



Financial Report for 3rd Quarter of FY2021.3 (April 2020 – December 2020)

February 2021
Osaka Gas Co., Ltd.

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Thank you for taking the time to join the briefing today on Osaka Gas's business results for the third quarter of the fiscal year ending March, 2021.

On behalf of the Company, I would like to express my gratitude for your continued cooperation and understanding in regard to the Company's businesses.

I would like to explain the business results of Osaka Gas for the third quarter of the fiscal year ending March, 2021 along the presentation materials disclosed on our website.

Before explaining the financial results, I would like to explain the Daigas Group Carbon neutral vision announced on January 25, 2021.

Please look at page 4.

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Management information is available on Osaka Gas websites.

Financial reports, annual reports and road show materials can be accessed and downloaded at the following URL.

<https://www.osakagas.co.jp/en/ir/>

Disclaimer

Certain statements contained herein are forward-looking statements, strategies, and plans, which reflect our judgment based on the 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 rates and crude oil prices, and extraordinary weather conditions.

Note regarding gas sales volume

All gas sales volumes are indicated based on the standard heating value at 45 MJ/m³.

Note regarding consolidated gas sales volume

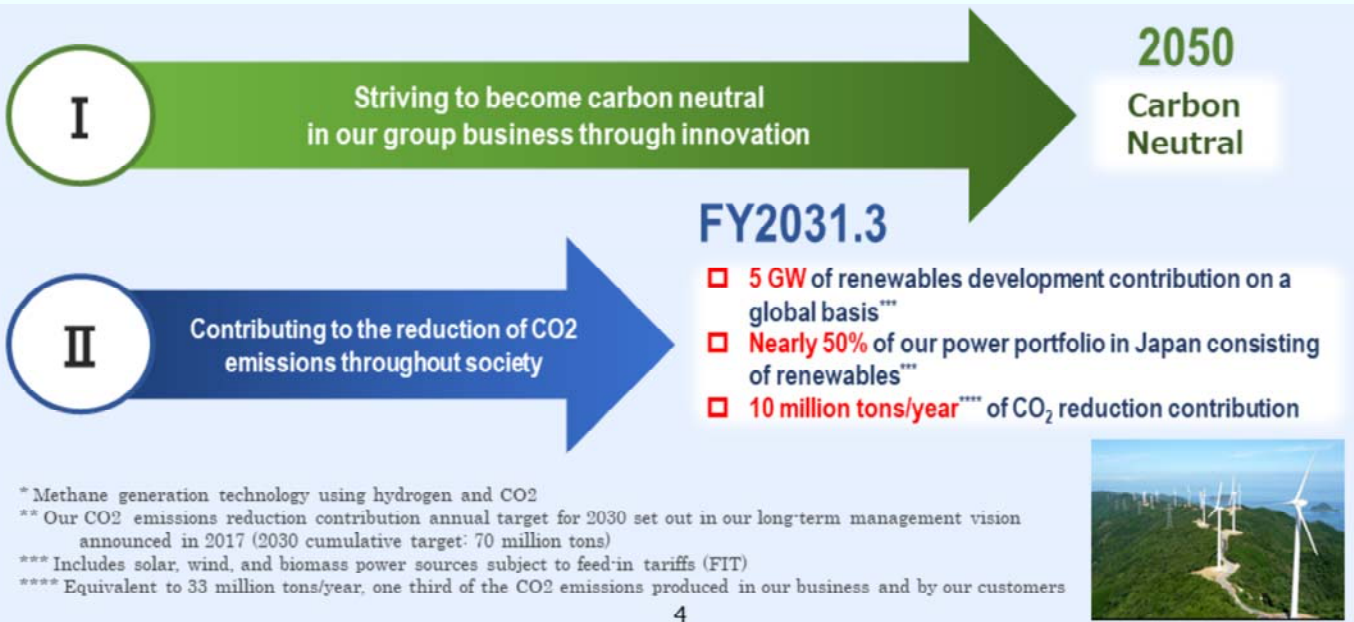
The fiscal year of Nabari Kintetsu Gas, Toyooka Energy, and Shingu Gas ends on December 31.

I. Daigas Group Carbon neutral vision

Striving to Become Carbon Neutral by 2050

We strive to become carbon neutral by 2050 through decarbonization of our gas and electricity by introducing methanation* to generate gas with renewable energy and hydrogen and by increasing the share of renewables in our power generation portfolio. And as an innovative energy and services company, we plan to provide solutions for the realization of a sustainable society.

While technologies are being developed to realize a carbon free society, we also strive to contribute to radical reduction of CO₂ emissions by promoting advanced utilization of natural gas and wider usage of renewable energy, aiming for a CO₂ emissions reduction contribution target of more than 8.5 million tons/year**, which was previously set for 2030.



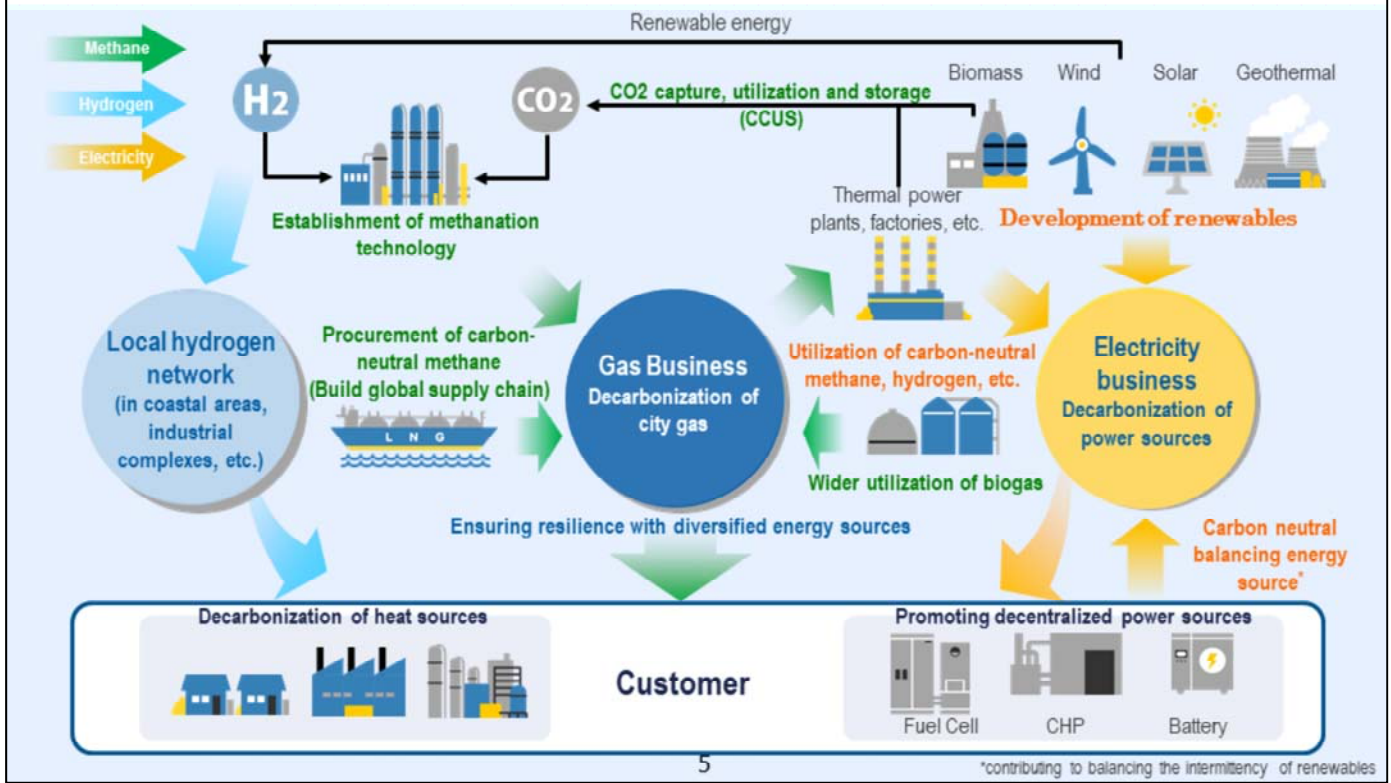
The Carbon Neutral Vision demonstrates our determination and commitment to become carbon neutral in our group business by 2050. Under this vision, we are expanding and enhancing what we have been working on to contribute to the society in reducing CO₂ emissions.

