64,000	-9,157	OG-14.4, Subsidiaries-4.2, Adjustment in consolidation, etc+9.5		-32,276
	Profit attributable to owners of parent	33,376	39,448	61,271	23,838	31,660	42,500	-7,788	OG-12.4, Subsidiaries-3.5, Adjustment in consolidation, etc+8.2		-18,771
	Total Assets *1	1,711,241	1,731,996	1,886,577	1,863,636	1,857,515	1,842,900	-29,062			-43,677
	Net Worth *1	881,605	884,182	961,905	977,026	991,414	945,500	29,508			-16,405
	Interest-bearing Liabilities *1	546,661	550,646	540,668	527,242	509,686	543,300	-30,981			2,631
Non-Consolidated	Net Sales	412,006	620,701	906,854	460,963	724,369	1,053,500	103,668	Gas Business +39.8, Other Operating +62.0, etc		146,645
	Operating Expenses	374,292	583,034	851,509	444,142	696,112	1,025,500	113,078			173,990
	Operating Income	37,714	37,667	55,345	16,820	28,256	28,000	-9,410	Gross Profit of Gas Business -14.0 Other Businesses +2.7, Decreased of labor costs, operating expenses, depreciation +0.2, etc		-27,345
	Ordinary Income	50,970	50,814	70,273	23,495	36,378	35,000	-14,436	Decreased in Gross Profit of Gas Business, Decrease in dividend income, etc.		-35,273
	Net Income	39,929	40,312	54,659	18,211	27,844	27,000	-12,467			-27,659
	Total Assets *1	1,364,129	1,374,834	1,408,956	1,385,901	1,380,775	1,416,000	-28,181			7,043
	Net Worth *1	728,970	720,265	735,881	746,318	752,516	740,800	16,635			4,918
	Interest-bearing Liabilities *1	417,328	419,189	405,541	393,042	380,272	408,900	-25,269			3,358
Consolidated/ Non-Consolidated	Net Sales	1.29	1.30	1.31	1.27	1.26	1.28	-0.05			-0.03
	Operating Income	1.32	1.59	1.76	1.98	1.72	2.38	0.13			0.62
	Ordinary Income	0.98	1.17	1.37	1.55	1.38	1.83	0.21			0.46
	Net Income	0.84	0.98	1.12	1.31	1.14	1.57	0.16			0.45
Consolidated	Equity Ratio : % *1	51.5%	—	51.0%	52.4%	53.4%	51.3%	2.4%			0.3%
	Debt/Equity Ratio *1	0.62	—	0.56	0.54	0.51	0.57	-0.05			0.01
	EBITDA :million yen *1	90,790	124,006	188,403	77,861	115,975	157,000	-8,030			-31,403

\*1 Changes are differences from the performance results for the full year of FY17.3 results.

2. Number of Employees and Capital Expenditure

		(million yen)									
		FY17.3 Results			FY18.3 Results		FY18.3 Forecast	FY17.3 3Q Results→FY18.3 3Q Results(A→C)			FY17.3Full Year Results→FY18.3Full Year Forecast(B→D)
		2Q	(A)3Q	(B) Full Year	2Q	(C) 3Q	(D) Full Year	Changes	Remarks (billion yen)		Changes
Consolidated	Number of Employees *1	21,009	21,014	20,762	21,107	20,257	21,374	-757	Decrease due to Restructing of LNG business, etc. Increase in Jacobi Carbons, Agnie Consulting Corporation, etc.		612
	Capital Expenditure (million yen)	34,800	58,227	88,657	40,549	58,787	92,522	560			3,864
	For Upgrading Existing Businesses (Maintenance and Upgrading from Existing Businesses until FY2017.3)	19,042	30,910	48,253	18,326	28,801	46,000	-2,109			-2,253
	For Growth (Expansion, Greenfield, and M&A until FY2017.3)	27,663	48,967	85,792	34,228	48,350	122,000	-617	Domestic energy +13.2 International energy -14.0 Life&Business Solutions +0.1		36,207
	Investment (million yen) *including capital expenditure	46,705	79,877	134,046	52,555	77,151	168,000	-2,726			33,953
Non-Consolidated	Number of Employees *1	5,832	5,791	5,731	5,707	5,688	5,696	-103			-35
Consolidated	Capital Expenditure (million yen)	19,168	31,175	48,823	18,480	28,987	46,000	-2,187	Decrease in deregulation system expenses, etc.		-2,823

