

Supplementary Financial Information for 1st Quarter of the Fiscal Year Ending March 2020

1. Overview of Financial Results

(million yen)

	FY19.3 Results		FY20.3 Results	FY20.3 Forecasts	FY19.3 1Q→FY20.3 1Q (C)-(A)		FY19.3 Results→FY20.3 Forecasts (D)-(B)		
	(A) 1Q	(B) Full Year	(C) 1Q	(D) Full Year	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	
Consolidated	Net sales	297,136	1,371,863	335,068	1,426,000	37,932	OG +29.9, Subsidiaries +13.0, Adjustment in consolidation -5.1	54,136	OG +33.4, Subsidiaries +28.2, Adjustment in consolidation -7.5
	Operating expenses	276,381	1,303,886	298,372	1,335,000	21,990		31,113	
	Operating profit	20,754	67,977	36,696	91,000	15,942	OG +19.0, Subsidiaries -4.5, Adjustment in consolidation +1.4	23,022	OG +25.0, Subsidiaries -2.5, Adjustment in consolidation +0.4
	Ordinary profit	23,368	63,103	41,462	81,000	18,094	OG +20.0, Subsidiaries -5.8, Adjustment in consolidation +3.8, etc.	17,896	OG +15.9, Subsidiaries -5.9, Adjustment in consolidation, etc. +7.8
	Profit attributable to owners of parent	15,638	33,601	28,631	55,000	12,993	OG +15.6, Subsidiaries -6.1, Adjustment in consolidation +3.5, etc.	21,398	OG +17.8, Subsidiaries -2.7, Adjustment in consolidation, etc. +6.2
	Total assets *	1,859,803	2,029,722	2,042,376	2,234,600	12,653		204,877	
Shareholders' equity *	993,910	1,004,340	1,014,259	1,038,600	9,919		34,259		
Balance of interest-bearing debts *	538,342	647,465	689,173	792,000	41,708		144,534		
Non-consolidated	Net sales	240,760	1,104,537	270,740	1,138,000	29,980	Gas business +14.2, Other operating revenue +15.7	33,462	Gas business -27.8, Other operating revenue +61.3
	Operating expenses	231,149	1,076,591	242,061	1,085,000	10,911	Fuel costs +2.5, Other costs of gas business -4.5, Other operating expenses +12.9	8,408	Fuel costs -37.4, Other costs of gas business -3.4, Other operating expenses +49.3
	Operating profit	9,611	27,946	28,679	53,000	19,068	Gross profit of gas business +11.6, decrease in Other costs of gas business +4.5, Profit of other businesses +2.8	25,053	Gross profit of gas business +9.6, decrease in Other costs of gas business +3.4, Profit of other businesses +11.9
	Ordinary profit	17,655	40,553	37,737	56,500	20,082		15,946	
	Profit	13,577	25,139	29,196	43,000	15,618		17,860	
	Total assets *	1,419,064	1,538,726	1,557,543	1,664,400	18,817		125,673	
Shareholders' equity *	768,366	765,013	783,651	788,200	18,637		23,186		
Balance of interest-bearing debts *	408,786	490,685	532,810	622,600	42,124		131,914		
Consolidated/ Non-consolidated Ratio	Net sales	1.23	1.24	1.24	1.25	0.00		0.01	
	Operating profit	2.16	2.43	1.28	1.72	-0.88		-0.72	
	Ordinary profit	1.32	1.56	1.10	1.43	-0.22		-0.12	
	Profit	1.15	1.34	0.98	1.28	-0.17		-0.06	
Consolidated	Shareholders' equity/Total assets .% *	53.4%	49.5%	49.7%	46.5%	0.2%		-3.0%	
	Debt/Equity ratio *	0.54	0.64	0.68	0.76	0.03		0.12	
	EBITDA **	43,389	159,916	60,498	180,200	17,109		20,283	

\* Changes are differences from the performance results of the full year of FY 19.3 results.

\*\* EBITDA = Operating profit + depreciation + amortization of goodwill (BIWAKO BLUE ENERGY Co., Ltd.'s one-time amortization of goodwill is excluded) + share of profit (loss) of entities accounted for using equity method.

