

Supplementary Financial Information for 1st Quarter of the Fiscal Year Ending March 2024

1. Overview of Consolidated Financial Results

(million yen)

	Results				Forecasts		FY2023.3 1Q Results → FY2024.3 1Q Results				FY2023.3 Results → FY2024.3 Forecasts			
	FY2023.3		FY2024.3		FY2024.3		FY2023.3 1Q Results → FY2024.3 1Q Results				FY2023.3 Results → FY2024.3 Forecasts			
	A. 1Q	B. Full Year	C. 1Q	D. Full Year			(A→C)		(B→D)					
							Changes		Remarks		Changes		Remarks	
Net sales	467,119	2,275,113	512,611	2,017,000	45,492	9.7%	Increase in sales from the higher unit selling price of city gas, etc.		-258,113	-11.3%	Decrease in sales from the lower unit selling price of city gas, etc.			
Operating profit	7,366	60,001	73,664	139,500	66,298	900.0%	Time-lag effect, etc.		79,498	132.5%	Decreased costs for LNG procurement, etc.			
Ordinary profit	13,413	75,649	82,672	159,000	69,259	516.3%	Time-lag effect, etc.		83,350	110.2%	Decreased costs for LNG procurement, etc.			
Profit attributable to owners of parent	11,200	57,110	60,560	116,000	49,360	440.7%	Time-lag effect, etc.		58,889	103.1%	Decreased costs for LNG procurement, etc.			
Total assets ¹	2,847,147	2,819,589	2,839,226	2,956,812	19,637	0.7%			137,223	4.9%				
Shareholders' equity ¹	1,286,987	1,391,421	1,469,217	1,407,138	77,796	5.6%			15,717	1.1%				
Balance of interest-bearing debts ¹	1,030,560	981,556	989,957	972,654	8,401	0.9%			-8,901	-0.9%				
Balance of hybrid bonds ¹	175,000	175,000	175,000	-	±0	±0%			-	-				

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

2. Consolidated Management Indicators, etc.

	Results				Forecasts		FY2023.3 1Q Results → FY2024.3 1Q Results				FY2023.3 Results → FY2024.3 Forecasts			
	FY2023.3		FY2024.3		FY2024.3		FY2023.3 1Q Results → FY2024.3 1Q Results				FY2023.3 Results → FY2024.3 Forecasts			
	A. 1Q	B. Full Year	C. 1Q	D. Full Year			(A→C)		(B→D)					
							Changes		Remarks		Changes		Remarks	
ROIC ¹	0.6%	2.7%	2.6%	5.4%	2.0%	308.5%	Time-lag effect, etc.		2.8%	102.9%	Decreased costs for LNG procurement, etc.			
NOPAT ²	13,968	59,356	62,612	126,764	48,644	348.3%	Time-lag effect, etc.		67,408	113.6%	Decreased costs for LNG procurement, etc.			
Ordinary profit	13,413	75,649	82,672	159,000	69,259	516.3%			83,350	110.2%				
Interest income	463	4,308	1,313	-	850	183.3%			-	-				
Interest expenses	2,635	13,167	3,443	-	808	30.7%			-	-				
Income taxes	1,617	25,151	22,190	-	20,573	1,272.3%			-	-				
Invested capital ^{3,4}	2,304,265	2,358,951	2,445,189	2,366,242	86,237	3.7%			7,290	0.3%				
Shareholders' equity ⁴	1,286,987	1,391,421	1,469,217	1,407,138	77,796	5.6%			15,717	1.1%				
Balance of interest-bearing debts ⁴	1,030,560	981,556	989,957	972,654	8,401	0.9%			-8,901	-0.9%				
ROE	0.9%	4.3%	4.2%	8.5%	3.4%	383.6%	Time-lag effect, etc.		4.2%	98.5%	Decreased costs for LNG procurement, etc.			
Shareholders' equity / Total assets ⁴	45.2%	49.3%	51.7%	47.6%	2.4%	4.9%			-1.8%	-3.6%				
After adjustment ^{4,5}	48.3%	52.5%	54.8%	50.5%	2.4%	4.5%			-1.9%	-3.6%				
Debt / Equity ratio ⁴	0.80	0.71	0.67	0.69	-0.03	-4.5%			-0.01	-2.0%				
After adjustment ^{4,5}	0.69	0.60	0.58	0.59	-0.02	-4.1%			-0.01	-2.0%				
Payout ratio	-	43.7%	-	23.3%	-	-			-20.4%	-46.7%				
EBITDA ⁶	40,665	192,754	106,766	281,000	66,100	162.5%	Time-lag effect, etc.		88,245	45.8%	Revised from the forecast (264.5 billion yen) announced in May			
Operating profit	7,366	60,001	73,664	139,500	66,298	900.0%			79,498	132.5%				
Share of profit (loss) of entities accounted for using equity method	5,707	12,929	4,478	21,500	-1,228	-21.5%			8,570	66.3%				
Depreciation (including amortization of goodwill)	27,591	119,823	28,623	120,000	1,031	3.7%			176	0.1%	Revised from the forecast (103.5 billion yen) announced in May			
Free cash flow ⁷	-80,604	-170,365	57,732	32,000	138,336	-			202,365	-				
Earnings per share (EPS) (yen)	26.9	137.4	145.7	279.1	118.7	440.7%			141.7	103.1%				
Bookvalue per share (BPS) (yen) ⁴	3,096.4	3,347.3	3,534.5	3,385.1	187.2	5.6%			37.8	1.1%				
Annual dividends per share (DPS) (yen)	-	60.0	-	65.0	-	-			5.0	8.3%				
Number of employees	21,269	21,017	21,385	21,821	116	0.5%			804	3.8%				
Number of consolidated subsidiaries	153	154	157	-	4	2.6%			-	-				
Number of equity method affiliates	31	32	37	-	6	19.4%			-	-				