\*1 excluding the seconded and including part-time workers

3. Non-Consolidated

		(million yen)									
		FY17.3 Results			FY18.3 Results		FY18.3 Forecast	FY17.3 3Q Results→FY18.3 3Q Results(A→C)			FY17.3Full Year Results→FY18.3Full Year Forecast(B→D)
		2Q	(A)3Q	(B) Full Year	2Q	(C) 3Q	(D) Full Year	Changes	Remarks (billion yen)		Changes
Net Sales	Gas Business Sales Revenue *1	* 2 275,751	* 2 412,291	* 2 616,631	291,345	452,170	665,200	39,879	Fuel costs adjustment factor +35.9 Others +3.9		48,568
	Other Operating Revenue	137,373	210,124	292,527	169,617	272,198	388,300	62,073	Increased in electricity sales volume, LNG sales volume, etc.		95,772
		412,006	620,701	906,854	460,963	724,369	1,053,500	103,668			146,645
Operating Expenses	Fuel Costs	116,957	186,916	286,621	154,535	240,884	360,700	53,967	Fuel costs adjustment factor +51.1 Others +2.8		74,078
	Subtotal	137,099	208,675	295,524	136,588	208,432	297,600	-243			2,075
	Other Operating Expenses	120,235	187,441	269,363	153,019	246,795	367,200	59,353	Increased in electricity sales volume, LNG sales volume, etc.		97,836
Operating Income		374,292	583,034	851,509	444,142	696,112	1,025,500	113,078			173,990
Non-Operating Income and Expenses		37,714	37,667	55,345	16,820	28,256	28,000	-9,410			-27,345
Ordinary Income	Non-Operating Income	13,256	13,147	14,928	6,675	8,121	7,000	-5,026			-7,928
	Non-Operating Expenses	18,069	21,388	25,489	10,711	14,284	16,000	-7,104	Decreased in dividend income, etc.		-9,489
		4,813	8,240	10,561	4,036	6,162	9,000	-2,078			-1,561
Extraordinary Income		50,970	50,814	70,273	23,495	36,378	35,000	-14,436			-35,273
Income Taxes (Current and Deferred)		—	—	—	—	—	—	—			—
Net Income		11,040	10,502	15,613	5,284	8,533	8,000	-1,968			-7,613
		39,929	40,312	54,659	18,211	27,844	27,000	-12,467			-27,659

\*1 In accordance with the revised Ordinance on Accounting at Gas Utilities, the account items and contents are changed ("Third party access revenue" and "Commissioned manufacturing revenue" are transferred from "Miscellaneous operating revenue").

\*2 Values are calculated by using the account items for FY2018.3.

4. Breakdown of Gross Margin

		(million yen)									
		FY17.3 Results			FY18.3 Results		FY18.3 Forecast	FY17.3 3Q Results→FY18.3 3Q Results(A→C)			FY17.3Full Year Results→FY18.3Full Year Forecast(B→D)
		2Q	(A)3Q	(B) Full Year	2Q	(C) 3Q	(D) Full Year	Changes	Remarks (billion yen)		Changes
Gross Profit of Gas Business *1		* 2 158,794	* 2 225,374	* 2 330,010	136,809	211,286	304,500	-14,088	Fuel costs adjustment factor-15.1 Others +1.1		-25,510
Profit of Other Businesses		17,137	22,683	23,163	16,598	25,402	21,100	2,719			-2,063
Profit/Loss on Fuel Cost Adjustment System		17,451	16,146	13,789	-6,881	949	917	-15,197			-12,872
Crude Oil Price (\$/bbl)		43.8	44.9	47.5	51.4	53.9	55.0	9.0			7.5
Exchange Rate (yen/\$)		105.2	106.5	108.3	111.0	111.7	115.0	5.1			6.7

\*1 In accordance with the revised Ordinance on Accounting at Gas Utilities, the account items and contents are changed.

