



Financial Report for 2nd Quarter of FY2022.3 (April 2021 – September 2021)

Creating Value for a Sustainable Future

October 2021
Osaka Gas Co., Ltd.



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Management information is available on Osaka Gas websites.

Financial reports, integrated reports, fact books 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 . Review of Major Activities in 1H



Major Events and Achievements in 1H FY2022.3

- ✓ Progress made in our efforts to operate business adapted to the world under the impact of COVID-19 and advance the co-creation of value for a sustainable future under the Medium-Term Management Plan.

Low carbon/carbon neutral society

<Gas>

- First carbon neutral LNG cargo purchased to start carbon neutral city gas supply
- 150,000 milestone reached in the sale of residential ENE-FARM fuel cell units (cumulative)
- Research and development base for carbon neutral technology opened

<Electricity and others>

- D-Bio and other service series launched ([see page 5](#))
- Increase in renewable capacity both in Japan and overseas (renewables development contribution: approx. **1.25 GW**, up 0.20 GW from FY21.3, FY24.3 target: 2.50 GW)

Wind	Katagami, Oga, & Akita, Akita Pref.	Consideration statement submitted & available for public inspection
	Goto, Nagasaki Pref.	Consortium selected as operator
	Yokohama, Aomori Pref.	Stakes acquired, construction started
	Shiribetsu power plant	Operation started
Solar	GPSS Holdings	Joint development agreement signed
	Etrion*1	Stakes acquired for 4 mega-solar plants
	SRE*2, Novi*3, Oriden*4 in US	Partnership agreed (see page 6)
Biomass	Hyuga power plant	Plan commercialized
Renewable Other	Association FOURE	Established
	Invest. fund corp. Z Energy Co., Ltd.	Established

Lifestyles and businesses adjusted to the new normal

- Launch of Sagasuru, an online learning service
- Avatar technology collaboration with AVITA started

Resilience of customers and society

- Launch of joint VPP proof of concept with 3600 residential ENE-FARM typeS fuel cell units
- Launch of AI-powered software for ground penetrating radar system

*1 Etrion Corporation *2 Summit Ridge Energy, LLC *3 NOVI Energy, LLC *4 Oriden LLC

New Services to Meet Customers' Decarbonization Needs

Note: Data as of Sep. 2021

- ✓ Daigas Energy provides new services and products as D-Lineup series to many business customers including factories, offices, and commercial buildings, who are interested in reducing CO₂ emissions and solving issues such as the impact of increasing natural disaster.

D-Green

A tariff option for renewable electricity generated mainly by new power plants that are built without using the FIT system

Launched on April 2021

37 sites including Shimadzu Corp.
Inquired about by dozens of companies.

D-Solar

Solar power service to generate electricity to be consumed by the customer with zero initial cost, supporting CO₂ emissions reduction and BCP

All related services united under D-Solar brand on June 2020

17 sites including Rokko Butter Co., Ltd. Kobe plant

D-Bio

Waste treatment service that reduces waste through on-site utilization & CO₂ emissions

D-Bio Methane	Registration started on October 2021	1 site
D-Bio Steam		1 site

D-Aqua

Water treatment service that reduces customers' costs for water supply and waste water treatment, supports their BCP, and mitigates environmental burdens

All related services united under D-Aqua brand on March 2021

90 sites

D-Lineup

Decarbonization

Decentralization

Digitalization

D-Response

Demand response service that contributes to grid stability with energy saving and power surplus, which generate income for customers

Launched on April 2017

131 sites

D-Airing

Service for air conditioning and ventilation with energy saving

Launched on April 2020

6 sites

D-Fire

IoT service for energy & manpower saving, quality uniformity, and operation stability

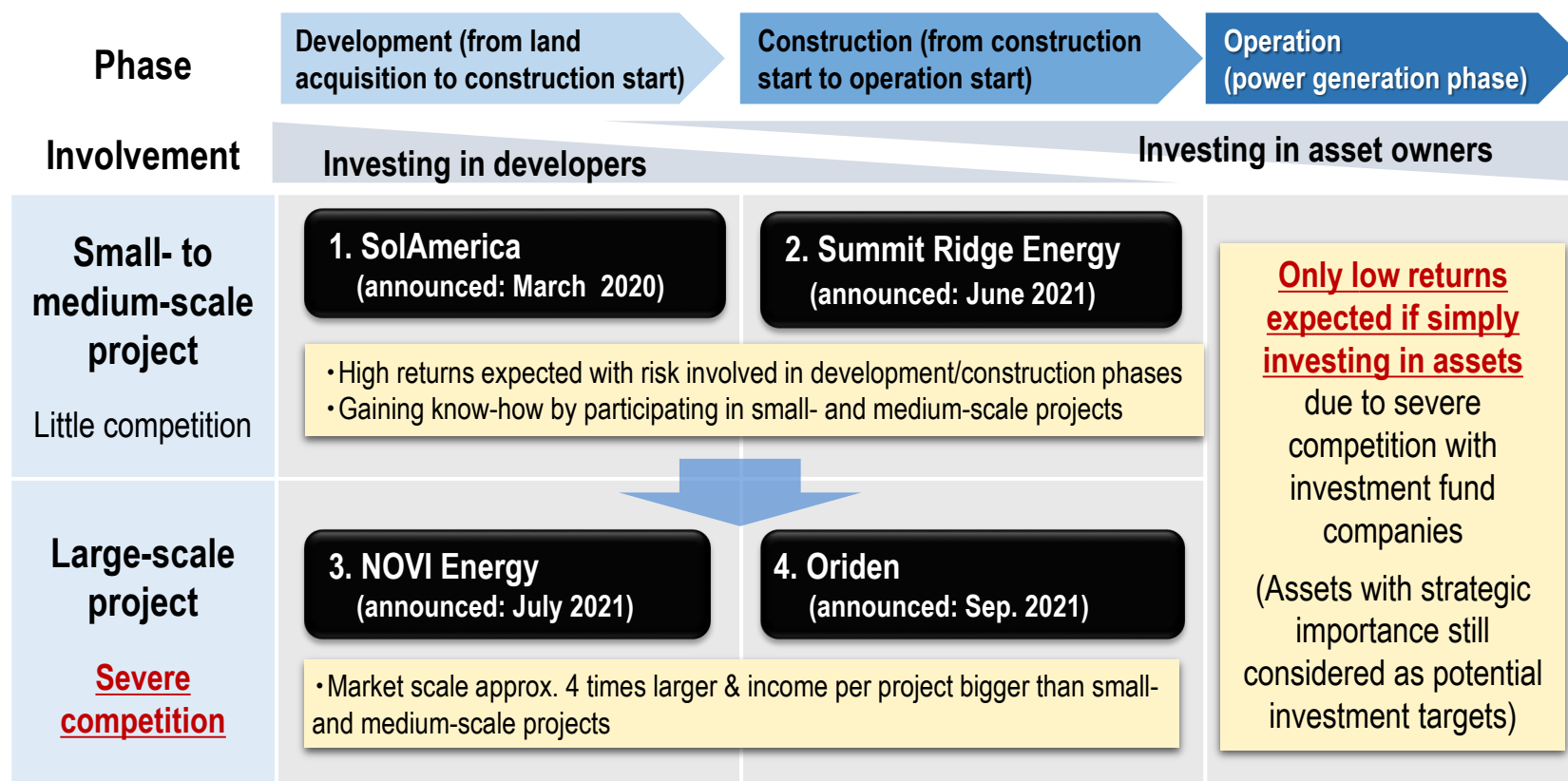
Registration started on June 2019

5 sites

Renewable Energy Business in North America

- ✓ Accelerating renewable energy business development in North American power business as a part of efforts toward a low-carbon/carbon-neutral society, which has been mainly focusing on gas-fired IPP.
- ✓ Aiming for higher returns while gaining business know-how by participating in projects that are in the development or construction phase in collaboration with solar project developers, instead of simply investing in assets for low returns.
- ✓ Controlling income scale, risks, and returns by optimizing the portfolio with various approaches to project involvement.

