

Supplementary Financial Information for 2nd Quarter of the Fiscal Year Ending March 2022

1. Overview of Consolidated Financial Results

(million yen)

	Results		Forecasts		FY2021.3 2Q Results → FY2022.3 2Q Results		FY2021.3 Results → FY2022.3 Forecasts	
	FY2021.3		FY2022.3		FY2021.3 2Q Results → FY2022.3 2Q Results		FY2021.3 Results → FY2022.3 Forecasts	
	A. 2Q	B. Full Year	C. 2Q	D. Full Year	(A→C)		(B→D)	
					Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
Net sales	638,912	1,364,106	650,421	1,510,000	11,509	1.8%	145,893	10.7%
Operating profit	51,915	112,491	40,539	80,500	-11,375	-21.9%	-31,991	-28.4%
Ordinary profit	54,818	127,752	47,392	95,000	-7,425	-13.5%	-32,752	-25.6%
Profit attributable to owners of parent	36,799	80,857	36,794	70,500	-4	-0.0%	-10,357	-12.8%
Total assets ^{*1}	2,199,512	2,313,357	2,422,773	2,444,424	109,416	4.7%	131,066	5.7%
Shareholders' equity ^{*1}	1,004,068	1,081,881	1,134,861	1,116,681	52,979	4.9%	34,800	3.2%
Balance of interest-bearing debts ^{*1}	803,832	785,383	842,356	882,878	56,973	7.3%	97,495	12.4%
Balance of hybrid bonds ^{*1}	175,000	175,000	175,000	-	-	-	-	-
Cash flows from operating activities	80,896	219,797	21,798	165,153	-59,097	-73.1%	-54,643	-24.9%
Cash flows from investing activities (Forecasts are amount of investment)	84,458	198,354	96,564	259,000	12,106	14.3%	60,646	30.6%

*1 Changes are differences from the results of the end of previous fiscal year.

2. Consolidated Management Indicators, etc.

(million yen)

	Results		Forecasts		FY2021.3 2Q Results → FY2022.3 2Q Results		FY2021.3 Results → FY2022.3 Forecasts	
	FY2021.3		FY2022.3		FY2021.3 2Q Results → FY2022.3 2Q Results		FY2021.3 Results → FY2022.3 Forecasts	
	A. 2Q	B. Full Year	C. 2Q	D. Full Year	(A→C)		(B→D)	
					Changes	Remarks	Changes	Remarks
ROIC ^{*1}	-	6.2%	2.2%	4.4%	-	-	-1.8%	-
NOPAT ^{*2}	-	111,599	42,857	83,565	-	-	-28,034	-25.1%
Ordinary profit	-	127,752	47,392	-	-	-	-	-
Interest income	-	2,348	949	-	-	-	-	-
Interest expenses	-	11,087	5,157	-	-	-	-	-
Income taxes	-	24,891	8,743	-	-	-	-	-
Invested capital ^{*3}	-	1,856,865	1,966,527	1,987,901	-	-	131,035	7.1%
Shareholders' equity	-	1,081,881	1,134,861	-	-	-	-	-
Balance of interest-bearing debts	-	785,383	842,356	-	-	-	-	-
ROE	3.7%	7.8%	3.3%	6.6%	-0.4%	-	-1.2%	-
Shareholders' equity / Total assets ^{*4}	45.6%	46.8%	46.8%	45.7%	0.1%	-	-1.1%	-
After adjustment ^{*4,5}	49.6%	50.5%	50.5%	49.3%	-0.1%	-	-1.3%	-
Debt / Equity ratio ^{*4}	0.80	0.73	0.74	0.79	0.02	-	0.06	-
After adjustment ^{*4,5}	0.66	0.60	0.62	0.66	0.02	-	0.06	-
Payout ratio	-	27.0%	-	32.4%	-	-	5.4%	-
EBITDA ^{*6}	105,533	227,554	99,301	200,000	-6,232	-5.9%	-27,554	-12.1%
Operating profit	51,915	112,491	40,539	80,500	-11,375	-21.9%	-31,991	-28.4%
Share of profit (loss) of entities accounted for using equity method	4,919	13,618	6,623	14,000	1,703	34.6%	381	2.8%
Depreciation	48,698	101,444	52,138	105,500	3,440	7.1%	4,055	4.0%
Free cash flow ^{*7}	-3,562	21,443	-74,766	-93,846	-71,203	-	-115,289	-
Earnings per share (EPS) (yen)	88.5	194.5	88.5	169.6	-0.0	-0.0%	-24.9	-12.8%
Bookvalue per share (BPS) (yen) ^{*4}	2,414.9	2,602.2	2,729.4	2,685.7	127.2	4.9%	83.6	3.2%
Annual dividends per share (DPS) (yen)	25.0	52.5	27.5	55.0	2.5	10.0%	2.5	4.8%
Number of employees	21,044	20,941	21,201	21,412	157	-	471	-
(Non-consolidated) Number of employees	3,276	3,203	3,274	3,261	-2	-	58	-
Number of consolidated subsidiaries	154	154	153	-	-1	-	-	-
Number of equity method affiliates	25	27	31	-	6	-	-	-