In order to become carbon neutral by 2050, we are tackling two challenges. One is to decarbonize our gas and electricity by introducing methanation technology and by increasing renewables. The other is to contribute to radical reduction of CO₂ emissions while technologies are being developed to realize a carbon free society.

In the vision, we set three targets for the fiscal year ending March, 2031 in terms of our contribution to the reduction of CO₂ emissions in society: 5 GW of renewables development contribution on a global basis, nearly 50% of our power portfolio in Japan consisting of renewables, and 10 million tons per year of CO₂ emissions reduction contribution, which is more than 8.5 million tones per year set in our long-term management vision announced in 2017.

Our Energy Business in the Era of Carbon Neutrality

How to achieve carbon neutrality should be flexibly selected in light of progress in energy innovation and changes in social circumstances. We aim to achieve our carbon neutrality goal with a comprehensive approach throughout our supply chain including customers, taking into account future technological advances and economic rationality.



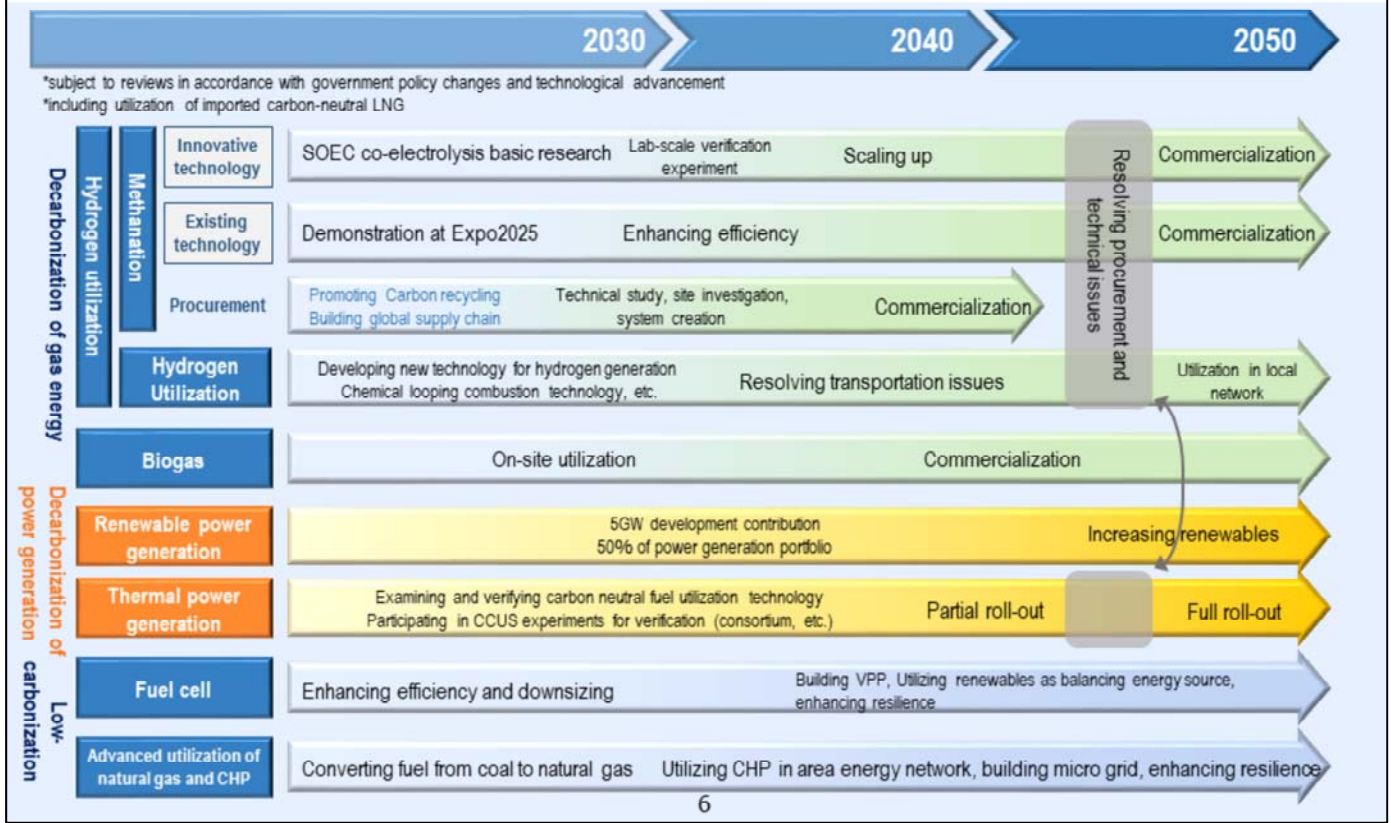
Page 5 shows Our energy business in the era of carbon neutrality.

For the era of carbon neutrality, we aim to become a corporate group that is carbon neutral and highly resilient with diversified energy sources including decarbonized gas and electricity and hydrogen supplied through local network.

As for how to achieve carbon neutrality, we take a comprehensive approach throughout our supply chain including customers, taking into account technological advances and economic rationality. We will review technologies and methods in light of progress in energy innovation and changes in social circumstances.

Road Map to Carbon Neutrality

We aim to achieve our carbon neutrality goal through our ongoing initiatives including methanation R&D and renewable power generation capacity development and other activities as shown in the road map below.



Page 6 is a roadmap to a carbon neutrality.

As shown in the road map, we aim to achieve our carbon neutrality goal through our ongoing initiatives including methanation R&D and expansion of renewable power generation capacity. We are also working on new innovations through cross-industrial alliances and cooperation with government agencies.

In the meantime, we pursue enhancing the performance of fuel cells, constructing VPPs, and converting fuel from coal to natural gas in order to further reduce carbon.

This concludes the overview of Our Group's Carbon Neutral Vision.

The following is a summary of the results for the 3rd quarter of the fiscal year ending March 2021 and the forecasts for the fiscal year ending March 2021.

Please refer to page 8.

II. Summary of Business Results and Forecasts

Summary of Business Results for 3rd Quarter of FY2021.3 and Forecasts for FY2021.3

Year-on-Year Comparison of Results for 3rd Quarter of FY2021.3

Consolidated net sales	Decreased by 1.2% (¥11.6 billion) to ¥962.8 billion due to the decrease in the gas sales unit price and the gas sales volume, etc.
Consolidated ordinary profit	Increased by 37.3% (¥22.1 billion) to ¥81.5 billion due to the increase in the profit contribution from Freeport LNG Project and Sabine Shale Gas Project in the International Energy business, etc. The time-lag effect* totaled ¥+15.1 billion (The time-lag effect in previous year was ¥+7.7 billion).
Consolidated profit**	Increased by 65.5% (¥22.8 billion) to ¥57.6 billion

FY2021.3 Forecasts against Previous Forecasts

Consolidated net sales	Decrease by 0.5% (¥6.5 billion) to ¥1,330.0 billion due to the decrease in the revenue from the gas appliance sales and the gas transportation service revenue.
Consolidated ordinary profit	¥100.0 billion, unchanged from previous forecast There is the increase due to selling part of participating interests in the production licenses in the Barents Sea, Norway, but there is also the decrease in the gas transportation service business and the gas appliance sales business. The time-lag effect totaled ¥+4.2 billion (unchanged from previous forecast).
Consolidated profit**	¥71.5 billion, unchanged from previous forecast

*The time-lag effect= Profit / loss on fuel cost adjustment system

**Profit attributable to owners of parent

Summarizes the points of the business results and forecasts briefly.

Consolidated ordinary profit for the third quarter of the fiscal year ending March 2021 increased by ¥22.1 billion year on year to ¥81.5 billion, due to the increase in the profit contribution from Freeport LNG Project and Sabine Shale Gas Project in the International Energy business, etc. Profit attributable to owners of parent increased by ¥22.8 billion year on year to ¥57.6 billion.

The consolidated ordinary profit forecasts for the fiscal year ending March 2021 is unchanged from the previous forecasts. There is the increase due to selling part of participating interests in the production licenses in the Barents Sea, Norway, but there is also the decrease in the gas transportation service business and the gas appliance sales business.

Considerations of Forecasts for FY2021.3

- In the 3rd Quarter of FY2021.3, there was no major impact on business results from the issuance of a declaration of the state of emergency in January 2021, energy supply and demand, and increases in LNG spot prices and transaction prices on JEPX but attention should be paid in the future.