2. Number of employees and capital expenditures

(million yen)

	FY19.3 Results		FY20.3 Results	FY20.3 Forecasts	FY19.3 1Q→FY20.3 1Q (C)-(A)		FY19.3 Results→FY20.3 Forecasts (D)-(B)		
	(A) 1Q	(B) Full Year	(C) 1Q	(D) Full Year	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)	
Consolidated	Number of employees *	20,354	20,224	20,689	20,788	335	Increased in Jacobi Carbons AB, Osaka Gas Business Create, etc.	564	Increased in Osaka Gas Information System Research Institute group, Jacobi Carbons AB, Osaka Gas Business Create, etc.
	Capital expenditures (million yen)	17,880	107,259	25,732	145,000	7,852		37,740	
	For quality improvement	7,902	44,205	9,794	66,000	1,892		21,794	
	For growth	43,543	165,958	25,230	180,000	-18,313	14% progress to the Investment Plan in FY20.3 (FY20.3 1Q Results Breakdown) Domestic Energy 9.2, International Energy 10.6, Life & Business Solutions 5.4	14,041	(FY20.3 Investment Plan Breakdown) Domestic Energy 50.0, International Energy 87.0, Life & Business Solutions 43.0
Investment (million yen) *including capital expenditures	51,446	210,164	35,025	246,000	-16,420		35,835		
Non-consolidated	Number of employees *	5,680	5,392	5,435	5,355	-245		-37	
	Capital expenditures (million yen)	7,903	44,251	9,794	66,000	1,891		21,748	

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

3. Non-consolidated

(million yen)

	FY19.3 Results		FY20.3 Results	FY20.3 Forecasts	FY19.3 1Q→FY20.3 1Q (C)-(A)		FY19.3 Results→FY20.3 Forecasts (D)-(B)	
	(A) 1Q	(B) Full Year	(C) 1Q	(D) Full Year	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
Sales from gas business	150,808	679,170	165,024	651,300	14,215	Fuel cost adjustment factor +35.0, Others -20.8	-27,870	Fuel cost adjustment factor +69.0, Others -96.9
Other operating revenue	89,951	425,367	105,716	486,700	15,764	Increased in LNG sales volume, etc.	61,332	Increased in electricity sales volume, etc.
Net sales	240,760	1,104,537	270,740	1,138,000	29,980		33,462	
Fuel costs	81,619	393,279	84,166	355,800	2,546	Fuel cost adjustment factor +23.0, Others -20.5	-37,479	Fuel cost adjustment factor +48.9, Others -86.3
Other costs of gas business	65,652	278,682	61,117	275,200	-4,535	Decreased in amortization of actuarial differences in pensions, etc.	-3,482	
Other operating expenses (Miscellaneous operating expenses, Expenses for incidental businesses)	83,877	404,628	96,777	454,000	12,900	Increased in LNG business, etc.	49,371	Increased in electricity sales volume, etc.
Operating expenses	231,149	1,076,591	242,061	1,085,000	10,911		8,408	
Operating profit	9,611	27,946	28,679	53,000	19,068	Gross profit of gas business +11.6, decrease in Other costs of gas business +4.5, Profit of other businesses +2.8	25,053	Gross profit of gas business +9.6, decrease in Other costs of gas business +3.4, Profit of other businesses +11.9
Non-operating income and expenses	8,043	12,607	9,058	3,500	1,014	Increased in dividend income, etc.	-9,107	Decrease in dividend income, etc.
Non-operating income	10,165	21,792	11,277	15,500	1,112		-6,292	
Non-operating expenses	2,121	9,185	2,219	12,000	97		2,814	
Financial expenses	1,758	6,700	1,953	8,251	195		1,550	
Ordinary profit	17,655	40,553	37,737	56,500	20,082		15,946	
Extraordinary income and losses	-1,500	-6,008	-	-	1,500	Increased due to the rebound from extraordinary losses from previous year	6,008	Increased due to the rebound from extraordinary losses from previous year
Profit before income taxes	16,155	34,545	37,737	56,500	21,582		21,954	
Income taxes (Current and deferred)	2,577	9,405	8,541	13,500	5,963		4,094	
Profit	13,577	25,139	29,196	43,000	15,618		17,860	

4. Breakdown of gross margin

(million yen)