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 Segment

	Results				Forecasts		FY2023.3 1Q Results → FY2024.3 1Q Results (A→C)		FY2023.3 Results → FY2024.3 Forecasts (B→D)	
	FY2023.3		FY2024.3	FY2024.3	Changes	Remarks	Changes	Remarks		
	A. 1Q	B. Full Year	C. 1Q	D. Full Year						
Net Sales	467,119	2,275,113	512,611	2,017,000	45,492	9.7%	-258,113	-11.3%		
Domestic Energy	400,632	1,971,694	444,682	1,688,000	44,050	11.0%	-283,694	-14.4%	Increase in sales from the higher unit selling price of city gas, etc.	
International Energy	27,807	123,299	22,056	125,000	-5,751	-20.7%	1,700	1.4%	Decrease in sales from the lower unit selling price of city gas, etc.	
Life & Business Solutions	56,097	258,543	59,062	277,000	2,964	5.3%	18,456	7.1%		
Adjustments	-17,419	-78,423	-13,189	-73,000	4,229	-	5,423	-		
Segment profit (loss) ¹	13,073	72,931	78,143	161,000	65,069	497.7%	88,068	120.8%		
Operating profit	7,366	60,001	73,664	139,500	66,298	900.0%	79,498	132.5%		
Share of profit (loss) of entities accounted for using equity method	5,707	12,929	4,478	21,500	-1,228	-21.5%	8,570	66.3%		
Domestic Energy	-12,401	-27,324	58,114	66,000	70,516	-	93,324	-	Time-lag effect, etc.	
(Electricity business) ²	-1,631	11,365	19,527	23,500	21,159	-	12,134	106.8%	Decreased costs for LNG procurement, etc.	
Operating profit	-12,901	-31,367	58,152	62,600	71,054	-	93,967	-	Time-lag effect, etc.	
Share of profit (loss) of entities accounted for using equity method	500	4,043	-37	3,400	-538	-	-643	-15.9%		
International Energy	21,275	69,718	13,889	69,000	-7,385	-34.7%	-718	-1.0%	Decrease in income from Freeport LNG project, etc.	
Operating profit	16,067	60,831	9,372	50,900	-6,695	-41.7%	-9,931	-16.3%		
Share of profit (loss) of entities accounted for using equity method	5,207	8,886	4,516	18,100	-690	-13.3%	9,213	103.7%	Increase in income from Freeport LNG project, etc.	
Life & Business Solutions	5,057	29,237	4,922	27,000	-135	-2.7%	-2,237	-7.7%		
Adjustments	-857	1,300	1,216	-1,000	2,074	-	-2,300	-		