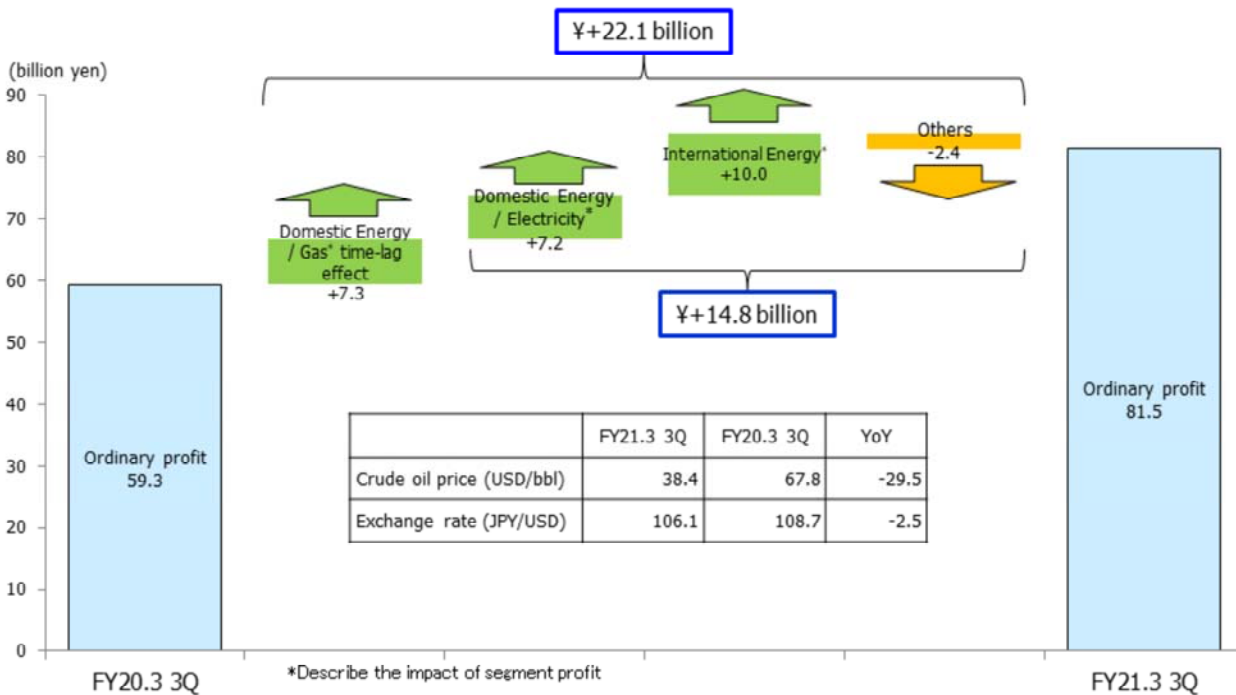
		FY21.3 3Q	FY21.3 forecasts (Contents of possible impact, etc.)
Impact of the spread of COVID-19	Domestic Energy business	<ul style="list-style-type: none"> Profits increased due to the impact of the time-lag effect in the gas business, etc. 	-
		<ul style="list-style-type: none"> Residential gas sales volume exceeded expectations 	<ul style="list-style-type: none"> Increase in residential gas sales volume due to the declaration of the state of emergency
		<ul style="list-style-type: none"> Non-residential gas sales volume decreased by 7.4% from the previous year Decreased mainly in metals, glasses, restaurants, and hotel industries The gas transportation service business fell short of expectations 	<ul style="list-style-type: none"> Decrease in sales due to the further shrink of economic activity following the declaration of the state of emergency
		<ul style="list-style-type: none"> The pace of gas and electricity switching slowed The gas appliance sales business fell short of expectations 	
		<ul style="list-style-type: none"> Maintain stable energy supply 	<ul style="list-style-type: none"> Maintain stable energy supply by thoroughly implementing measures against infections and diversifying LNG procurement countries, etc.
	International Energy business	<ul style="list-style-type: none"> Profits from the upstream business and the IPP projects in North America decreased due to the decline of the crude oil prices and the energy prices Profits decreased due to the impact of market value of derivatives due to the decline in the interest rates of US 	
	Life & Business Solutions business (LBS)	<ul style="list-style-type: none"> Profits decreased in the fitness business, the information solutions business and the materials solutions business, etc. 	<ul style="list-style-type: none"> Decrease in sales due to the further shrink of economic activity following the declaration of the state of emergency
	Investment for growth	<ul style="list-style-type: none"> Some construction work is delayed 	-
Impact of energy supply and demand, etc.	Domestic Energy business	-	<ul style="list-style-type: none"> Gas and electricity sales volume increase due to low air and water temperatures Profit increase or decrease due to increase in LNG spot price (resale and procurement) Profit decrease due to the increases in transaction prices on JEPX

Page 9 summarizes the impact of the spread of COVID-19, energy supply and demand, and other factors on business results.

In the third quarter of the fiscal year ending March 2021, there was no major impact on business results from the issuance of a declaration of the state of emergency in January 2021, energy supply and demand, and increases in LNG spot prices and transaction prices on JEPX, but attention should be paid in the future.

YoY Comparison of 3rd Quarter of FY2021.3

- Consolidated ordinary profit increased by ¥22.1 billion year-on-year to ¥81.5 billion due to the increase in the profit contribution from Freeport LNG Project and Sabine Shale Gas Project in the International Energy business, etc.



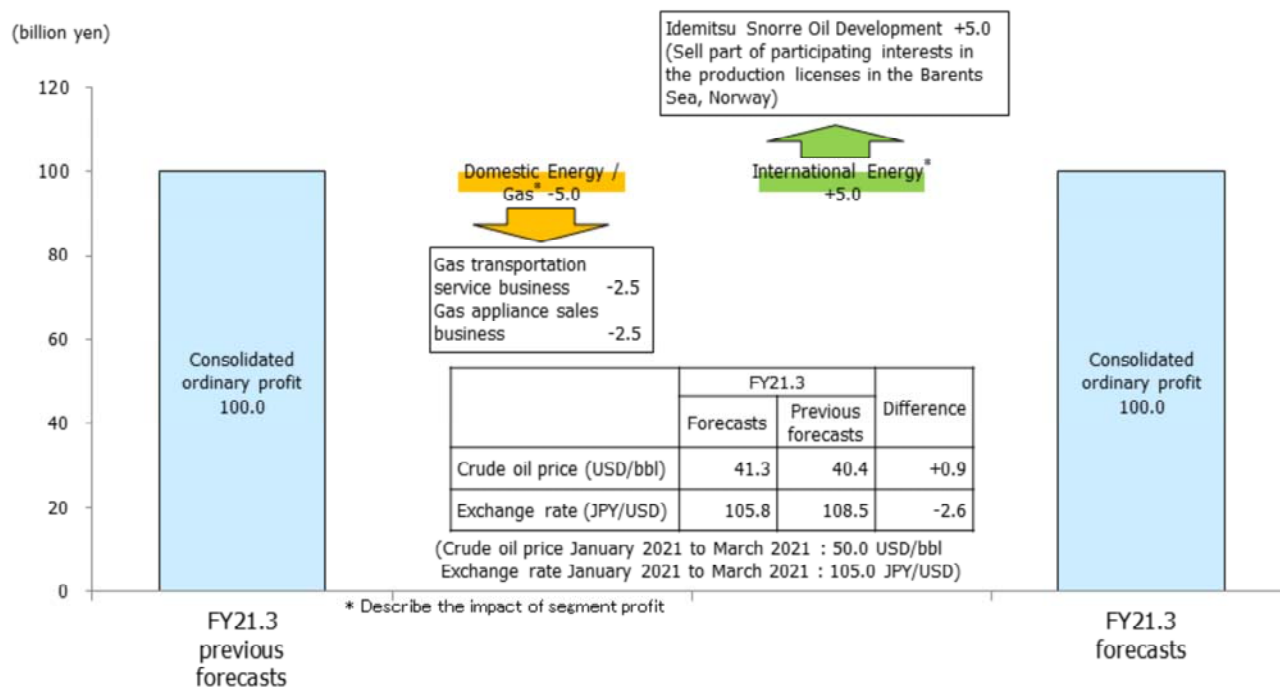
Page 10 summarizes the comparisons with the previous year for the third quarter of the fiscal year ending March 31, 2021.