Current Solar Asset Investment Portfolio



II . Summary of Business Results for 2nd Quarter of FY2022.3 and Forecasts for FY2022.3



Summary of Business Results for 2nd Quarter of FY2022.3

- ✓ Increase in net sales and decrease in profit, mainly due to the negative time-lag effect in the Domestic Energy business, despite increase in profit from the International Energy business and the Life & Business Solutions.

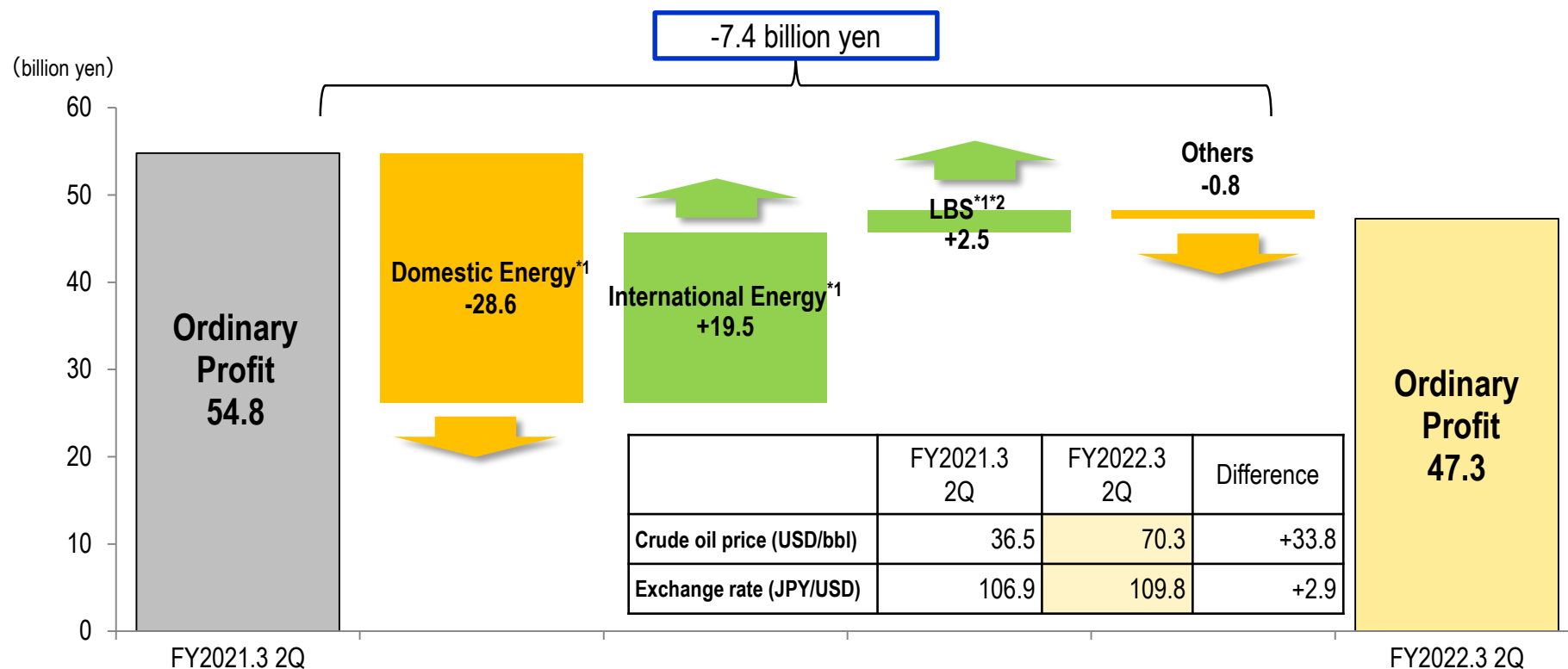
billion yen	A. FY22.3 2Q	B. FY21.3 2Q	A-B	(A-B)/B	Remarks
Net sales	650.4	638.9	+11.5	+1.8%	
Ordinary profit	47.3	54.8	-7.4	-13.5%	
Time-lag effect (Gas and Electricity)*1	-22.5	13.9	-36.4	-	Breakdown of YoY difference (-36.4) Gas -24.9, Electricity -11.5
Ordinary profit excluding time-lag effect	69.9	40.9	+29.0	+71.0%	
Profit attributable to owners of parent	36.7	36.7	-0.0	-0.0%	

*1 Included in the Domestic Energy

	A. FY22.3 2Q	B. FY21.3 2Q	A-B	Remarks
Crude oil price USD/bbl	70.3	36.5	+33.8	A: Average of preliminary monthly data up to Sept. 2021
Exchange rate JPY/USD	109.8	106.9	+2.9	

YoY Comparison of 2nd Quarter of FY2022.3

- ✓ Ordinary profit decreased by ¥7.4 billion to ¥47.3 billion from the previous year, mainly due to the negative time-lag effect in the Domestic Energy business, despite an increase in profit in the International Energy business as a result of profit contributions from the Freeport LNG Project and the Sabine Shale Gas Project.