\*2 Values are calculated by using the account items for FY2018.3.

5. Gas and Electricity Sales Volume

		(million yen)									
		FY17.3 Results			FY18.3 Results		FY18.3 Forecast	FY17.3 3Q Results→FY18.3 3Q Results(A→C)			FY17.3Full Year Results→FY18.3Full Year Forecast(B→D)
		2Q	(A)3Q	(B) Full Year	2Q	(C) 3Q	(D) Full Year	Changes	Remarks		Changes
Averaged Temperature (°C)		24.1	20.8	17.4	23.7	20.0	17.1	-0.8			-0.4
Monthly gas sales volume per household (m3/month)		20.9	22.5	29.3	21.6	24.2	—	1.7	7.5%		—
Residential		746	1,207	2,103	765	1,275	2,111	69	5.7%		8
	Non-Residential	3,222	4,757	6,560	3,203	4,731	6,008	-26	-0.5%		-552
Total Gas Sales Volume (million m3) *45MJ/m3		3,968	5,963	8,662	3,968	6,006	8,118	43	0.7%		-544
Number of Units for gas supply (thousand) *1		6,211	6,234	6,230	6,076	6,028	—	—			—
Installation of New Meters (thousand)		45	71	111	47	71	—	1	0.9%		—

\*1 Number of Units for gas supply = number of meters installed - number of meters unused (unoccupied houses, etc.) - number of units for gas supply from other companies

(Reference) Consolidated Gas Sales Volume

		FY17.3 Results			FY18.3 Results		FY18.3 Forecast	FY17.3 3Q Results→FY18.3 3Q Results(A→C)			FY17.3Full Year Results→FY18.3Full Year Forecast(B→D)
		2Q	(A)3Q	(B) Full Year	2Q	(C) 3Q	(D) Full Year	Changes	Remarks		Changes
Total Gas Sales Volume (million m3) *45MJ/m3	Osaka Gas	3,968	5,963	8,662	3,968	6,006	8,118	43	0.7%		-544
	Nabari Kintetsu Gas	12.2	17.7	23.4	13.1	18.7	23.0	1.0	5.8%		-0.4
	Toyooka Energy	4.2	5.9	7.5	4.2	5.9	7.4	0.0	-0.2%		-0.1
	Shingu Gas	0.6	0.9	1.2	0.7	0.9	1.2	0.0	4.4%		0.0

(Reference) Consolidated Electricity Sales Volume

		FY17.3 Results			FY18.3 Results		FY18.3 Forecast	FY17.3 3Q Results→FY18.3 3Q Results(A→G)		FY17.3Full Year Results→FY18.3Full Year Forecast(B→D)	
		2Q	(A)3Q	(B) Full Year	2Q	(C) 3Q	(D) Full Year	Changes	Remarks	Changes	Remarks
Electricity Sales	Volume (GWh)	4,263	6,271	8,948	5,022	7,730	10,303	1,459	23.3%	1,355	15.1%
	Retail	318	569	995	943	1,489	-	921	161.9%	-	-
	Wholesale, etc	3,945	5,703	7,954	4,079	6,241	-	538	9.4%	-	-
Number of low-voltage electricity supply (thousand)		191	250	305	472	545	-	295	118.3%	-	-

Segment and Subsidiaries Information  
for the 3rd Quarter of  
the Fiscal Year ending March 2018 (New Segment)

January 2018  
Osaka Gas Co.,Ltd.

1. Results for each segment \*1

(million yen)