*1 ROIC = NOPAT / Invested capital (average of the beginning and the end of each fiscal year)

*2 NOPAT = Ordinary profit + Financial expenses (Interest expenses - Interest income) - Income taxes

*3 Invested capital = Shareholders' equity + Balance of interest-bearing debts (excluding risk-free leased Liabilities to us)

*4 Changes are differences from the results of the end of previous fiscal year.

*5 Calculated with 50% of issued hybrid bonds as equity. (Dec. 2019 100 billion yen, Sep. 2020 75 billion yen)

*6 EBITDA = Operating profit + Share of profit (loss) of entities accounted for using equity method + Depreciation (including amortization of goodwill)

*7 Free cash flow = Cash flows from operating activities - Cash flows from investing activities

3. Results for Each Segment¹

(million yen)

	Results				Forecasts		FY2021.3 2Q Results → FY2022.3 2Q Results (A→C)		FY2021.3 Results → FY2022.3 Forecasts (B→D)	
	FY2021.3		FY2022.3	FY2022.3	A. 2Q	B. Full Year	C. 2Q	D. Full Year	Changes	Remarks
	A. 2Q	B. Full Year	C. 2Q	D. Full Year						
Net Sales	638,912	1,364,106	650,421	1,510,000	11,509	1.8%			145,893	10.7%
Domestic Energy	543,516	1,158,333	537,666	1,265,000	-5,850	-1.1%			106,666	9.2%
International Energy	19,353	44,299	34,160	70,000	14,806	76.5%			25,700	58.0%
Life & Business Solutions	99,591	216,585	106,377	230,000	6,786	6.8%			13,414	6.2%
Adjustments	-23,548	-55,111	-27,782	-55,000	-4,233	-			111	-
Segment profit (loss) ²	56,835	126,109	47,162	94,500	-9,672	-17.0%			-31,609	-25.1%
Operating profit	51,915	112,491	40,539	80,500	-11,375	-21.9%			-31,991	-28.4%
Share of profit (loss) of entities accounted for using equity method	4,919	13,618	6,623	14,000	1,703	34.6%			381	2.8%
Domestic Energy	45,829	85,597	17,197	36,500	-28,632	-62.5%			-49,097	-57.4%
(Electricity business) ³	11,577	14,833	6,063	13,000	-5,514	-47.6%			-1,833	-12.4%
Operating profit	45,461	85,253	16,369	36,183	-29,091	-64.0%			-49,070	-57.6%
Share of profit (loss) of entities accounted for using equity method	368	343	828	316	459	124.7%			-27	-7.9%
International Energy	153	16,886	19,665	40,000	19,511	-			23,113	136.9%
Operating profit	-4,398	3,612	13,869	26,316	18,267	-			22,704	628.5%
Share of profit (loss) of entities accounted for using equity method	4,551	13,274	5,795	13,683	1,244	27.3%			409	3.1%
Life & Business Solutions	7,244	19,250	9,815	19,000	2,571	35.5%			-250	-1.3%
Adjustments	3,607	4,375	484	-1,000	-3,123	-			-5,375	-

*1 From FY2022.3, "Domestic Energy / Gas" and "Domestic Energy / Electricity" were integrated into "Domestic Energy". Osaka Gas International Transport Inc. etc, which were previously included in "International Energy," were transferred into "Domestic Energy".