	FY19.3 Results		FY20.3 Results	FY20.3 Forecasts	FY19.3 1Q→FY20.3 1Q (C)-(A)		FY19.3 Results→FY20.3 Forecasts (D)-(B)	
	(A) 1Q	(B) Full Year	(C) 1Q	(D) Full Year	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
Gross profit of gas business	69,189	285,891	80,858	295,500	11,668	Fuel cost adjustment factor +11.9, Others -0.2	9,608	Fuel cost adjustment factor +20.1, Others -10.5
Profit of other businesses	6,074	20,738	8,938	32,700	2,864		11,961	
Profit/Loss on fuel cost adjustment system	-6,674	-13,273	5,281	6,908	11,956		20,181	
Crude oil price (USD/bbl)	70.6	72.2	71.5	65.0	0.9		-7.2	
Exchange rate (JPY/USD)	109.1	110.9	109.9	110.0	0.8		-0.9	

5. Gas and electricity sales volume

	FY19.3 Results		FY20.3 Results	FY20.3 Forecasts	FY19.3 1Q→FY20.3 1Q (C)-(A)		FY19.3 Results→FY20.3 Forecasts (D)-(B)	
	(A) 1Q	(B) Full Year	(C) 1Q	(D) Full Year	Changes	Remarks	Changes	Remarks
Average temperature (°C)	20.1	17.7	19.8	17.1	-0.4		-0.6	
Monthly gas sales volume per household (m <sup>3</sup> /month)	27.2	28.7	29.1	-	1.9	7.1%	-	
Residential	462	1,892	459	1,824	-4	-0.8% (Number of customers -5.7%, Impact of temperature +6.6%, Others -1.7%)	-67	-3.6%
	1,415	6,010	1,340	5,736	-74	-5.2% (Demand development +1.2%, Impact of temperature +0.6%, Capacity utilization of facilities -1.0%, Individual factor -6.1%, Others +0.0%)	-274	-4.6%
Non-residential	1,877	7,901	1,799	7,560	-78	-4.1%	-341	-4.3%
Non-consolidated gas sales volume (million m <sup>3</sup> ) *45MJ/m <sup>3</sup>	5,847	5,553	5,430	-	-417	-7.1%	-	
Installation of new meters (thousands)	23	104	23	-	0	1.0%	-	

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

(Reference) Consolidated gas sales volume

	FY19.3 Results		FY20.3 Results	FY20.3 Forecasts	FY19.3 1Q→FY20.3 1Q (C)-(A)		FY19.3 Results→FY20.3 Forecasts (D)-(B)	
	(A) 1Q	(B) Full Year	(C) 1Q	(D) Full Year	Changes	Remarks	Changes	Remarks
Osaka Gas Co., Ltd.	1,877	7,901	1,799	7,560	-78	-4.1%	-341	-4.3%
Nabari Kintetsu Gas Co., Ltd.	7.7	24.6	7.4	25.1	-0.3	-4.3%	0.5	1.9%
Toyooka Energy Co., Ltd.	2.7	7.7	2.5	7.7	-0.2	-8.9%	-0.0	-0.2%
Shingu Gas Co., Ltd.	0.4	1.2	0.4	1.2	-0.0	-8.1%	-0.0	-1.0%
Consolidated gas sales volume (million m <sup>3</sup> ) *45MJ/m <sup>3</sup>	1,888	7,935	1,812	7,599	-76	-4.0%	-336	-4.2%

\* Calculated by excluding the volume sold to BIWAKO BLUE ENERGY Co., Ltd. from Osaka Gas Co., Ltd.

(Reference) Consolidated electricity sales volume

	FY19.3 Results		FY20.3 Results	FY20.3 Forecasts	FY19.3 1Q→FY20.3 1Q (C)-(A)		FY19.3 Results→FY20.3 Forecasts (D)-(B)	
	(A) 1Q	(B) Full Year	(C) 1Q	(D) Full Year	Changes	Remarks	Changes	Remarks
Electricity Sales Volume (GWh)	2,614	11,653	2,783	12,148	170	6.5%	496	4.3%
Retail	601	3,457	869	-	268	44.6%	-	
Wholesale, etc.	2,013	8,196	1,914	-	-98	-4.9%	-	
Number of low-voltage electricity supply (thousands)	702	945	1,077	-	374	53.3%	-	

(Reference) Consolidated customer accounts number\*

	FY19.3 Results		FY20.3 Results	FY20.3 Forecasts	FY19.3 1Q→FY20.3 1Q (C)-(A)		FY19.3 Results→FY20.3 Forecasts (D)-(B)	
	(A) 1Q end	(B) 4Q end	(C) 1Q end	(D) 4Q end	Changes	Remarks	Changes	Remarks
Number of customer accounts (ten thousands)	862	875	889	900	28		26	

\* Total number of contracts for gas, electricity, LPG, ENE FARM, "Sumikata" services, Utility Agent contracts, etc.