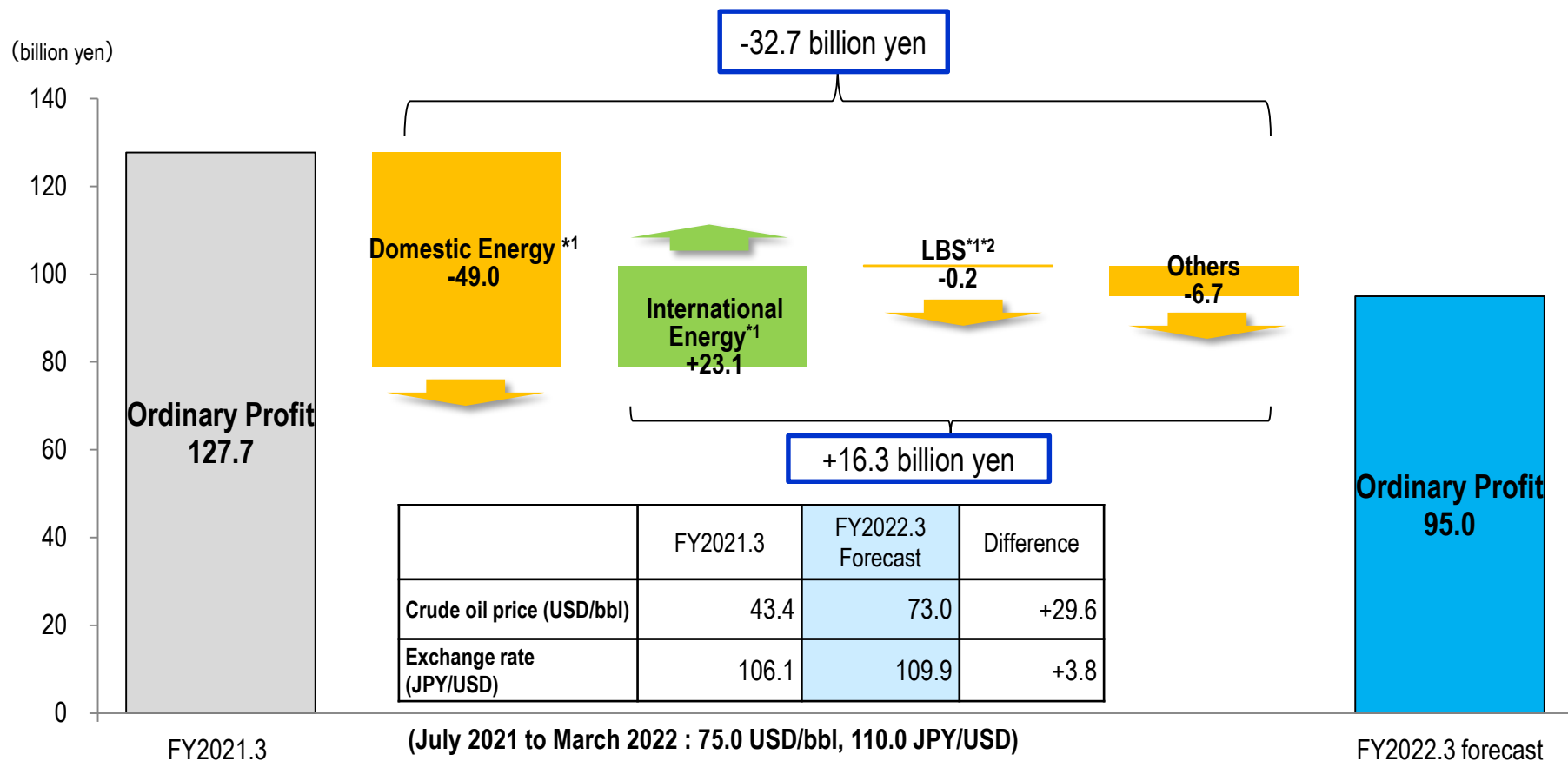


*1 Describing the impact of segment profit. See segment results on pages 18-20 for details.

*2 Life & Business Solutions

YoY Comparison of FY2022.3 Forecasts

- ✓ No change from the forecast announced in July 2021.
- ✓ Consolidated ordinary profit is expected to decrease by ¥32.7 billion to ¥95.0 billion in FY2022.3 from the previous year, due to the significant impact of the negative time-lag effect in the Domestic Energy business, despite the increase in the International Energy business.

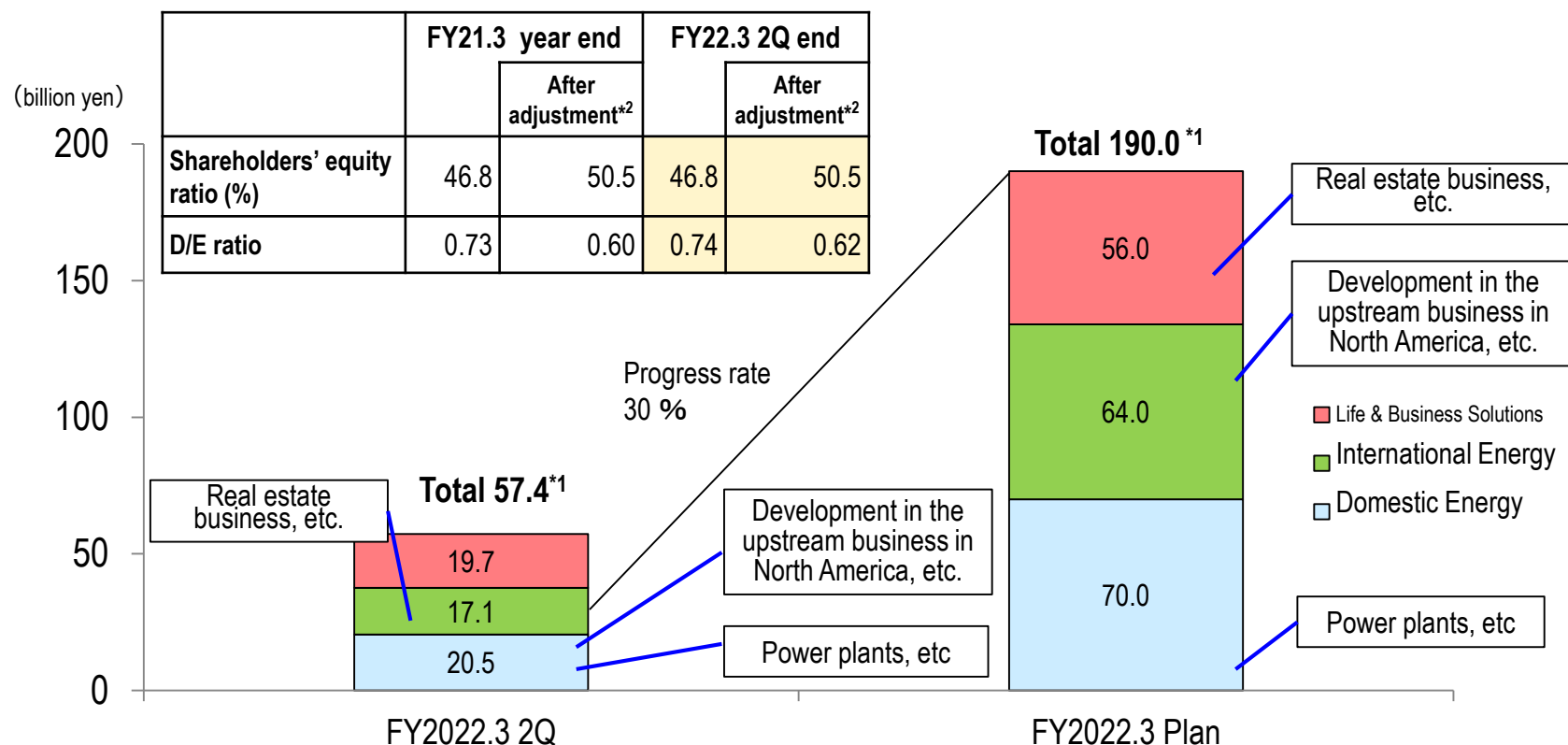


*1 Describing the impact of segment profit. See segment results on pages 27-29 for details.

*2 Life & Business Solutions

Results of Investments for Growth for 2nd Quarter of FY2022.3

- ✓ In 2nd quarter of FY2022.3, we invested ¥57.4 billion for business growth, such as for the development of power plants in the Domestic Energy business and the upstream business in North America in the International Energy business.
- ✓ The financial soundness indicators were maintained at the target levels: around 50% in shareholders' equity ratio and around 0.7 in D/E ratio.



*1 Amounts of investment include both capital expenditure items and investment-and-loan items, and therefore the amounts of investment are different from actual amounts of capital expenditures.

*2 Calculated with 50% of issued hybrid bonds as equity. Total ¥175 billion (Dec. 2019 ¥100 billion, Sep. 2020 ¥75 billion).
It does not mean that shareholders will be diluted.

III. Business Results for 2nd Quarter of FY2022.3



YoY Comparison of 2nd Quarter of FY2022.3

1. Net Sales and Profit

billion yen	A. FY22.3 2Q	B. FY21.3 2Q	A-B	(A-B)/B	Remarks
Net sales	650.4	638.9	+11.5	+1.8%	
Operating Profit	40.5	51.9	-11.3	-21.9%	
Ordinary profit	47.3	54.8	-7.4	-13.5%	
Time-lag effect (Gas and Electricity) *1	-22.5	13.9	-36.4	-	
Ordinary profit excluding time-lag effect	69.9	40.9	+29.0	+71.0%	
Profit attributable to owners of parent	36.7	36.7	-0.0	-0.0%	
Earnings per share (EPS) (yen)	88.5	88.5	-0.0	-0.0%	
EBITDA*2	99.3	105.5	-6.2	-5.9%	

*1 Included in the Domestic Energy.