Osaka Gas' operating expenses for International Energy, which was previously included in "Domestic Energy / Gas," was transferred into "International Energy". Results for FY2021.3 are estimated based on this change.

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

*3 It is a simple total of the profit in Osaka Gas Co., Ltd.'s incidental electricity business and profits of its affiliated companies involved in electricity business, which is different from the profit in Domestic Energy / Electricity, which we used as a segment name before.

(million yen)

	Results				Forecasts		FY2021.3 2Q Results → FY2022.3 2Q Results (A→C)		FY2021.3 Results → FY2022.3 Forecasts (B→D)	
	FY2021.3		FY2022.3	FY2022.3	A. 2Q	B. Full Year	C. 2Q	D. Full Year	Changes	Remarks
	A. 2Q	B. Full Year	C. 2Q	D. Full Year						
Profit (Loss) on time-lag effect ¹	13,906	1,696	-22,569	-29,900	-36,476	-			-31,596	-
Profit (Loss) on time-lag effect ((Non-consolidated) Gas business)	9,829	-1,670	-15,079	-23,800	-24,908	-			-22,129	-
Profit (Loss) on time-lag effect (Electricity business)	4,077	3,366	-7,490	-6,100	-11,567	-			-9,466	-
Profit (Loss) on market value of derivative ²	-6,815	-7,028	934	-	7,749	-			-	-
Crude oil price (JCC) (USD / bbl)	36.5	43.4	70.3	73.0	33.8	-			29.6	-
Exchange rate (JPY / USD)	106.9	106.1	109.8	109.9	2.9	-			3.8	-

*1 Included in Domestic Energy.

*2 Included in International Energy.

4. Results of Major Companies

(million yen)