<Disclaimer>

Certain statements contained herein are forward-looking statements, strategies and plans, which reflect our judgement based on information so far available. 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 crude oil prices, and extraordinary weather conditions.

Segment and Subsidiaries Information for 1st Quarter of the Fiscal Year Ending March 2020

July 2019  
Osaka Gas Co.,Ltd.

1. Results for each segment

(million yen)

	Net Sales				FY19.3 1Q Results→FY20.3 1Q Results (C)-(A)		FY19.3 Results→FY20.3 Forecasts (B)-(D)	
	FY19.3 Results		FY20.3 Results	FY20.3 Forecasts	Changes	Remarks	Changes	Remarks
	(A) 1Q	(B) Full Year	(C) 1Q	(D) Full Year				
FY19.3 end: Number of Consolidated Subsidiaries 150, Equity Method Affiliates 23 FY20.3 1Q end: Number of Consolidated Subsidiaries 151, Equity Method Affiliates 23								
<b>Domestic Energy / Gas</b>	220,422	1,012,642	251,420	1,015,500	30,997	Increased in Gas sales unit price due to the rise in crude oil price, etc.	2,857	Increase in Gas sales unit price due to the rise in crude oil price, etc.
<b>Domestic Energy / Electricity</b>	37,185	184,313	42,042	218,000	4,857	Increased in sales volume, etc.	33,686	Increase in sales volume, etc.
<b>International Energy</b>	11,397	40,489	11,164	55,500	-232		15,010	Increase in LNG ship fare income, newly consolidated projects in North America, etc.
<b>Life &amp; Business Solutions (LBS)</b>	46,736	210,914	49,077	216,000	2,341	Increased in sales of materials business, etc.	5,085	Increase in sales of materials business, etc.
<b>Subtotal</b>	315,741	1,448,361	353,704	1,505,000	37,962		56,638	
Adjustments	-18,604	-76,497	-18,635	-79,000	-30		-2,502	
<b>Consolidated</b>	297,136	1,371,863	335,068	1,426,000	37,932		54,136	

(million yen)

	Segment Profit (Loss) (Operating profit (loss) + Share of profit (loss) of entities accounted for using equity method)				FY19.3 1Q Results→FY20.3 1Q Results (C)-(A)		FY19.3 Results→FY20.3 Forecasts (B)-(D)	
	FY19.3 Results		FY20.3 Results	FY20.3 Forecasts	Changes	Remarks	Changes	Remarks
	(A) 1Q	(B) Full Year	(C) 1Q	(D) Full Year				
Share of profit (loss) of entities accounted for using equity method	297	1,031	330	985	33		-45	
<b>Domestic Energy / Gas</b>	11,377	35,809	30,932	49,500	19,555	Increased due to the impact of fuel cost adjustment system and decreased in operating expenses, etc.	13,690	Increase due to the impact of fuel cost adjustment system, etc.
Share of profit (loss) of entities accounted for using equity method	20	-625	-43	-709	-63		-83	
<b>Domestic Energy / Electricity</b>	2,178	8,724	1,156	16,000	-1,022	Decreased in electricity sales unit price and increased in operating expenses of electricity business, etc.	7,275	Increase in sales volume, etc.
Share of profit (loss) of entities accounted for using equity method	952	691	1,522	2,430	569		1,738	
<b>International Energy</b>	4,865	5,974	996	6,500	-3,868	Decreased due to the impact of the Freeport Project and decreased in sales volume of the Gorgon LNG project, etc.	525	
Share of profit (loss) of entities accounted for using equity method	-	-	-	-	-		-	
<b>Life &amp; Business Solutions (LBS)</b>	3,143	17,714	3,598	20,000	454		2,285	Increase in profit of materials business, etc.
Share of profit (loss) of entities accounted for using equity method	1,269	1,096	1,809	2,706	539		1,609	
<b>Subtotal</b>	21,565	68,222	36,683	92,000	15,118		23,777	
Adjustments	459	850	1,822	1,500	1,363		649	
<b>Consolidated</b>	22,024	69,073	38,505	93,500	16,481		24,426	