*2 EBITDA = Operating profit + share of profit/loss of entities accounted for using equity method + depreciation (including amortization of goodwill)

		A. FY22.3 2Q	B. FY21.3 2Q	A-B	Remarks
Crude oil price	USD/bbl	70.3	36.5	+33.8	A: Average of preliminary monthly data up to Sept. 2021
Exchange rate	JPY/USD	109.8	106.9	+2.9	

2. Asset, Equity, and Debt

billion yen	A. FY22.3 2Q end	B. FY21.3 year end	FY21.3 2Q end	A-B	Remarks
Total assets	2,422.7	2,313.3	2,199.5	+109.4	Progress in the investment for growth, etc.
Shareholders' equity	1,134.8	1,081.8	1,004.0	+52.9	
Book value per share (BPS)(yen)	2,729.4	2,602.2	2,414.9	+127.2	
Interest-bearing debts	842.3	785.3	803.8	+56.9	Bond issue, etc.
Hybrid bonds	175.0	175.0	175.0	±0	

	A. FY22.3 2Q end	FY21.3 year end	B. FY21.3 2Q end	A-B	Remarks
ROIC	2.2%	6.2%	-	-	
ROE	3.3%	7.8%	3.7%	-0.4%	

	A. FY22.3 2Q end	B. FY21.3 year end	FY21.3 2Q end	A-B	Remarks
Shareholders' equity ratio	46.8%	46.8%	45.6%	+0.1%	
After adjustment*1	50.5%	50.5%	49.6%	-0.1%	
Debt/Equity ratio	0.74	0.73	0.80	+0.02	
After adjustment*1	0.62	0.60	0.66	+0.02	

*1 Calculated with 50% of issued hybrid bonds as equity. It does not mean that shareholders will be diluted.

3. Cash Flow and Investment

billion yen	A. FY22.3 2Q	B. FY21.3 2Q	A-B	Remarks
Cash flows from operating activities	21.7	80.8	-59.0	
Cash flows from investing activities	-96.5	-84.4	-12.1	
Free cash flow*	-74.7	-3.5	-71.2	

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

billion yen	A. FY22.3 2Q	B. FY21.3 2Q	A-B	Remarks
Investment for quality improvement	27.3	24.4	+2.9	
Investment for growth	57.4	68.8	-11.4	
Domestic Energy	20.5	32.6	-12.0	Power plants, etc.
International Energy	17.1	17.7	-0.6	Development in the upstream business in North America, etc.
Life & Business Solutions	19.7	18.4	+1.2	Real estate business, etc.
Capital expenditures	77.1	82.6	-5.5	
Depreciation	52.1	48.6	+3.4	

4. Customer Accounts and Sales Volume

	A. FY22.3 2Q end	B. FY21.3 year end	A-B	(A-B)/B	Remarks
Number of customer accounts (thousands)	9,594	9,401	+193	+2.1%	
	A. FY22.3 2Q	B. FY21.3 2Q	A-B	(A-B)/B	Remarks
Consolidated gas sales volume (million m ³)	3,235	3,178	+57	+1.8%	
(Non-consolidated) Gas sales volume	3,215	3,158	+57	+1.8%	
Residential	657	693	-37	-5.3%	decreasing number of units for gas supply and Impact of air and water temperatures in spring, etc.
Monthly gas sales volume per household (m ³ / month)	22.9	23.3	-0.4	-1.9%	
Non-residential	2,558	2,465	+93	+3.8%	Higher capacity of utilization of facilities, etc.
Electricity sales volume (GWh) *1	8,047	7,594	+454	+6.0%	
Residential	2,757	2,715	+42	+1.5%	
Non-residential	5,291	4,879	+412	+8.4%	
(Non-consolidated) Number of units for gas supply	4,939	5,096	-157	-3.1%	
Number of low-voltage electricity supply	1,567	1,424	+143	+10.0%	

** 1 From FY2022.3 electricity sales 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.

	A. FY22.3 2Q	B. FY21.3 2Q	A-B	Remarks
Average temperature (°C)	23.4	23.7	-0.3	

5. Segment Sales and Profit

billion yen	A. FY22.3 2Q	B. FY21.3 2Q	A-B	(A-B)/B	Remarks
Net Sales^{*1}	650.4	638.9	+11.5	+1.8%	
Domestic Energy	537.6	543.5	-5.8	-1.1%	Decreased in the lower unit selling price of city gas under the fuel cost adjustment system, etc.
International Energy	34.1	19.3	+14.8	+76.5%	Increased in Freeport and Sabine, etc.
Life & Business Solutions	106.3	99.5	+6.7	+6.8%	
Adjustments	-27.7	-23.5	-4.2	-	
Segment profit^{*1*2}	47.1	56.8	-9.6	-17.0%	
Domestic Energy	17.1	45.8	-28.6	-62.5%	
Electricity^{*3}	6.0	11.5	-5.5	-47.6%	
International Energy	19.6	0.1	+19.5	-	Increased due to the profit contribution from Freeport and Sabine, etc.
Life & Business Solutions	9.8	7.2	+2.5	+35.5%	Increased due to the reduced impact of the COVID-19, etc.
Adjustments	0.4	3.6	-3.1	-	
Profit/Loss on time-lag effect (Gas and Electricity)^{*4}	-22.5	13.9	-36.4	-	
Profit/Loss on market value of derivative^{*5}	0.9	-6.8	+7.7	-	

*1 From FY22.3, "Domestic Energy / Gas" and "Domestic Energy / Electricity" are integrated into the "Domestic Energy". Osaka Gas International Transport Inc. and its subsidiaries are transferred "Domestic Energy" from "International Energy". Osaka Gas' operating expenses for International Energy business, which was previously included in "Domestic Energy / Gas" are transferred into "International Energy." Results For FY2021.3 this page are calculated with consideration of the reclassification.

*2 Segment profit = Operating profit(loss) + 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 the Domestic Energy / Electricity, which we used as a segment name before.

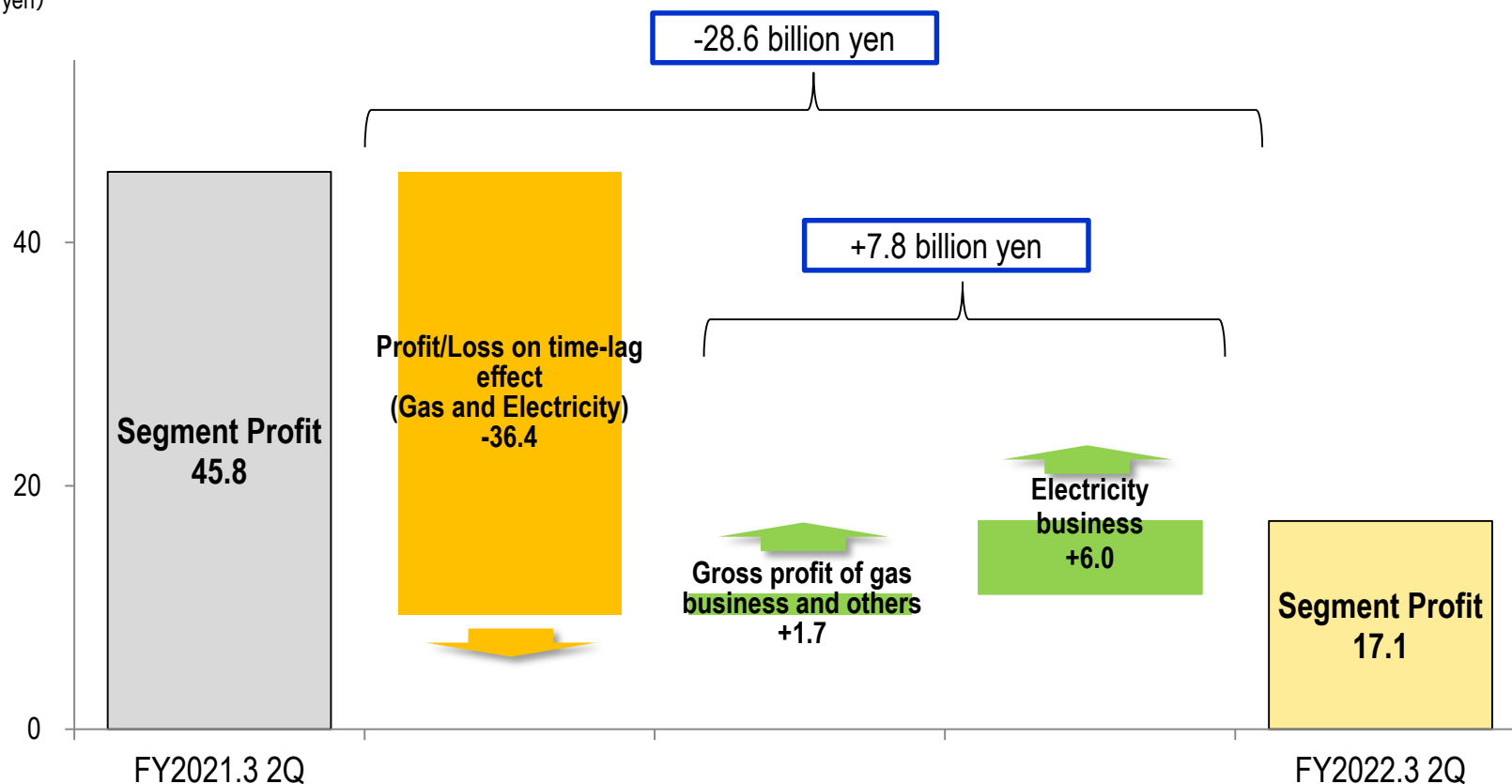
*4 Included in the Domestic Energy.