		Results				Forecasts		FY2021.3 2Q Results → FY2022.3 2Q Results		FY2021.3 Results → FY2022.3 Forecasts			
		FY2021.3		FY2022.3	FY2022.3	(A→C)		(B→D)					
		A. 2Q	B. Full Year	C. 2Q	D. Full Year								
						Changes		Remarks		Changes		Remarks	
Net Sales	(Domestic) Osaka Gas Co., Ltd.	500,303	1,053,584	485,678	1,126,000	-14,624	-2.9%	Decreased in the unit selling price of city gas due to the fuel cost adjustment system, etc.		72,415	6.9%	Increase in the unit selling prices due to the rise in crude oil price, etc.	
	(Domestic) Osaka Gas Marketing Co., Ltd.	21,444	44,519	21,836	44,928	391	1.8%			408	0.9%		
	(Domestic) Daigas Energy Co., Ltd.	20,905	41,956	23,207	47,928	2,302	11.0%	Increased in sales of energy service, etc.		5,971	14.2%		
	(Domestic) Osaka Gas International Transport Inc.	8,859	21,180	9,849	20,993	990	11.2%			-187	-0.9%		
	(International) Osaka Gas Australia Pty. Ltd.	3,256	7,597	5,676	12,844	2,420	74.3%	Increased due to the rise in the crude oil price, etc.		5,246	69.1%		
	(International) Osaka Gas USA Corporation	15,638	35,582	27,847	56,620	12,208	78.1%	Increased in Freeport LNG project and Sabine shale gas project, etc.		21,037	59.1%	Increase in Freeport LNG project, etc.	
	(LBS) Osaka Gas Urban Development Co., Ltd.	12,506	26,685	10,272	27,064	-2,234	-17.9%	Decreased due to the rebound from the increase of the condominium apartment business from previous year, etc.		378	1.4%		
	(LBS) OGIS-RI Co., Ltd.	16,735	40,163	19,580	41,483	2,845	17.0%	Increased in the development, etc.		1,319	3.3%		
	(LBS) Osaka Gas Chemicals Co., Ltd.	15,027	31,024	16,664	35,360	1,637	10.9%	Increased in sales of activated carbon and carbon fiber, etc.		4,336	14.0%		
	(LBS) Jacobi Carbons AB	15,083	31,560	17,928	33,522	2,844	18.9%	Increased in sales in Europe, the Middle East and Africa, etc.		1,961	6.2%		
Segment Profit (Loss)	(Domestic) Osaka Gas Co., Ltd. ^{*1}	31,310	60,496	1,829	13,000	-29,481	-94.2%	Decreased due to the loss on time-lag effect, etc.		-47,496	-78.5%	Decrease due to the loss on time-lag effect and the rebound from the low temperature effect during winter, etc.	
	(Domestic) Osaka Gas Marketing Co., Ltd.	3,276	3,649	2,965	3,573	-311	-9.5%			-76	-2.1%		
	(Domestic) Daigas Energy Co., Ltd.	2,347	3,169	2,971	3,055	623	26.5%			-113	-3.6%		
	(Domestic) Osaka Gas International Transport Inc.	927	2,353	596	1,301	-330	-35.6%			-1,051	-44.7%		
	(International) Osaka Gas Australia Pty. Ltd.	-186	-2,367	2,031	6,094	2,218	-	Increased due to the rise in the crude oil price, etc.		8,461	-	Increase due to the rebound from the decline in the crude oil price, etc.	
	(International) Osaka Gas USA Corporation	-2,800	8,620	13,344	23,629	16,144	-	Increased in Freeport LNG project and Sabine shale gas project, etc.		15,008	174.1%	Increase in Freeport LNG project, etc.	
	(International) IPP projects in North America ^{*2-3}	69	1,795	1,158	3,193	1,089	-	Increased due to the impact of market conditions, etc.		1,398	77.9%		
	(International) Idemitsu Snorre Oil Development Co., Ltd. ^{*2}	1,020	6,254	1,775	4,409	754	74.0%			-1,845	-29.5%	Decrease due to the rebound from selling part of participating interests in the production licenses, etc.	
	(LBS ^{*4}) Osaka Gas Urban Development Co., Ltd.	4,184	7,777	3,541	6,304	-642	-15.4%			-1,473	-18.9%	Decrease due to the increase of the repair expenses, etc.	
	(LBS ^{*4}) OGIS-RI Co., Ltd.	382	3,859	2,018	4,410	1,635	427.0%	Increased in the development, etc.		550	14.3%		
(LBS ^{*4}) Osaka Gas Chemicals Co., Ltd.	1,084	2,118	1,260	2,118	176	16.3%			-0	-0.0%			
(LBS ^{*4}) Jacobi Carbons AB	1,677	3,431	1,643	3,475	-33	-2.0%			44	1.3%			

*1 Including operating expenses for International Energy.

*2 Equity method affiliates.

*3 Excluding profit (loss) on market value of derivative.

*4 Life & Business Solutions.

5. Investment

(million yen)

	Results				Forecasts		FY2021.3 2Q Results → FY2022.3 2Q Results		FY2021.3 Results → FY2022.3 Forecasts	
	FY2021.3		FY2022.3	FY2022.3	FY2021.3 2Q Results → FY2022.3 2Q Results (A→C)		FY2021.3 Results → FY2022.3 Forecasts (B→D)			
	A. 2Q	B. Full Year	C. 2Q	D. Full Year	Changes		Remarks (billion yen)		Changes	Remarks (billion yen)
Investment (including capital expenditures)	93,287	221,383	84,785	259,000	-8,502	-9.1%			37,616	17.0%
Investment for quality improvement	24,402	68,873	27,359	69,000	2,956	12.1%			126	0.2%
							Total 57.4 30% progress to the plan in FY22.3 〈FY22.3 Results Breakdown〉 Domestic Energy 20.5, International Energy 17.1, Life & Business Solutions 19.7			
Investment for growth	68,884	152,510	57,426	190,000	-11,458	-16.6%			37,489	24.6%
Capital expenditures	82,661	189,454	77,158	196,000	-5,502	-6.7%			6,545	3.5%