2. Results of major Subsidiaries

(million yen)

Segment	Company name	Net Sales				FY19.3 1Q Results→FY20.3 1Q Results (C)-(A)		FY19.3 Results→FY20.3 Forecasts (B)-(D)	
		FY19.3 Results		FY20.3 Results	FY20.3 Forecasts	Changes	Remarks	Changes	Remarks
		(A) 1Q	(B) Full Year	(C) 1Q	(D) Full Year				
(Gas)	Osaka Gas Housing & Equipment Co., Ltd.	3,538	17,832	3,653	17,853	115		20	
(Gas)	OGCTS Co., Ltd.	6,130	30,082	7,005	32,750	874		2,667	Increase in equipment construction, etc.
(International)	Osaka Gas Australia Pty.Ltd.	6,365	13,859	682	14,123	-5,683	Decreased in sales volume of the Gorgon LNG project, etc.	263	
(International)	Osaka Gas USA Corporation	2,168	11,153	4,201	16,890	2,033	Increased in newly consolidated projects in North America, etc.	5,736	Increase in newly consolidated projects in North America, etc.
(International)	Osaka Gas International Transport Inc.	1,794	10,606	5,140	19,584	3,346	Increased in LNG ship fare income, etc.	8,977	Increase in LNG ship fare income, etc.
(International)	Idemitsu Snorre Oil Development Co., Ltd. (Entities accounted for using equity method)	-	-	-	-	-		-	
(International)	IPP project in North America * (Entities accounted for using equity method)	-	-	-	-	-		-	
(LBS)	Osaka Gas Urban Development Co., Ltd.	4,263	21,095	4,470	22,144	206		1,048	Increase in rental income and sales of condominium apartments, etc.
(LBS)	Osaka Gas Information System Research Institute Co., Ltd.	7,559	40,240	7,883	39,436	323		-804	
(LBS)	Osaka Gas Chemicals Co., Ltd.	7,092	30,914	7,946	34,087	853		3,173	Increase in sales of activated carbon, functional material, etc.
(LBS)	Jacobi Carbons AB	6,700	29,962	7,006	30,213	306		250	

(million yen)

Segment	Company name	Segment Profit (Loss)				FY19.3 1Q Results→FY20.3 1Q Results (C)-(A)		FY19.3 Results→FY20.3 Forecasts (B)-(D)	
		FY19.3 Results		FY20.3 Results	FY20.3 Forecasts	Changes	Remarks	Changes	Remarks
		(A) 1Q	(B) Full Year	(C) 1Q	(D) Full Year				
(Gas)	Osaka Gas Housing & Equipment Co., Ltd.	42	610	37	643	-4		33	
(Gas)	OGCTS Co., Ltd.	460	2,221	519	1,780	59		-440	
(International)	Osaka Gas Australia Pty.Ltd.	2,406	5,538	345	5,357	-2,061	Decreased in production of the Gorgon LNG project, etc.	-181	
(International)	Osaka Gas USA Corporation	961	-2,173	-1,914	-2,902	-2,876	Decreased due to the impact of the Freeport Project, etc.	-729	
(International)	Osaka Gas International Transport Inc.	417	1,558	1,047	1,693	629		135	
(International)	Idemitsu Snorre Oil Development Co., Ltd. (Entities accounted for using equity method)	1,689	3,880	919	1,223	-769		-2,656	Impact of the decline in crude oil price, etc.
(International)	IPP project in North America * (Entities accounted for using equity method)	-	1,014	56	3,411	-		2,397	Increase in newly consolidated projects in North America, etc.
(LBS)	Osaka Gas Urban Development Co., Ltd.	1,525	6,548	1,653	6,203	128		-344	
(LBS)	Osaka Gas Information System Research Institute Co., Ltd.	201	5,232	203	4,380	1		-852	
(LBS)	Osaka Gas Chemicals Co., Ltd.	307	1,761	699	2,868	391		1,107	Increase in sales of activated carbon, functional material, etc.
(LBS)	Jacobi Carbons AB	423	579	308	3,266	-114		2,686	Increase due to the decline in raw materials costs, etc.

\* Excluding profit/loss on market value of derivative