FY17.3 end: Number of Consolidated Subsidiaries150, Equity Method Affiliates18 FY18.3 3Q end: Number of Consolidated Subsidiaries138, Equity Method Affiliates19	Net Sales									
	FY17.3 Results *4			FY18.3 Results		FY18.3 Forecast	FY17.3 3Q→FY18.3 3Q(A→C)			FY17.3 Full Year Results→FY18.3 Revised Forecast(B→D)
	2Q	(A) 3Q	(B) Full Year	2Q	(C) 3Q	(D) Full Year	Changes	Remarks	Changes	Remarks
	(Equity in earnings of affiliates included in the segment total)									
Domestic energy - Gas *2	409,775	621,674	911,292	436,086	680,520	1,019,500	58,846	Increased in Gas sales unit price, etc.	108,208	Increased in Gas sales unit price, etc.
(Equity in earnings of affiliates included in the segment total)	—	—	—	—	—	—	—		—	
Domestic energy - Electricity	48,875	72,876	107,515	70,874	108,088	167,000	35,211	Increased in electricity sales volume, etc.	59,485	Increased in electricity sales volume, etc.
(Equity in earnings of affiliates included in the segment total) *3	—	—	—	—	—	—	—		—	
International energy	6,442	10,149	22,632	10,738	15,426	25,000	5,277	Increase in Gorgon project in Australia, Increased in the utilization of LNG tankers, etc.	2,368	Increase in Gorgon project in Australia, etc.
(Equity in earnings of affiliates included in the segment total) *3	—	—	—	—	—	—	—		—	
Life and Business Solutions (LBS) *2	95,886	146,189	208,373	95,502	147,678	208,500	1,489	Increase in sales of Osaka Gas Chemicals, Osaka Gas Urban Development, etc.	127	
(Equity in earnings of affiliates included in the segment total)	—	—	—	—	—	—	—		—	
Subtotal	560,978	850,889	1,249,814	613,201	951,714	1,420,000	100,824		170,186	
Elimination and Consolidation	-28,579	-43,483	-65,967	-28,568	-42,125	-75,500	1,358		-9,533	
Total	532,399	807,406	1,183,846	584,633	909,589	1,344,500	102,183		160,654	

(million yen)

	Segment Income (Operating Income + Earnings of Affiliates)									
	FY17.3 Results *4			FY18.3 Results		FY18.3 Forecast	FY17.3 3Q→FY18.3 3Q(A→C)			FY17.3 Full Year Results→FY18.3 Revised Forecast(B→D)
	2Q	(A) 3Q	(B) Full Year	2Q	(C) 3Q	(D) Full Year	Changes	Remarks	Changes	Remarks
	(Equity in earnings of affiliates included in the segment total)									
Domestic energy - Gas *2	-233	-46	312	-45	101	254	147	Decreased in gross margin of gas sales due to fuels cost adjustment system, etc.	-57	Decrease in gross margin of gas sales due to fuels cost adjustment system, gas sales volume, etc.
(Equity in earnings of affiliates included in the segment total)	105	112	142	115	118	127	6		-14	
Domestic energy - Electricity	8,425	10,519	16,208	9,453	13,252	14,000	2,732	Increased in electricity sales volume, etc.	-2,208	Decrease in electricity sales unit price, etc.
(Equity in earnings of affiliates included in the segment total) *3	51	724	1,329	849	1,215	1,317	491		-13	
International energy	-1,682	-486	8,000	1,816	-1,903	4,000	-1,416	Decreased due to the sale of North American IPP, Increased due to influence of rising crude oil price on Idemitsu Shore, Increase in Gorgon project in Australia, etc.	-4,000	Decrease in Freeport project, etc.
(Equity in earnings of affiliates included in the segment total) *3	—	—	—	—	—	—	—		—	
Life and Business Solutions (LBS) *2	6,908	12,674	18,627	7,823	12,987	19,000	313	Increase in sales of Osaka Gas Chemicals, Osaka Gas Urban Development, etc.	373	
(Equity in earnings of affiliates included in the segment total)	-76	790	1,785	920	1,436	1,700	645		-85	
Subtotal	49,679	60,352	98,091	32,532	48,886	66,000	-11,465		-32,091	
Elimination and Consolidation	162	376	944	1,608	1,094	2,200	717		1,256	
Total	49,841	60,728	99,036	34,140	49,980	68,200	-10,748		-30,835	

\*1 Starting with the first quarter of fiscal 2018, power supply business, previously categorized under the segment of “LPG, electricity and other energy soources.” will be separated from the egment. And the segment qill be named Domestib Energ–Electricit”. In addition, LPG business, LNG business and industrial gas business will be realigned into the “gas” segment. The “gas” segment will be renamed “Domestic Energy–Gas”.