6. Supplemental Data of Domestic Energy
(Non-consolidated) Breakdown of gross profit on gas business)

(million yen)

	Results			Forecasts	FY2021.3 2Q Results → FY2022.3 2Q Results (A→C)		FY2021.3 Results → FY2022.3 Forecasts (B→D)	
	FY2021.3		FY2022.3	FY2022.3				
	A. 2Q	B. Full Year	C. 2Q	D. Full Year	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
Sales from gas business	262,395	551,187	242,420	581,100	-19,974	-7.6%	29,912	5.4%
Raw material costs	126,060	239,951	123,111	315,300	-2,949	-2.3%	75,348	31.4%
Gross profit of gas business	136,334	311,236	119,309	265,800	-17,025	-12.5%	-45,436	-14.6%

(Non-consolidated) Other costs of gas business)

(million yen)

	Results			Forecasts	FY2021.3 2Q Results → FY2022.3 2Q Results (A→C)		FY2021.3 Results → FY2022.3 Forecasts (B→D)	
	FY2021.3		FY2022.3	FY2022.3				
	A. 2Q	B. Full Year	C. 2Q	D. Full Year	Changes	Remarks	Changes	Remarks
Other costs of gas business (excluding raw material costs)	129,769	279,960	129,269	276,900	-500	-0.4%	-3,060	-1.1%
Labor costs	21,146	41,716	17,584	35,600	-3,562	-16.8%	-6,116	-14.7%
Operating expenses	83,463	186,367	84,906	185,400	1,443	1.7%	-967	-0.5%
Repair expenses	12,312	29,306	12,708	28,600	395	3.2%	-706	-2.4%
Supplies expenses	1,920	4,869	2,026	4,400	106	5.6%	-469	-9.6%
Rent	3,515	6,889	3,544	7,000	28	0.8%	110	1.6%
Consigned work expenses	36,153	79,236	37,556	82,800	1,402	3.9%	3,563	4.5%
Tax	12,007	23,984	11,886	24,400	-121	-1.0%	415	1.7%
Sales promotion expenses	4,224	8,629	4,339	8,400	115	2.7%	-229	-2.7%
Retirement costs of fixed assets	4,308	12,803	4,323	8,300	14	0.3%	-4,503	-35.2%
Miscellaneous expenses	2,884	5,988	2,791	6,500	-92	-3.2%	511	8.5%
Other expenses	6,136	14,660	5,729	15,000	-406	-6.6%	339	2.3%
Depreciation	25,159	51,876	26,778	55,900	1,618	6.4%	4,023	7.8%

(Sales-related Results (Cumulative results))

	Results			Forecasts	FY2021.3 2Q Results → FY2022.3 2Q Results (A→C)		FY2021.3 Results → FY2022.3 Forecasts (B→D)	
	FY2021.3		FY2022.3	FY2022.3				
	A. 2Q	B. Full Year	C. 2Q	D. Full Year	Changes	Remarks	Changes	Remarks
Average temperature (°C)	23.7	17.6	23.4	17.2	-0.3	-	-0.4	-
Number of customer accounts (thousands)	9,234	9,401	9,594	9,680	360	3.9%	279	3.0%
(Non-consolidated) Number of units for gas supply	5,096	5,031	4,939	-	-157	-3.1%	-	-
Number of low-voltage electricity supply	1,424	1,510	1,567	-	143	10.0%	-	-
Consolidated gas sales volume (million m3) ¹	3,178	7,157	3,235	6,987	57	1.8%	-169	-2.4%
(Non-consolidated) gas sales volume	3,158	7,121	3,215	6,956	57	1.8%	-165	-2.3%
Residential	693	1,862	657	1,695	-37	-5.3%	-167	-9.0%
Monthly gas sales volume per household (m3 / month)	23.3	31.6	22.9	-	-0.4	-1.9%	-	-
(Changes) Number of customers	-	-	-	-	-14	-2.0%	-	-
(Changes) Impact of temperature	-	-	-	-	-8	-1.2%	-	-
(Changes) Others	-	-	-	-	-14	-2.1%	-	-
Non-residential	2,465	5,259	2,558	5,261	93	3.8%	2	0.0%
(Changes) Demand development	-	-	-	-	41	1.7%	-	-
(Changes) Impact of temperature	-	-	-	-	-14	-0.5%	-	-
(Changes) Capacity utilization of facilities	-	-	-	-	86	3.5%	-	-
(Changes) Individual factor	-	-	-	-	0	0.0%	-	-
(Changes) Others	-	-	-	-	-20	-0.8%	-	-
Electricity sales volume (GWh) ²	7,594	16,133	8,047	18,024	454	6.0%	1,891	11.7%
Retail	2,715	5,721	2,757	-	42	1.5%	-	-
Wholesale, etc.	4,879	10,412	5,291	-	412	8.4%	-	-