Consolidated ordinary profit increased by 22.1 billion yen from the previous year due to the increase in the impact of the time-lag effect in the gas business, the increase in the electricity business and the increase in the International Energy business due to the increase in the profit contribution from Freeport LNG project and Sabine Shale Gas Project, etc.

The impact of the time-lag effect is expected to enter a loss phase in the fourth quarter of the fiscal year ending March 31, 2021.

Forecasts for FY2021.3 against Previous Forecasts

- Consolidated ordinary profit is unchanged.
- There is the increase due to selling part of participating interests in the production licenses in the Barents Sea, Norway, but there is also the decrease in the gas transportation service business and the gas appliance sales business.



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Page 11 is the comparison with the previous forecast of consolidated ordinary profit.

As explained earlier, consolidated ordinary profit is unchanged from the previous forecasts, but segment profit for the Domestic Energy / Gas and the International Energy has been revised.

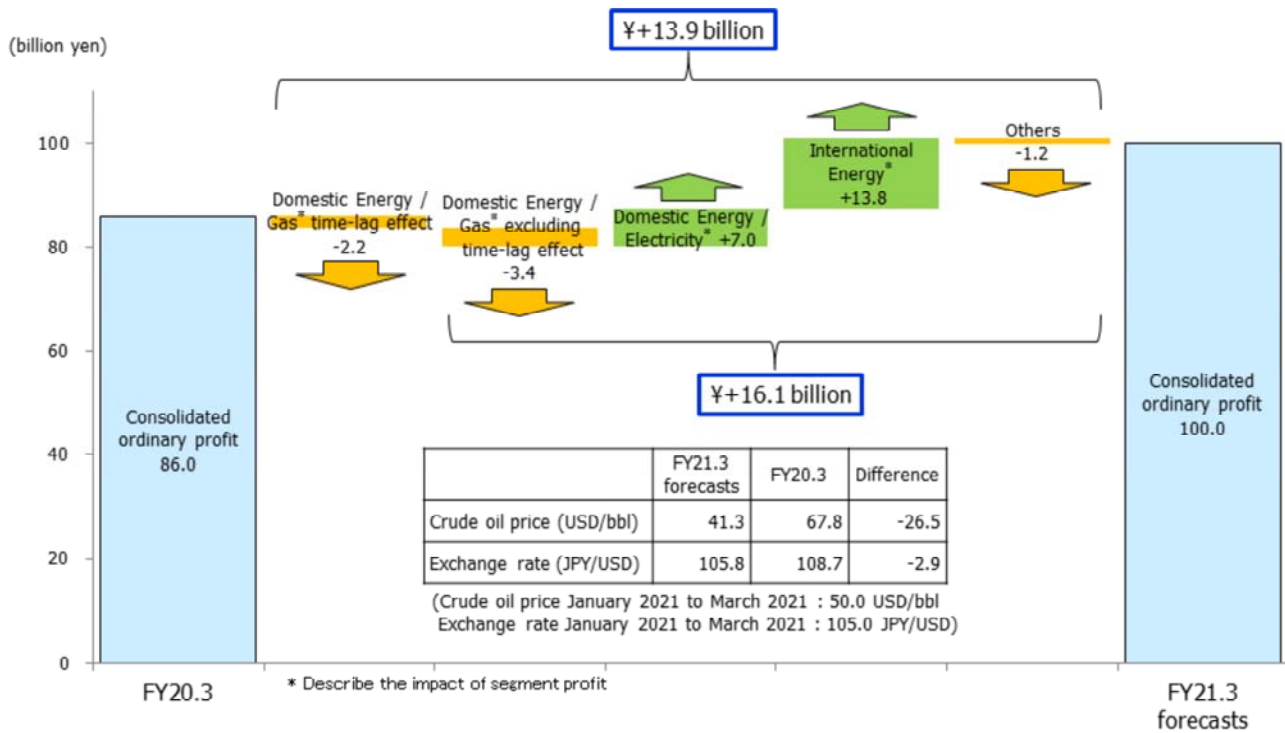
The Domestic Energy / Gas segment profit are expected to decrease by 5.0 billion yen from the previous forecasts, reflecting the decrease in profits in the gas transportation business and the gas appliance sales business due to the spread of COVID-19 from early spring.

The International Energy segment profits are expected to increase by 5.0 billion yen from the previous forecasts due to the increase profits in Idemitsu Snorre Oil Development.

In January, the impact of increased gas and electricity sales volume due to low temperatures and the impact of decreased profits due to higher electricity procurement prices from JEPX were partially revealed, but the impact of profit on the Domestic Energy business as a whole was not large enough to change the forecast at this point in time, and is expected to fluctuate in the future. We will continue to pay attention to the situation closely.

YoY Comparison of Forecasts for FY2021.3

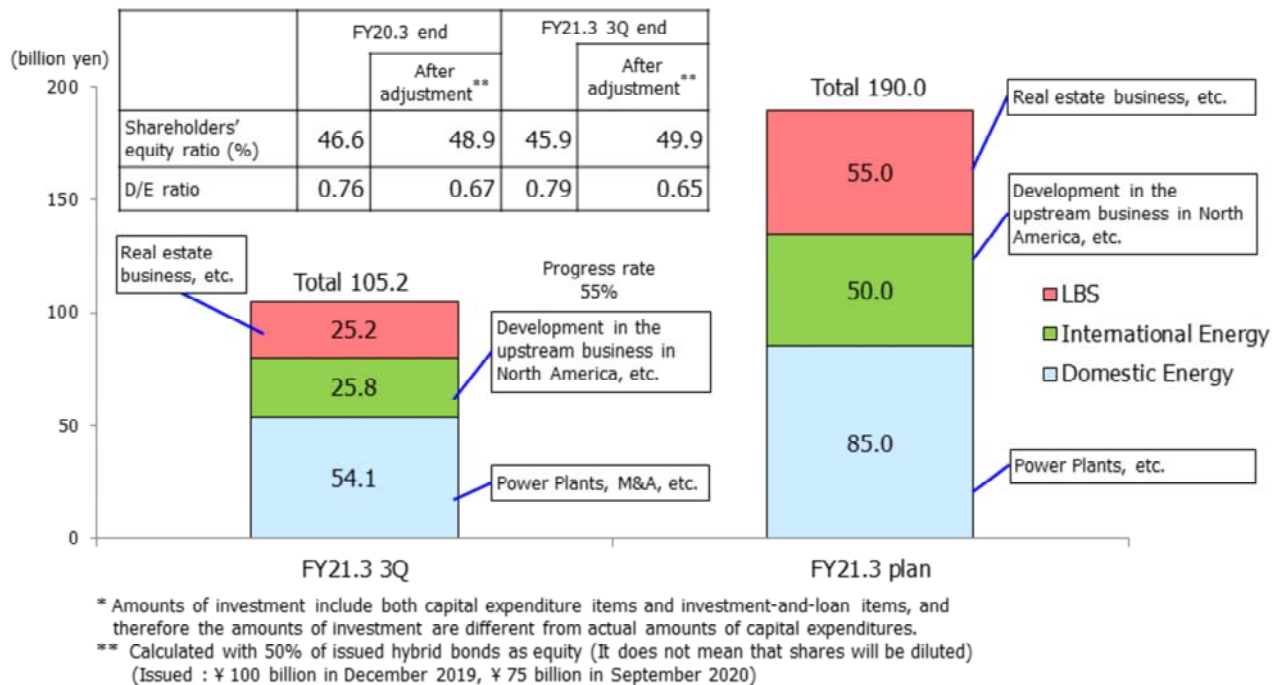
- Consolidated ordinary profit is expected to increase by ¥13.9 billion year-on-year to ¥100.0 billion.
- This is due to the profit contribution from Freeport LNG Project and Sabine Shale Gas Project, etc.



Page 12 is a comparison of the revised forecasts and the previous year.

Results of Investment for growth for 3rd Quarter of FY2021.3

- We invested ¥ 105.2 billion for growth in Power Plants, M&A, the development in the upstream business in North America and the real estate business, etc.
- The financial soundness indicator maintains the Shareholders' equity / Total assets ratio of around 50% and the D / E ratio of around 0.7 due to issue of hybrid bonds, etc.



Page 13 shows a growth investment.