*5 Included in the International Energy.

1. Domestic Energy (Gas and Electricity)

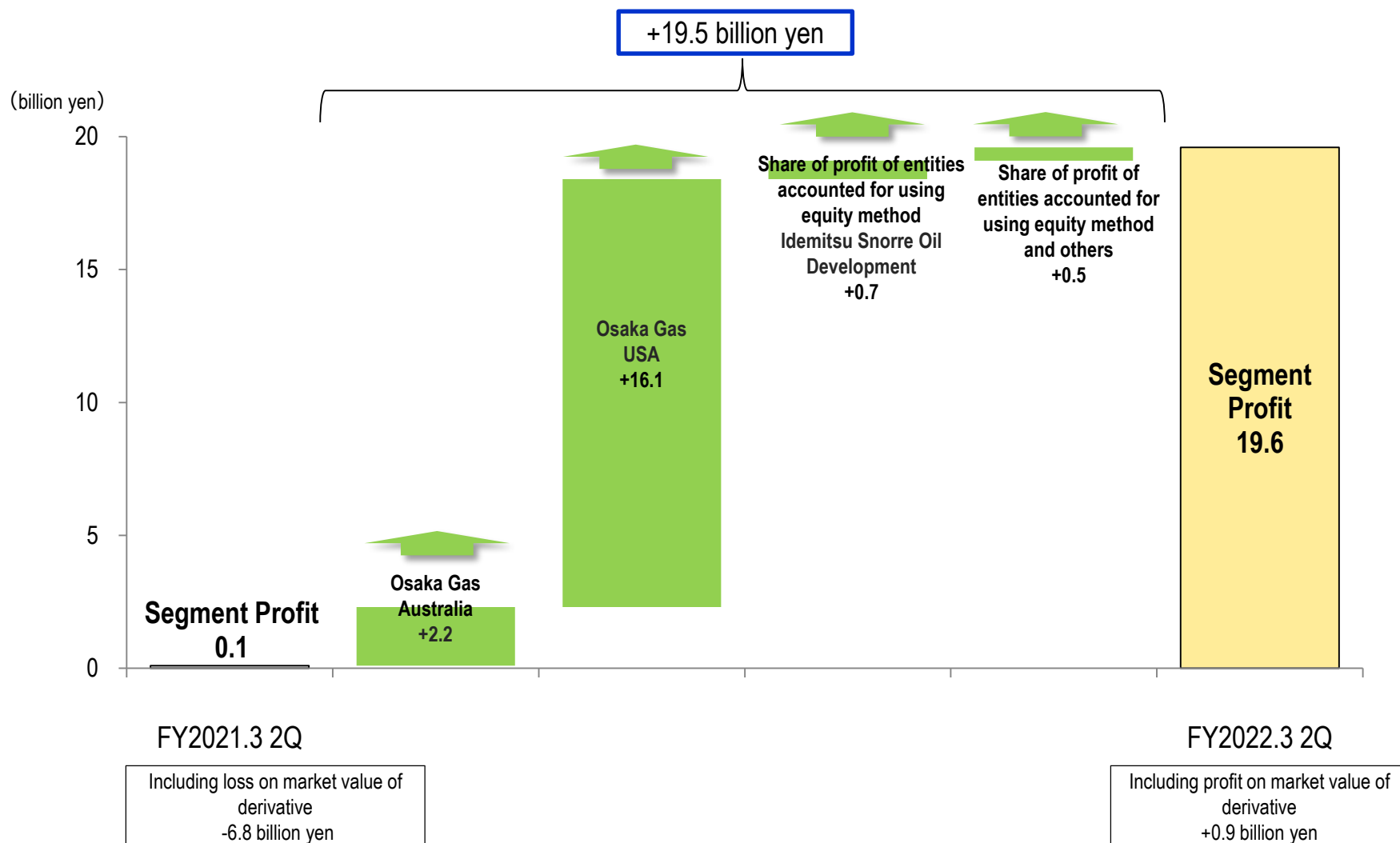
- ✓ Domestic Energy segment profit decreased by ¥28.6 billion to ¥17.1 billion due to the time-lag effect.

(billion yen)