¹ 145 MJ/m3

² From FY2022.3, electricity sales volume reflects the estimated usage amount for the period between the last meter reading day in the account closing month and the account closing date, as the revenue for electricity sales is estimated and recorded based on the Implementation Guidance on Accounting
Electricity sales volume for the FY2021.3 is based on monthly meter readings.

7. Reference Data

(Crude oil price, Exchange rate)

		Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
FY2021.3	Crude oil price (JCC) (USD / bbl)	42.2	25.0	24.6	32.8	43.5	46.3	44.5	42.3	44.5	50.1	55.9	61.7
	Exchange rate (JPY / USD)	108.0	107.4	107.6	106.8	106.1	105.8	105.3	104.4	103.8	103.7	105.4	108.6
FY2022.3	Crude oil price (JCC) (USD / bbl)	66.3	65.6	69.1	71.8	73.8	73.8						
	Exchange rate (JPY / USD)	109.1	109.2	110.1	110.3	109.9	110.2						

(Sales-related Results (Quarterly results))

		FY2021.3		FY2022.3		FY2021.3 → FY2022.3 Changes			
		1Q	2Q	1Q	2Q	1Q	2Q		
Consolidated gas sales volume (million m3) ^{*1}		1,601	1,577	1,653	1,582	51	3.2%	5	0.3%
(Non-consolidated) gas sales volume		1,588	1,570	1,641	1,574	52	3.3%	4	0.3%
Residential		467	226	427	230	-40	-8.7%	4	1.7%
(Changes) Number of customers		-	-	-	-	-9	-1.9%	-6	-2.4%
(Changes) Impact of temperature		-	-	-	-	-16	-3.5%	8	3.4%
(Changes) Others		-	-	-	-	-16	-3.4%	2	0.7%
Non-residential		1,121	1,344	1,214	1,344	93	8.3%	0	0.0%
(Changes) Demand development		-	-	-	-	21	1.8%	20	1.5%
(Changes) Impact of temperature		-	-	-	-	-7	-0.6%	-7	-0.5%
(Changes) Capacity utilization of facilities		-	-	-	-	63	5.6%	23	1.7%
(Changes) Individual factor		-	-	-	-	26	2.3%	-26	-1.9%
(Changes) Others		-	-	-	-	-10	-0.9%	-10	-0.8%
Electricity sales volume (GWh) ^{*2}		3,285	4,309	3,505	4,542	221	6.7%	233	5.4%
Retail		1,121	1,594	1,140	1,616	19	1.7%	23	1.4%
Wholesale, etc		2,164	2,715	2,365	2,926	201	9.3%	210	7.7%

*1 45MJ/m3

*2 From FY2022.3, electricity sales volume reflects the estimated usage amount for the period between the last meter reading day in the account closing month and the account closing date, as the revenue for electricity sales is estimated and recorded based on the Implementation Guidance on Accounting Standard for Revenue Recognition.

Electricity sales volume for the FY2021.3 is based on monthly meter readings.

(Average temperature of Osaka city)

		Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
FY2021.3	Average temperature (°C)	13.7	20.8	24.9	26.0	30.7	25.8	18.7	14.7	8.7	6.2	8.7	12.2
FY2022.3	Average temperature (°C)	15.5	20.0	23.9	27.9	28.1	24.8						

<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.