In the third quarter of the fiscal year ending March 2021, we invested 105.2 billion yen for growth in the Power Plants, M&A, the development in the upstream business in North America and others.

As of the end of December 2020, the shareholders' equity ratio was 49.9% and the D/E ratio was 0.65 for the financial soundness indicator calculated with 50% of issued hybrid bonds as equity. We are maintaining the equity ratio of around 50% and the D/E ratio of around 0.7 outlined in the Medium-Term Management Plan.

Going forward, we will continue to invest in corporate growth while maintaining a balance with financial soundness.

Main Topics in 3rd Quarter of FY2021.3

Apr.	<ul style="list-style-type: none"> ✓ Ohgishima City Gas Supply, Ltd. Begins Commercial Operation of City Gas Production and Supply Facility ✓ Osaka Gas to Partner with NTT Com to Launch an AI-automated Voice Response Service at Its Contact Center ✓ Osaka Gas Invests in Japan Infra Waymark, Which Offers Infrastructure Inspection Solutions Using Drones ✓ Osaka Gas Invests in HACARUS INC., a Venture Company with Superb AI Technologies Including Image Analysis
May	<ul style="list-style-type: none"> ✓ Osaka Gas Starts Commercial Operation of Unit 1 of Fukushima Natural Gas Power Plant ✓ Osaka Gas Acquires Shares of Global Base ✓ Osaka Gas Begins Collaboration with Sharp in Providing Equipment Utilizing an IoT Platform -Mobile App Provided by Sharp Enables Remote Control of IoT-connected Gas Equipment-
Jun.	<ul style="list-style-type: none"> ✓ Osaka Gas to Start a Verification Project to Establish a Virtual Power Plant (VPP) Using a residential Fuel Cell, ENE-FARM - VPP Verification Project Connecting 1,500 Units- ✓ Osaka Gas Liquid to Invest in Singapore SSB Group's Associate Company to Participate in the Industrial Gas Production and Sales Business in Vietnam
Jul.	<ul style="list-style-type: none"> ✓ Osaka Gas Launches its Third With Plan, "With ABEMA Plan" and Starts Accepting Applications ✓ Improvement of On-site Work Efficiency by Promoting DX Using a Private BWA System -Upgrading Osaka Gas Senboku Plant to a Smart Factory- ✓ Launch of IoT-compatible Alarm Device "Sumapiko" and Cooperation with the Osaka City Government and the Osaka Prefectural Police Regarding Provision of Disaster and Crime Prevention Information ✓ "Heartful Bento Project"-Supporting medical professionals fighting the COVID-19- ✓ Public notification relating to the Environmental Impact Assessment Consideration Statement for [tentative name] Saga Karatsu City Offshore Wind Power Project
Aug.	<ul style="list-style-type: none"> ✓ Osaka Gas Announces its Decision to Issue Publicly Offered Hybrid Corporate ✓ Collaboration with Sony Network Communications to enable customers to remotely operate IoT-compatible gas appliances by using Sony's smartphone app for multifunctional light ✓ Announcement of Collaboration to Improve Convenience and Security of Rental Apartments ✓ Osaka Gas Starts Commercial Operation of Unit 2 of Fukushima Natural Gas Power Plant ✓ Osaka Gas to Participate in Natural Gas-fueled Thermal Electric Generation in Illinois, U.S. ✓ Osaka Gas has concluded a Renewable Electricity Procurement Contract with West Holdings

Page 14 and 15 summarize the major topics for the third quarter of the fiscal year ending March 2021.

Main Topics in 3rd Quarter of FY2021.3

Sep.	<ul style="list-style-type: none"> ✓ Osaka Gas Announces Its Determination of Issuance Conditions for Publicly Offered Hybrid Corporate Bonds ✓ Implementation of FY2020 Company-wide Comprehensive Disaster Drill ✓ Osaka Gas to Organize a Connecting Gas Exhibition on the Web in Which Customers Can Participate from Home ✓ Osaka Gas Expands the Menu of Sumikata Services, Designed to Solve Housing Problems and Provide Peace of Mind, with the Number of Sumikata Members Exceeding 400,000
Oct.	<ul style="list-style-type: none"> ✓ Osaka Gas Acquires Shares in Palette Cloud Inc. ✓ Direction of Spin-Off of the Gas Pipeline Segment ✓ Osaka Gas Starts to Accept Applications for Miraito Denki, its New Electricity Rate Plan ✓ Five companies agree on joint study of "FOURE concept" with the aim of developing renewable energy and the region together ✓ Announcement of Transfer of Shares of Osaka Gas Niugini Pty Ltd ✓ Osaka Gas Joint investment in offshore wind power generation business
Nov.	<ul style="list-style-type: none"> ✓ Osaka Gas Decides to Build a Biomass Power Plant in Tahara City, Aichi Prefecture ✓ Announcement of Commencement of Commercial Operation of a Liquefied Carbon Dioxide Production Plant in Nagaoka City, Niigata Prefecture
Dec.	<ul style="list-style-type: none"> ✓ Joint development of smart meter system ✓ Osaka Gas Announces Commencement of Commercial Operation of a Biomass Power Plant in Ichihara City, Chiba Prefecture ✓ Invests in D&D Solar GK and Acquires a Solar Power Plant in Izumi City, Kagoshima Prefecture, Through D&D Solar GK
Jan.	<ul style="list-style-type: none"> ✓ Establishment of the Daigas Group Carbon Neutral Vision: Striving to Become Carbon Neutral by 2050 ✓ Succeeded in trial manufacture of new SOEC that is key to realizing "innovative methanation" contributing to decarbonization of city gas : development of technology that can be used for highly efficient production of hydrogen, liquid fuels, etc. ✓ Start of R & D on chemical looping combustion technology that contributes to decarbonization ✓ Commenced commercial operation of high-efficiency gas turbine power generation system at Mitsui Chemicals' Osaka Plant, contributing to reduction of CO2 emissions through introduction of distributed power sources ✓ Concluded a contract with WEST HOLDINGS CORPORATION concerning the procurement of solar power: procure electricity and environmental value from a 200,000 kW power source that WEST HOLDINGS CORPORATION will develop in FY2022.3

* Press releases were issued in the above indicated months.

III. Business Results and Forecasts

Results for 3rd Quarter of FY2021.3-I

Figures in () are ratios of consolidated results to non-consolidated results

Consolidated, billion yen	A. FY21.3 3Q	B. FY20.3 3Q	A-B	(A-B) /B(%)	Remarks
Net sales	(1.29) 962.8	(1.26) 974.5	-11.6	-1.2	
Operating profit	(2.03) 74.8	(1.92) 54.2	+20.5	+37.9	Increased due to the increase in the profit contribution from Freeport LNG Project and Sabine Shale Gas Project in the International Energy business, etc.
Ordinary profit	(1.78) 81.5	(1.49) 59.3	+22.1	+37.3	
Profit*	(1.68) 57.6	(1.12) 34.8	+22.8	+65.5	
EBITDA**	158.6	126.2	+32.3	+25.6	
<p>* Profit attributable to owners of parent ** EBITDA=operating profit (loss) + depreciation + amortization of goodwill + share of profit (loss) of entities accounted for using equity method</p>					
The time-lag effect	+15.1	+7.7	+7.3	-	
Ordinary profit excluding time-lag effect	66.4	51.5	+14.8	+28.8	
Crude oil price*** USD/bbl	38.4	67.8	-29.5		
Exchange rate JPY/USD	106.1	108.7	-2.5		

*** Average of preliminary monthly data up to December 2020

On page 17, this table shows supplementary financial information for the third quarter of the fiscal year ending March, 2021.

Results for 3rd Quarter of FY2021.3-II

billion yen	Net sales			Segment Profit*			Remarks
	A.FY21.3 3Q	B.FY20.3 3Q	A-B	A.FY21.3 3Q	B.FY20.3 3Q	A-B	
Domestic Energy / Gas**	654.7	694.2	-39.5	42.1	34.4	+7.6	Profit : Increased due to the impact of the time-lag effect in the gas business, etc.
Domestic Energy / Electricity**	163.1	142.9	+20.1	11.8	4.5	+7.2	Profit : Increased due to the increase in the sales volume, etc.
International Energy	49.4	43.2	+6.1	13.6	3.5	+10.0	Profit : Increased due to the increase in the profit contribution from Freeport LNG Project and Sabine Shale Gas Project, etc.
Life & Business Solutions	154.3	156.8	-2.5	12.7	13.4	-0.7	Profit : Decreased in the information solutions business and the fitness business, etc.
Adjustments	-58.7	-62.8	+4.0	4.2	2.2	+2.0	
Consolidated	962.8	974.5	-11.6	84.5	58.3	+26.2	

* Segment profit=Operating profit(loss) + Share of profit(loss) of entities accounted for using equity method

** In April 2020, Gas and Power Co., Ltd.("Domestic Energy / Electricity") was merged into Daigas Gas and Power Solution Co., Ltd.("Domestic Energy / Gas" segment). Results for FY20.3 are calculated based on this change.