\*2 Starting with the first quarter of fiscal 2018, Osaka Gas Finance is changed the segment from “Life and Business Solutions” to “Domestic energy–Gas”.

\*3 Starting with the first quarter of fiscal 2018, Sumisho Osaka Gas Water UK Limited Finance is changed the segment from “Life and Business Solutions” to “Domestic energy–Gas”.

\*4 The performance results of FY2017.3 are calculated based on new segments.

2. Results of main Subsidiaries

(million yen)

		Net Sales											
		FY17.3 Results			FY18.3 Results		FY18.3 Forecast	FY17.3 3Q→FY18.3 3Q(A→C)			FY17.3 Full Year Results→FY18.3 Revised Forecast(B→D)		
segment	Company name	2Q	(A)3Q	(B)Full Year	2Q	(C)3Q	(D)Full Year	Changes	Remarks		Changes	Remarks	
(Gas)	Osaka Gas Housing & equipment	7,373	11,668	16,992	7,841	12,673	17,055	1,004			63		
(Gas)	OGCTS	12,364	18,014	26,514	13,093	19,517	23,807	1,503	Increase in sales volume of LPG and LNG, etc.		-2,706		
(International)	Osaka Gas USA Corporation	1,895	2,832	9,854	1,667	2,971	5,719	139			-4,135	Decrease in Freeport project, etc.	
(International)	Osaka Gas International Transport	2,315	4,026	6,063	3,802	5,710	8,105	1,683	Increased in the utilization of LNG tankers, etc.		2,041		
(LBS)	Osaka Gas Urban Development	10,450	17,298	27,927	11,912	18,636	24,746	1,337	Increased in condominium apartment business, etc.		-3,181	Decrease in condominium apartment sales, etc.	
(LBS)	Osaka Gas Information System Research Institute	17,037	25,726	37,132	15,265	23,801	34,587	-1,924	Decreased in development for OG, etc.		-2,545		
(LBS)	Osaka Gas Chemicals	13,336	20,097	26,705	13,822	21,484	31,937	1,386	Increase in sales volume of Fine materials, etc.		5,232	Increase in sales volume of Fine materials, etc.	
(LBS)	Jacobi Carbons AB	11,950	17,406	23,131	12,151	18,703	26,118	1,296	Increase in activated carbon sales in Asia and USA, etc.		2,986		

(million yen)

		Segment Income (Operating Income + Earnings of Affiliates)										
		FY17.3 Results			FY18.3 Results		FY18.3 Forecast	FY17.3 3Q→FY18.3 3Q(A→C)			FY17.3 Full Year Results→FY18.3 Revised Forecast(B→D)	
segment	Company name	2Q	(A) 3Q	(B) Full Year	2Q	(C) 3Q	(D) Full Year	Changes	Remarks	Changes	Remarks	
(Gas)	Osaka Gas Housing & equipment	198	345	570	177	403	462	57		-108		
(Gas)	OGCTS	1,330	1,680	2,081	1,229	1,572	1,461	-108		-620		
(International)	Osaka Gas USA Corporation	-2,337	-2,171	4,905	-1,190	-5,992	-1,844	-3,820	Decreased due to the sale of North American IPP, etc.	-6,749	Decrease in Freeport project, etc.	
(International)	Osaka Gas International Transport	618	972	1,608	1,055	1,664	2,389	691	Increased in the utilization of LNG tankers, etc.	780		
(LBS)	Osaka Gas Urban Development	3,272	5,703	7,657	4,229	6,108	6,200	405	Increased in condominium apartment business, etc.	-1,456	Decrease in condominium apartment sales, etc.	
(LBS)	Osaka Gas Information System Research Institute	1,139	2,120	3,622	763	1,765	3,603	-355	Decreased in development for OG, etc.	-19		
(LBS)	Osaka Gas Chemicals	191	459	638	613	963	1,553	504	Increase in sales volume of Fine materials, etc.	914	Increase in sales volume of Fine materials, etc.	
(LBS)	Jacobi Carbons AB	1,558	2,259	2,870	1,242	1,914	3,641	-344	Increase in raw material cost, Increase in sales and administration expenses, etc.	770		