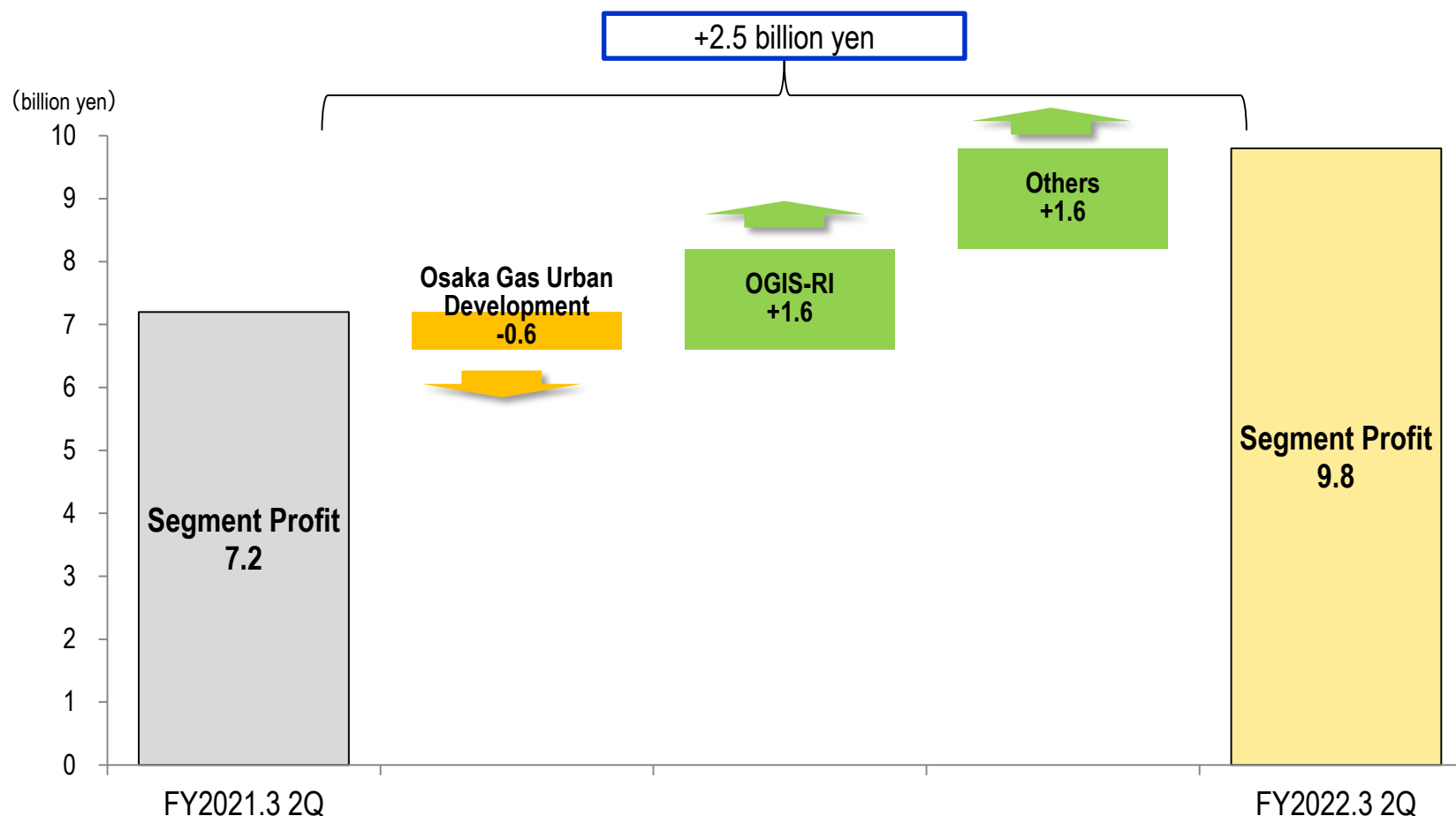
2. International Energy

- ✓ International Energy segment profit increased by ¥19.5 billion to ¥19.6 billion, mainly due to profit contributions from Freeport LNG Project and Sabine Shale Gas Project.



3. Life & Business Solutions

- ✓ Life & Business Solutions segment profit increased by ¥2.5 billion to ¥9.8 billion, mainly due the reduced impact of the COVID-19 in the information solutions business and the fitness business.



IV. Forecasts for FY2022.3

No change from the forecast announced in July 2021.



YoY Comparison of FY2022.3 Forecasts

1. Net Sales and Profit

✓ No change from the forecast announced in July 2021.

billion yen	A. FY22.3 forecasts	B. FY21.3	A-B	(A-B)/B	Remarks
Net sales	1,510.0	1,364.1	+145.8	+10.7%	Increase in the unit selling prices due to the rise in crude oil price, etc.
Operating Profit	80.5	112.4	-31.9	-28.4%	
Ordinary profit	95.0	127.7	-32.7	-25.6%	The loss of time-lag effect in the Domestic Energy business, etc.
Time-lag effect (Gas and Electricity)* ¹	-29.9	1.6	-31.5	-	
Ordinary profit excluding time-lag effect	124.9	126.0	-1.1	-0.9%	
Profit attributable to owners of parent	70.5	80.8	-10.3	-12.8%	
Earnings per share (EPS) (yen)	169.6	194.5	-24.9	-12.8%	
EBITDA* ²	200.0	227.5	-27.5	-12.1%	
NOPAT* ³	83.5	111.5	-28.0	-25.1%	

*1 Included in non-consolidated gas business and electricity business.

*2 EBITDA = Operating profit + share of profit/loss of entities accounted for using equity method + depreciation (including amortization of goodwill)

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

	A. FY22.3 forecasts	B. FY21.3	A-B	Remarks
Crude oil price USD/bbl	73.0	43.4	+29.6	July 2021 to March 2022 : 75 USD/bbl
Exchange rate JPY/USD	109.9	106.1	+3.8	July 2021 to March 2022 : 110 JPY/USD

2. Asset, Equity, and Debt

✓ No change from initial forecast.

billion yen	A. FY22.3 forecasts	B. FY21.3 year end	A-B	Remarks
Total assets	2,444.4	2,313.3	+131.0	Progress in the investment for growth, etc.
Shareholders' equity	1,116.6	1,081.8	+34.8	
Book value per share (BPS) (yen)	2,685.7	2,602.2	+83.6	
Interest-bearing debts	882.8	785.3	+97.4	Increase due to a new financing, etc.
Invested capital*1	1,987.9	1,856.8	+131.0	

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

	A. FY22.3 forecasts	B. FY21.3 year end	A-B	Remarks
ROIC	4.4%	6.2%	-1.8%	
ROE	6.6%	7.8%	-1.2%	

	A. FY22.3 forecasts	B. FY21.3 year end	A-B	Remarks
Shareholders' equity ratio	45.7%	46.8%	-1.1%	
After adjustment*1	49.3%	50.5%	-1.3%	
Debt/Equity ratio	0.79	0.73	+0.06	
After adjustment*1	0.66	0.60	+0.06	

*1 Calculated with 50% of issued hybrid bonds as equity. It does not mean that shareholders will be diluted.

3. Cash Flow and Investment

✓ No change from initial forecast .

billion yen	A. FY22.3 forecasts	B. FY21.3	A-B	Remarks
Cash flows from operating activities	165.1	219.7	-54.6	
Cash flows from investing activities*1	-259.0	-198.3	-60.6	
Free cash flow*2	-93.8	21.4	-115.2	

*1 Forecasts are amount of investment.

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

billion yen	A. FY22.3 forecasts	B. FY21.3	A-B	Remarks
Investment for quality improvement	69.0	68.8	+0.1	
Investment for growth	190.0	152.5	+37.4	
Domestic Energy	70.0	80.7	-10.7	
International Energy	64.0	32.6	+31.3	
Life & Business Solutions	56.0	39.0	+16.9	
Capital expenditures	196.0	189.4	+6.5	
Depreciation	105.5	101.4	+4.0	

4. Customer Accounts and Sales Volume

✓ No change from initial forecast .

	A. FY22.3 forecasts	B. FY21.3	A-B	(A-B)/B	Remarks
Number of customer accounts (thousands)	9,680	9,401	+279	+3.0%	
Consolidated gas sales volume (million m ³)	6,987	7,157	-169	-2.4%	
(Non-consolidated) gas sales volume	6,956	7,121	-165	-2.3%	
Residential	1,695	1,862	-167	-9.0%	Rebound from the impact of air and water temperature, etc.
Non-Residential	5,261	5,259	+2	+0.0%	
Electricity Sales Volume (GWh)*1	18,024	16,133	+1,891	+11.7%	

*1 From FY2022.3 electricity sales 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.

	A. FY22.3 forecasts	B. FY21.3	A-B	Remarks
Average temperature (°C)	17.2	17.6	-0.4	

5. Segment Sales and Profit

✓ No change from the forecast announced in July 2021 .

billion yen	A. FY22.3 forecasts	B. FY21.3	A-B	(A-B)/B	Remarks
Net Sales^{*1}	1,510.0	1,364.1	+145.8	+10.7%	
Domestic Energy	1,265.0	1,158.3	+106.6	+9.2%	Increase in the unit selling prices due to the rise in crude oil price, etc.
International Energy	70.0	44.2	+25.7	+58.0%	Sales increase in business in North America, etc.
Life & Business Solutions	230.0	216.5	+13.4	+6.2%	Sales increase in the material business, etc.
Adjustments	-55.0	-55.1	+0.1	-	
Segment profit^{*1*2}	94.5	126.1	-31.6	-25.1%	
Domestic Energy	36.5	85.5	-49.0	-57.4%	Decrease due to the loss on time-lag effect, etc.
Electricity ^{*3}	13.0	14.8	-1.8	-12.4%	
International Energy	40.0	16.8	+23.1	+136.9%	Increase in the profit contribution from Freeport, profit increase in the upstream business in Australia due to the crude oil price hike, etc.
Life & Business Solutions	19.0	19.2	-0.2	-1.3%	
Adjustments	-1.0	4.3	-5.3	-	
Profit/Loss on time-lag effect^{*4}	-29.9	1.6	-31.5	-	
(Non-consolidated) Gas business	-23.8	-1.6	-22.1	-	
Electricity business	-6.1	3.3	-9.4	-	

*1 From FY22.3, "Domestic Energy / Gas" and "Domestic Energy / Electricity" are integrated into the "Domestic Energy". Osaka Gas International Transport Inc. and its subsidiaries are transferred "Domestic Energy" from "International Energy". Osaka Gas' operating expenses for International Energy business, which was previously included in "Domestic Energy / Gas" are transferred into "International Energy." Results For FY2021.3 this page are calculated with consideration of the reclassification.