Including profit/loss on market value of derivative
A.FY21.3 3Q -6.5, B.FY20.3 3Q -3.6, A-B -2.9

On page 18, this page shows financial results for the third quarter of the fiscal year ending March, 2021 by segment.

Results for 3rd Quarter of FY2021.3-III

Consolidated, billion yen	A. FY21.3	FY20.3		A-B	Remarks
	3Q end	3Q end	B. year end		
Total assets	2,205.9	2,125.5	2,140.4	+65.4	Increased due to the progress in the investment for growth, etc.
Shareholders' equity	1,013.0	992.5	997.4	+15.5	
Interest-bearing debts	799.9	781.4	754.0	+45.9	Bond issue, etc.
Number of employees	21,054	20,519	20,543	+511	Increased in Jacobi Carbons AB and a new consolidation, etc.
Shareholders' equity / Total assets	45.9%	46.7%	46.6%	-0.7%	
(After adjustment*)	(49.9%)	(49.0%)	(48.9%)	(+1.0%)	
D/E ratio	0.79	0.79	0.76	+0.03	
(After adjustment*)	(0.65)	(0.70)	(0.67)	(-0.02)	

*Calculated with 50% of issued hybrid bonds as equity (It does not mean that shares will be diluted)

Consolidated, billion yen	A. FY21.3 3Q	B. FY20.3 3Q	A-B	Remarks
Capital expenditure	128.8	80.7	+48.0	Increased due to the progress in the investment for growth, etc.
Depreciation	74.0	67.9	+6.0	
Free cash flow**	85.3	54.9	+30.3	

** Free cash flow = cash flows from operating activities - capital expenditures for upgrading existing businesses

Page 19 summarizes assets and liabilities.

Forecasts for FY2021.3 – I

Figures in () are ratios of consolidated results to non-consolidated results

Consolidated, billion yen	A. FY21.3 forecasts		B. FY21.3 previous forecasts		A-B	(A-B)/B(%)	Remarks
Net sales	(1.30)	1,330.0	(1.30)	1,336.5	-6.5	-0.5	Decrease due to the decrease in the revenue from the gas appliance sales and the gas transportation service revenue.
Operating profit	(2.06)	88.5	(1.95)	93.5	-5.0	-5.3	Decrease due to the decrease in the gas transportation service business and the gas appliance sales business.
Ordinary profit	(1.85)	100.0	(1.69)	100.0	-	-	Increase due to selling part of participating interests in the production licenses in the Barents Sea, Norway.
Profit*	(1.72)	71.5	(1.59)	71.5	-	-	
EBITDA **		200.0		200.0	-	-	
The time-lag effect		4.2		4.2	-	-	
Ordinary profit excluding time-lag effect		95.7		95.7	-	-	
Crude oil price*** USD/bbl		41.3		40.4	+0.9		January 2021 to March 2021 : 50.0 USD/bbl
Exchange rate JPY/USD		105.8		108.5	-2.6		January 2021 to March 2021 : 105.0 JPY/USD

* Profit attributable to owners of parent

** EBITDA=operating profit (loss) + depreciation + amortization of goodwill + share of profit (loss) of entities accounted for using equity method

*** Average of preliminary monthly data up to December 2020

Pages 20-24 summarize the forecast-related information.

Forecasts for FY2021.3 – II

billion yen	Net sales			Segment Profit*			Remarks
	A.FY21.3 forecasts	B.FY21.3 previous forecasts	A-B	A.FY21.3 forecasts	B.FY21.3 previous forecasts	A-B	
Domestic Energy / Gas	863.5	870.0	-6.5	47.5	52.5	-5.0	Profit : Decrease due to the decrease in the gas transportation service business and the gas appliance sales business
Domestic Energy / Electricity	221.0	221.0	-	15.0	15.0	-	
International Energy	79.0	79.0	-	22.0	17.0	+5.0	Profit : Increase due to selling part of participating interests in the production licenses in the Barents Sea, Norway
Life & Business Solutions	217.5	217.5	-	19.0	19.0	-	
Adjustments	-51.0	-51.0	-	-	-	-	
Consolidated	1,330.0	1,336.5	-6.5	103.5	103.5	-	

* Segment profit=operating profit(loss) + share of profit(loss) of entities accounted for using equity method

Forecasts for FY2021.3 – III

Figures in () are ratios of consolidated results to non-consolidated results

Consolidated, billion yen	A. FY21.3 forecasts	B. FY20.3 results	A-B	(A-B)/B(%)	Remarks
Net sales	(1.30) 1,330.0	(1.26) 1,368.6	-38.6	-2.8	
Operating profit	(2.06) 88.5	(1.83) 83.7	+4.7	+5.6	Increase in the International Energy business, etc.
Ordinary profit	(1.85) 100.0	(1.47) 86.0	+13.9	+16.3	
Profit*	(1.72) 71.5	(0.93) 41.7	+29.7	+71.1	Increase due to the rebound from the impairment loss of the upstream projects in the International Energy business
EBITDA **	200.0	180.9	+19.0	+10.5	
* Profit attributable to owners of parent					
** EBITDA=operating profit (loss) + depreciation + amortization of goodwill + share of profit (loss) of entities accounted for using equity method					
The time-lag effect	4.2	6.5	-2.2	-	
Ordinary profit excluding time-lag effect	95.7	79.5	+16.1	+20.4	Increase in the International Energy business, etc.
Crude oil price**** USD/bbl	41.3	67.8	-26.5		January 2021 to March 2021 : 50.0 USD/bbl
Exchange rate JPY/USD	105.8	108.7	-2.9		January 2021 to March 2021 : 105.0 JPY/USD

**** Average of preliminary monthly data up to December 2020

Forecasts for FY2021.3 – IV

billion yen	Net sales			Segment Profit*			Remarks
	A.FY21.3 forecasts	B.FY20.3 results	A-B	A.FY21.3 forecasts	B.FY20.3 results	A-B	
Domestic Energy / Gas	863.5	973.7	-110.2	47.5	53.1	-5.6	Profit : Decrease due to the impact of the time-lag effect in the gas business, etc.
Domestic Energy / Electricity	221.0	204.8	+16.1	15.0	7.9	+7.0	Profit : Increase due to the increase in the sales volume, etc.
International Energy	79.0	61.2	+17.7	22.0	8.1	+13.8	Profit : Increase due to the increase in the profit contribution from Freeport LNG Project and Sabine Shale Gas Project, etc.
Life & Business Solutions	217.5	219.4	-1.9	19.0	19.6	-0.6	Profit : Almost the same level as the previous year
Adjustments	-51.0	-90.6	+39.6	-	0.1	-0.1	
Consolidated	1,330.0	1,368.6	-38.6	103.5	89.0	+14.4	

* Segment profit=operating profit(loss) + share of profit(loss) of entities accounted for using equity method

Forecasts for FY2021.3 – V

Consolidated, billion yen	A. FY21.3 end forecasts	B. FY20.3 end	A-B	Remarks
Total assets	2,285.2	2,140.4	+144.7	Increase in the investment for growth, etc.
Shareholders' equity	1,056.8	997.4	+59.3	
Interest-bearing debts	834.4	754.0	+80.4	Increase due to the new borrowing, etc.
Number of employees	21,450	20,543	+907	Increase in Jacobi Carbons AB and Osaka Gas Information System Research Institute Group, etc.
Shareholders' equity / Total assets	46.2%	46.6%	-0.4%	
(After adjustment*)	(50.1%)	(48.9%)	(+1.1%)	
D/E ratio	0.79	0.76	+0.03	
(After adjustment*)	(0.65)	(0.67)	(-0.02)	

*Calculated with 50% of issued hybrid bonds as equity (It does not mean that shares will be diluted)

Consolidated, billion yen	A. FY21.3 forecasts	B. FY20.3 results	A-B	Remarks
Capital expenditure	203.0	131.0	+71.9	Increase in the investment for growth, etc.
Depreciation	94.6	91.9	+2.7	
Free cash flow**	80.3	125.3	-45.0	Increase in the working capital, etc.
ROA	3.2%	2.0%	+1.2%	
ROE	7.0%	4.2%	+2.8%	
EPS (yen/share)	172.0	100.5	+71.5	
BPS (yen/share)	2,541.7	2,399.1	+142.7	

** Free cash flow = cash flows from operating activities - capital expenditures for upgrading existing businesses

Sales-related results for 3rd Quarter of FY2021.3

* 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
 ** The difference factors are described on pages 27 and 28

45MJ/m ³	A.FY21.3 3Q	B.FY20.3 3Q	A-B	(A-B)/B(%)
■ Gas sales volume				
Number of units for gas supply* (thousands)	5,069	5,287	-218	-4.1
Installation of new meters (thousands)	71	73	-2	-2.1
Monthly gas sales volume per household (m ³ /month)	24.6	23.2	+1.4	+6.1
Residential**	1,090	1,077	+13	+1.2
Non-Residential**	3,810	4,114	-304	-7.4
Non-consolidated gas sales volume (million m ³)	4,900	5,191	-291	-5.6
Consolidated gas sales volume (million m ³)	4,928	5,220	-293	-5.6
■ Electricity sales volume (Consolidated)				
	A.FY21.3 3Q	B.FY20.3 3Q	A-B	(A-B)/B(%)
Retail	3,914	3,137	+776	+24.7%
Wholesale, etc.	7,522	6,268	+1,254	+20.0%
Electricity Sales Volume(GWh)	11,435	9,405	+2,030	+21.6%
Number of low-voltage electricity supply (thousands)	1,476	1,241	+235	+18.9%
■ Customer Accounts (Consolidated)				
	A.FY21.3 3Q end	B.FY20.3 end	A-B	(A-B)/B(%)
Number of customer Accounts (ten thousands)	931	910	+21	+2.3

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Page 25 summarizes sales results.

In the third quarter of the fiscal year ending March 2021, consolidated gas sales volume decreased by 5.6% year on year to 4,928 million m³, mainly due to the decrease in Non-residential gas sales volume in non-consolidated.

Residential gas sales volume in non-consolidated increased by 1.2% year on year to 1,090 million m³ due to the impact of the temperature of air and water, despite the impact of switching to other companies. We believe that there was also the increase due to the spread of COVID-19.

Non-residential gas sales volume in non-consolidated decreased by 7.4% year on year to 3,810 million m³ due to the impact of the of the spread of COVID-19, etc.

Electricity sales volume increased by 21.6% year on year to 11,435 million kWh, due to the increase in both retail and wholesale sales, etc. sales volumes due to the development of new demand and the start of commercial operations at the Fukushima natural gas power plant, etc.

The number of low-voltage electricity supply stood at 1,476,000 as of the end of December 2020.

Sales-related forecasts for FY2021.3

Unchanged from the previous forecasts

* The difference factors are described on pages 27 and 28

■ Gas sales volume

45MJ/m³

	A. FY21.3 forecasts	B. FY20.3 results	A-B	(A-B) /B(%)
Residential*	1,817	1,798	+19	+1.1
Non-Residential*	5,100	5,526	-427	-7.7
Non-consolidated gas sales volume (million m3)	6,917	7,324	-408	-5.6
Consolidated gas sales volume (million m3)	6,953	7,362	-410	-5.6

■ Electricity sales volume (Consolidated)

	A. FY21.3 forecasts	B. FY20.3 results	A-B	(A-B) /B(%)
Electricity Sales Volume(GWh)	16,567	13,189	+3,378	+25.6

■ Customer Accounts (Consolidated)

	A. FY21.3 end forecasts	B. FY20.3 end	A-B	(A-B) /B(%)
Number of customer Accounts (ten thousands)	930	910	+20	+2.2

Page 26 summarizes the sales-related forecasts for the fiscal year ending March 31, 2021.

There is no change from the previous forecasts.

This concludes my presentation.

Residential Gas Sales

FY21.3 3Q

	YoY change	Remarks
Number of customers	-3.1%	Switching to another company, etc.
Impact of temperature	+5.7%	3 rd quarter average temperature: 20.4 degrees Celsius (-0.2 degrees Celsius from the previous year)
Others	-1.4%	High-efficiency of gas appliances, decrease in household size, etc.
Total	+1.2%	



FY21.3 forecasts

Unchanged from the previous forecasts

- Residential gas sales volume is expected to increase by 19 million m³ (1.1%) from the previous year to 1,817million m³, due to the impact of the rebound from high air and water temperatures of the previous year, etc.

Non-Residential Gas Sales

FY21.3 3Q

	YoY change	Remarks
Demand development	+0.9%	Equipment introduction, fuel conversion, etc.
Impact of temperature	+0.0%	
Capacity utilization of facilities	-6.7%	The impact of the spread of COVID-19, etc.
Individual factor	-0.9%	Decreased due to the switching to another company, etc.
Others	-0.8%	
Total	-7.4%	



FY21.3 forecasts

Unchanged from the previous forecasts

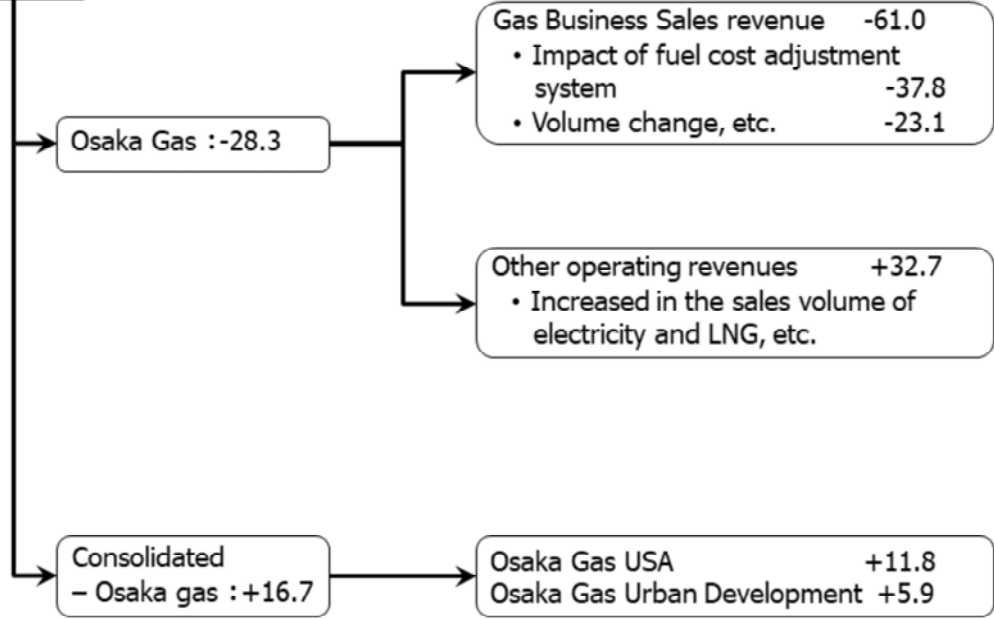
- Non-residential gas sales volume is expected to decrease by 427 million m³ (7.7%) from the previous year to 5,100 million m³, due to the impact of the spread of COVID-19, etc.