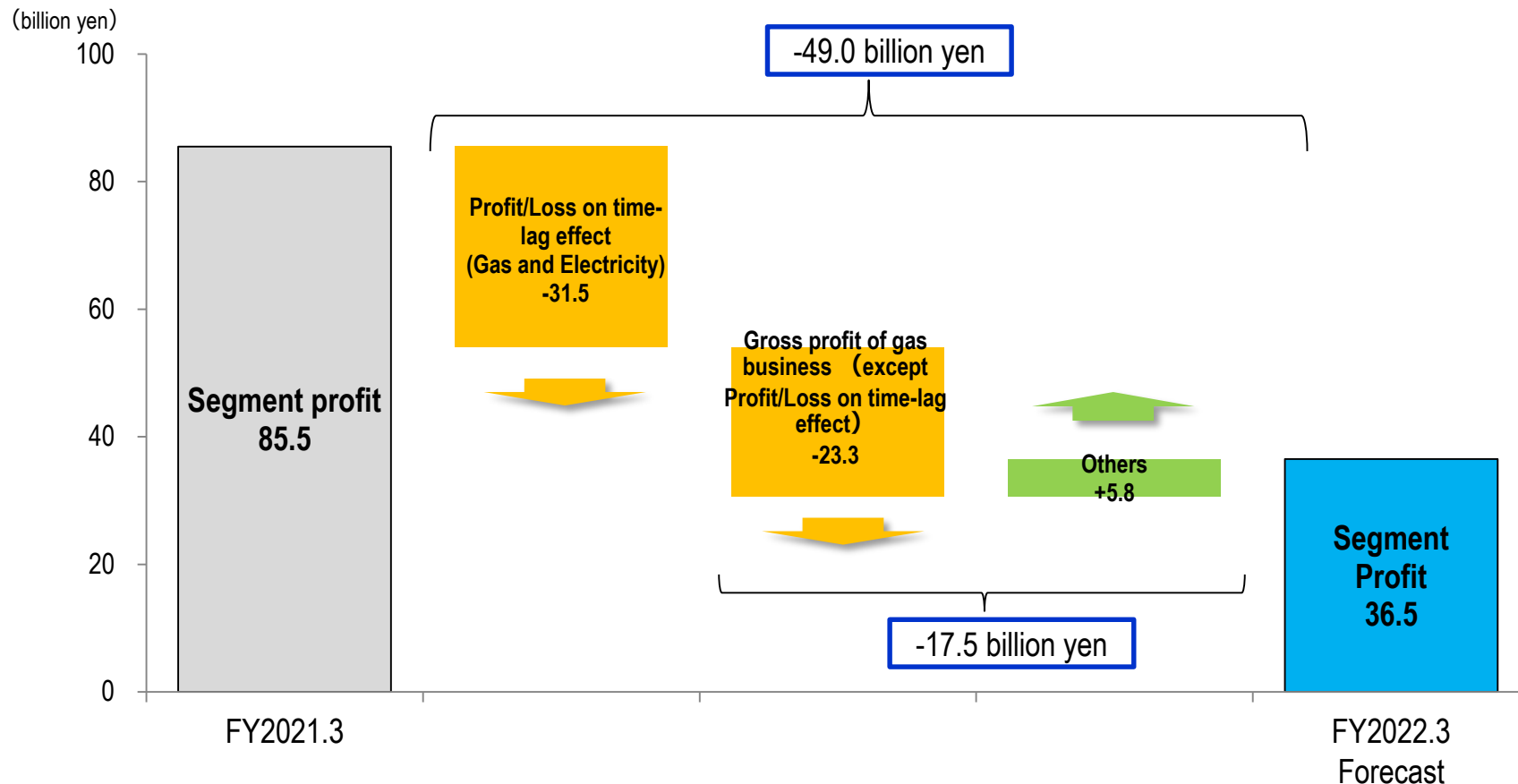
*2 Segment profit = Operating profit(loss) + Share of profit(loss) of entities accounted for using equity method

*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 the Domestic Energy / Electricity, which we used as a segment name before.

*4 Included in the Domestic Energy.

1. Domestic Energy (Gas and Electricity)

- ✓ No change from the forecast announced in July 2021.
- ✓ Domestic Energy segment profit is expected to decrease by ¥49.0 billion to ¥36.5 billion due to the negative time-lag effect and the loss of low temperature effect in winter FY2021.3.

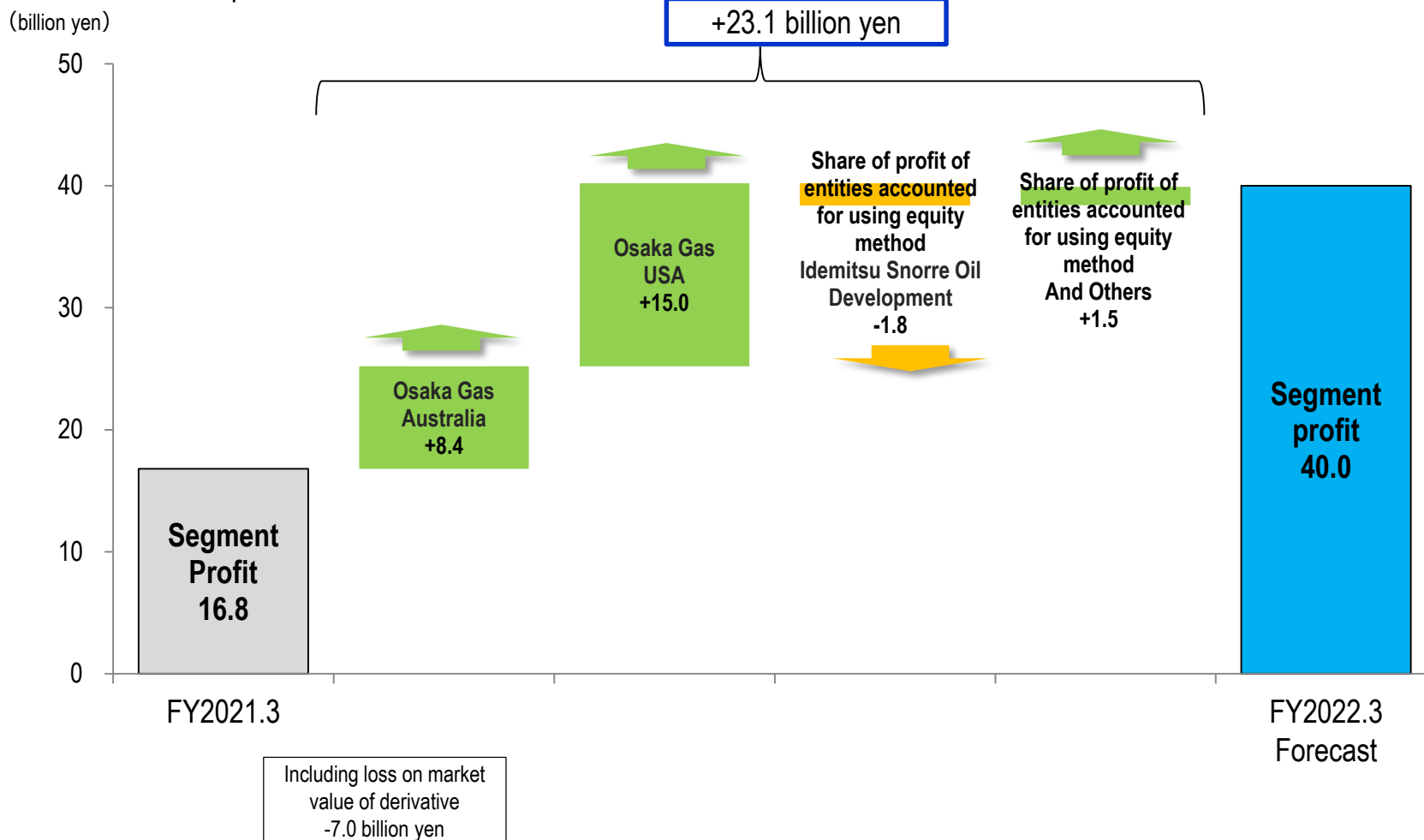


Forecasts for FY2022.3 in Each Segment

2. International Energy

- ✓ No change from the forecast announced in July 2021 .
- ✓ International Energy segment profit is expected to increase by ¥ 23.1 billion to ¥ 40.0 billion mainly due to the profit increase in Freeport LNG Project and the upstream business in Australia*.