IV. Facts and Figures

Sales variance for 3rd Quarter of FY2021.3 (Year-on-Year)

FY20.3 3Q → FY21.3 3Q (differences)

974.5 962.8 (-11.6)
 (billion yen)

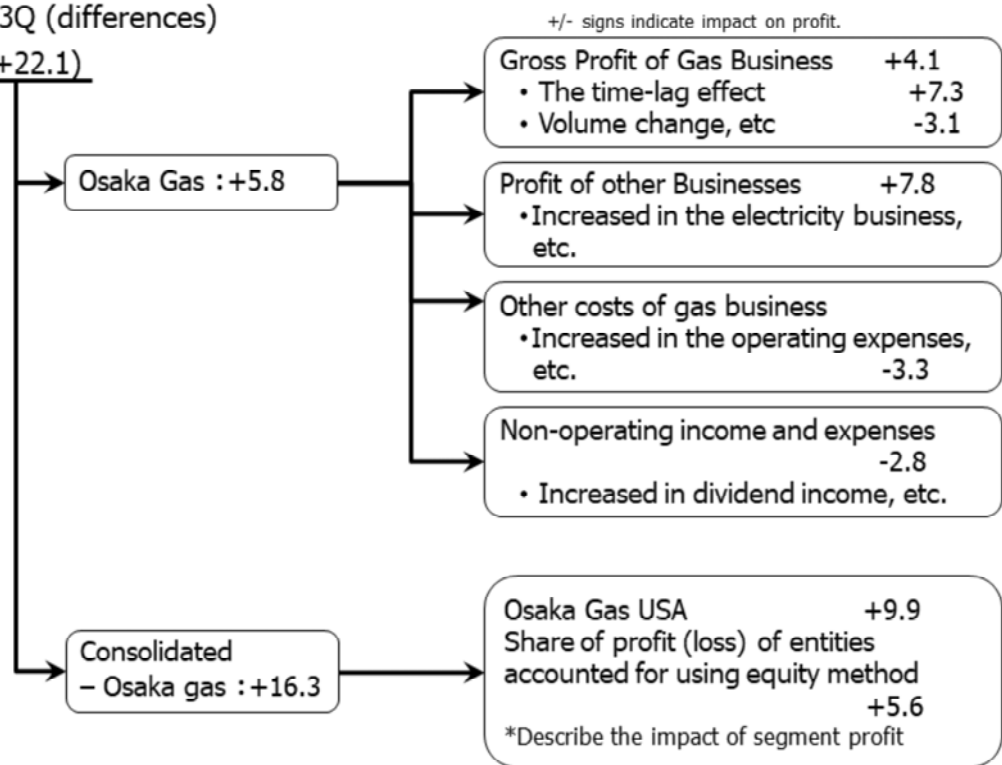


Ordinary profit variance for 3rd Quarter of FY2021.3 (Year-on-Year)

FY20.3 3Q → FY21.3 3Q (differences)

59.3
(billion yen)

81.5 (+22.1)

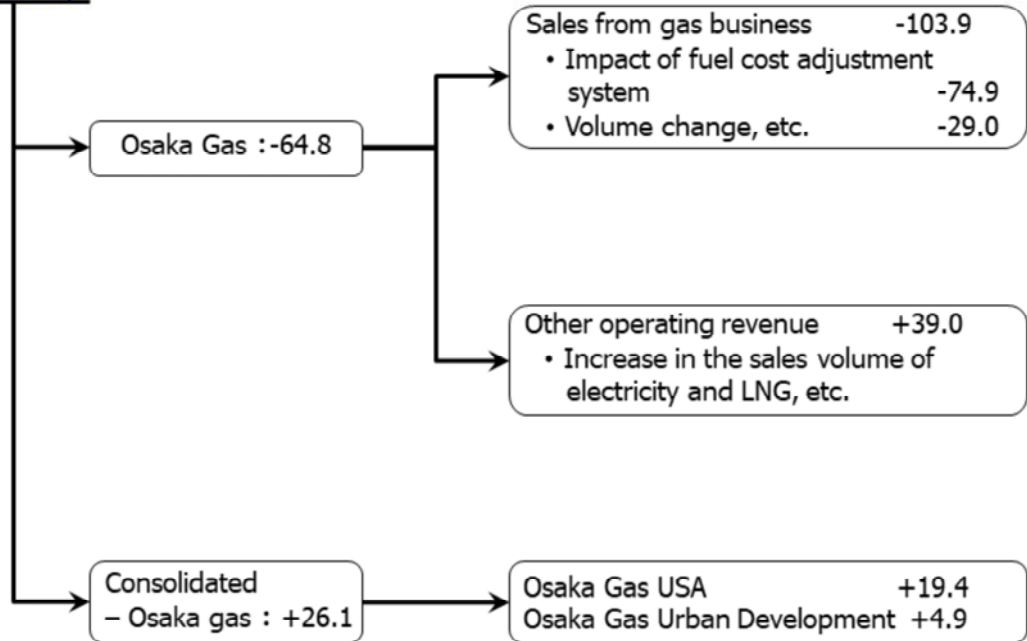


Sales variance for FY2021.3 Forecasts (Year-on-Year)

FY20.3 → FY21.3 forecasts (differences)

1,368.6 1,330.0 **(-38.6)**

(billion yen)

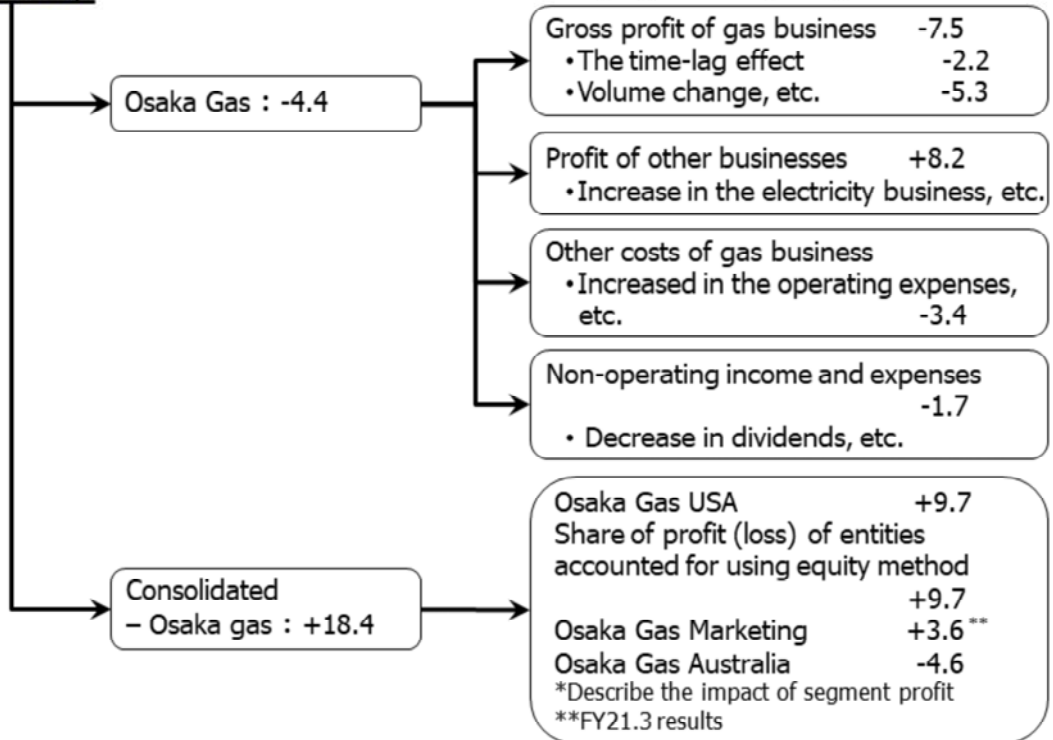


Ordinary profit variance for FY2021.3 Forecasts (Year-on-Year)

FY20.3 → FY21.3 forecasts (differences)

86.0 100.0 (+13.9)
(billion yen)

+/- signs indicate impact on profit.



Risk Factors for Annual Earnings Results Forecasts

- Atmospheric and water temperatures
 - A +1 degree Celsius change in atmospheric and water temperatures will affect the residential gas sales volume: increase/decrease of approx. -7% in spring and autumn, approx. -8% in summer, and approx. -6% in winter.
- Crude oil prices
 - LNG prices are linked to crude oil prices. A +1USD/bbl. change in crude oil prices will have an effect of approx. -0.0 billion yen on ordinary profit since the 4th quarter (Jan. thru. Mar.) of this fiscal year.
- Foreign exchange rate
 - LNG prices are affected by fluctuations in the USD/JPY exchange rate. A +1 yen fluctuation in the USD/JPY exchange rate will have an effect of approx. -0.5 billion yen on ordinary profit since the 4th quarter (Jan. thru. Mar.) of this fiscal year.
- Materials costs
 - Although the fuel cost adjustment system allows us to reflect changes in fuel costs in gas rates in the medium- and long-term, an increase in fuel costs is likely to affect the business results due to a time lag in reflecting cost fluctuations, and also depends on the composition of fuel suppliers.
- Interest rate
 - A +1% change in the interest rate will have an effect of approx. +1.9 billion yen on annual consolidated non-operating expenses.

Thank you