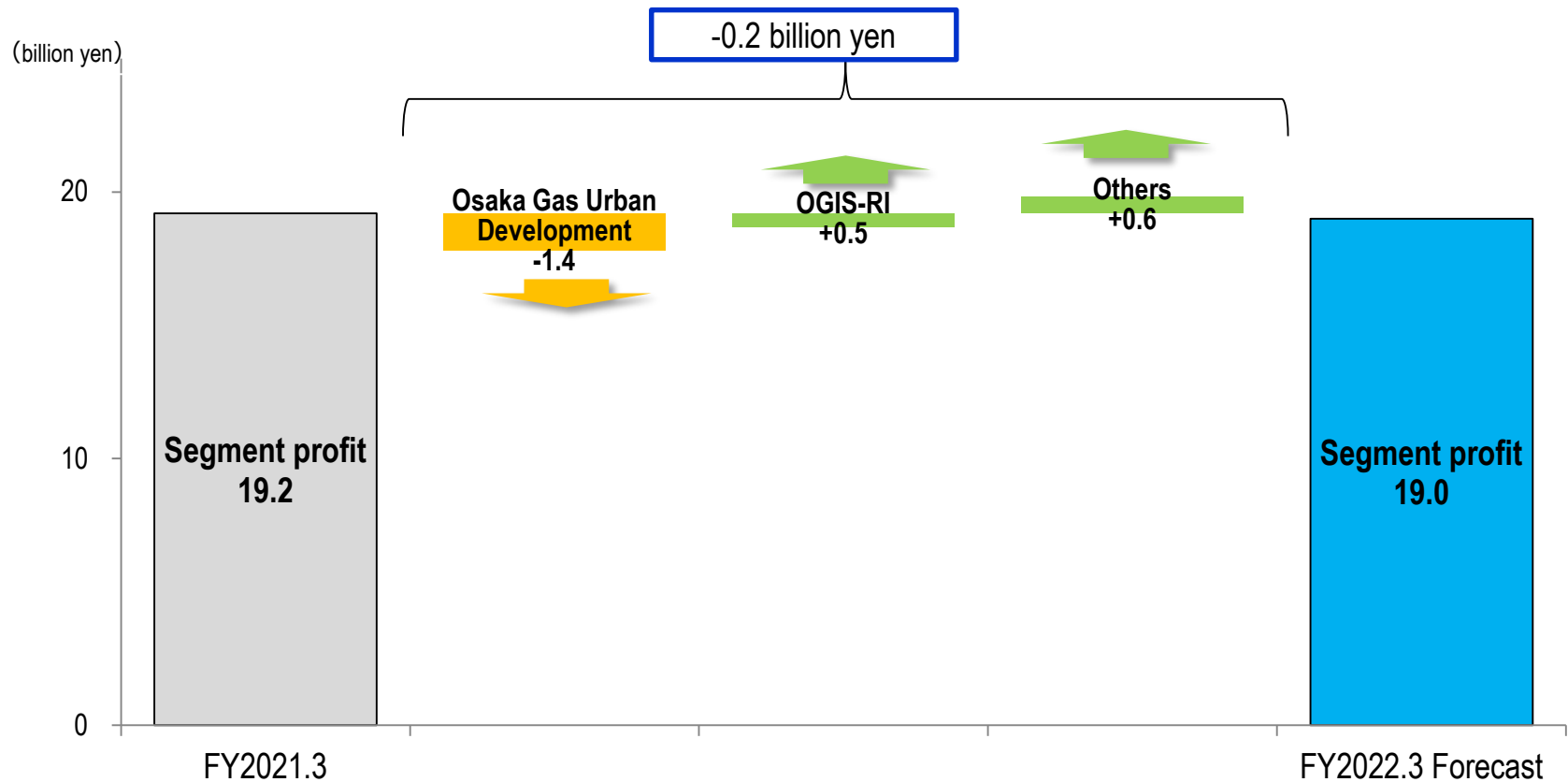
*due to crude oil price increase.



Forecasts for FY2022.3 in Each Segment

3. Life & Business Solutions

- ✓ No change from initial forecast .
- ✓ Life & Business Solutions segment profit is expected to remain at almost the same level as the previous year.



Risk Factors for Annual Earnings Results Forecasts (October 2021 to March 2022)

- 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 from October will have an effect of approx. -0.7 billion yen on annual ordinary profit.
- 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 from October will have an effect of approx. -0.5 billion on annual ordinary profit.
- 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 domestic interest rate will have an effect of approx. +1.6 billion yen on annual consolidated non-operating expenses(interest expenses).

(Reference) Topics in 2nd Quarter of FY2022.3

July	<ul style="list-style-type: none"> ■ Registration Starts for New Electricity Tariff Option, JO1 Denki ■ Osaka Gas Receives Its First Carbon Neutral LNG Cargo to Start to Supply Carbon Neutral City Gas from August 1, 2021 ■ Osaka Gas USA to Participate in Utility-Scale Solar Power Projects in the US ■ Technological Development and PoC of Small Engine System Using Ammonia Fuel for a Carbon Neutral Society ■ Acquisition of onshore wind farm in Yokohama Town, Aomori Prefecture ~The second project jointly funded by Osaka Gas, Tokyu Land, and DBJ~ ■ Launch of Sagasuru, an online learning service, connecting people who want to learn with people who want to teach ■ Launch of Joint VPP PoC with 3,600 Residential ENE-FARM Type S Fuel Cell Units ■ Acquisition of Mega-solar Power Plants Owned by Etrion
Aug.	<ul style="list-style-type: none"> ■ Release of "IsolationNavi," Jointly Developed Software that Automatically Visualizes the Paths of Gas or Other Fluids Flowing through Piping for Facilities ■ Submission and Public Inspection of the Environmental Impact Assessment Consideration Statement for the Tentatively Named "Project for Offshore Wind Power Generation of Katagami City, Oga City, and Akita City, Akita Prefecture" ■ Commencement of Demonstration Tests Using SPACECOOL Radiant Cooling Material at the Planned Yumeshima Expo Site and Other Sites - Evaluation of Energy Efficiency and Comfort through Collaboration with Various Companies
Sept.	<ul style="list-style-type: none"> ■ Osaka Gas Establishes Company Towards Launch of Renewable Energy Fund ■ Carbon-Neutral LNG Fuel to LNG-Fueled Tugboat Ishin -Japan's First Supply of Carbon-Neutral LNG for Marine Fuels- ■ Announcement Concerning Commencement of Commercial Operation of the Shiribetsu Wind Farm ■ Investing in and Entering Business Collaboration with AVITA, Aiming for the Implementation of Avatars in Society ■ 150,000 Milestone Reached in Sale of Residential ENE-FARM Fuel Cell Units(Cumulative) ■ Osaka Gas Acquires stake in Solar Power Plant developed by Mitsubishi Heavy Industries Group in the US ■ Introduction of D-Bio Steam, a Biomass Boiler System That Utilizes Used Tea Leaves as Fuel ■ Launch of D-Bio Methane, an On-site Biogasification System ■ Launch of the World's First AI-Powered Buried Pipe Locating Software for Ground Penetrating Radar Systems

* Press releases were issued in the above indicated months.

■ Domestic Energy ■ International Energy ■ Others