¹ Segment profit = Operating profit + Share of profit (loss) of entities accounted for using equity method.

² 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.

	Results				Forecasts		FY2023.3 1Q Results → FY2024.3 1Q Results (A→C)		FY2023.3 Results → FY2024.3 Forecasts (B→D)	
	FY2023.3		FY2024.3	FY2024.3	Changes	Remarks	Changes	Remarks		
	A. 1Q	B. Full Year	C. 1Q	D. Full Year						
Profit (Loss) on time-lag effect ¹	-19,452	-34,711	32,333	36,600	51,786	-	71,311	-		
Profit (Loss) on time-lag effect ((Non-consolidated) Gas business)	-11,989	-16,405	23,125	23,700	35,114	-	40,105	-		
Profit (Loss) on time-lag effect ((Non-consolidated) Electricity business)	-7,463	-18,306	9,208	12,900	16,671	-	31,206	-		
Profit (Loss) on market value of derivative ²	3,088	4,849	1,303	-	-1,784	-57.8%	-	-		
Crude oil price (JCC) (USD / bbl)	110.8	102.7	84.0	85.0	-26.8	-24.2%	-17.7	-17.2%	Average of preliminary monthly data up to June 2023	
Exchange rate (JPY / USD)	129.7	135.5	137.5	135.0	7.8	6.0%	-0.5	-0.4%		

¹ Included in Domestic Energy.

² Included in International Energy.

4. Results of Major Companies

		Results				Forecasts		FY2023.3 1Q Results → FY2024.3 1Q Results		FY2023.3 Results → FY2024.3 Forecasts	
		FY2023.3		FY2024.3	FY2024.3	(A→C)		(B→D)			
		A. 1Q	B. Full Year	C. 1Q	D. Full Year	Changes	Remarks	Changes	Remarks		
Net Sales	(Domestic) Osaka Gas Co., Ltd. ^{*1}	337,719	1,716,757	390,694	-	52,974	15.7%	Increase in sales from the higher unit selling price of city gas, etc.	-	-	
	(Domestic) Osaka Gas Network Co., Ltd. ^{*1}	53,125	216,279	52,344	219,149	-781	-1.5%		2,869	1.3%	
	(Domestic) Osaka Gas Marketing Co., Ltd.	12,480	50,347	13,129	57,767	649	5.2%		7,420	14.7%	
	(Domestic) Daigas Energy Co., Ltd.	13,521	63,450	15,530	64,938	2,009	14.9%		1,487	2.3%	
	(Domestic) Osaka Gas International Transport Inc.	6,881	28,642	14,426	56,990	7,544	109.6%	Increase in LNG transport revenues, etc.	28,347	99.0%	Increase in LNG transport revenues, etc.
	(International) Osaka Gas Australia Pty. Ltd.	7,504	30,258	3,057	26,863	-4,447	-59.3%	Decrease in number of LNG cargos, etc.	-3,394	-11.2%	
	(International) Osaka Gas USA Corporation	19,890	90,391	18,331	93,180	-1,559	-7.8%		2,788	3.1%	
	(LBS ⁽²⁾) Osaka Gas Urban Development Co., Ltd.	5,350	35,740	6,284	42,261	933	17.4%		6,521	18.2%	Increase in sales of rental properties, etc.
	(LBS ⁽²⁾) OGIS-RI Co., Ltd.	9,173	47,782	10,772	46,464	1,599	17.4%		-1,318	-2.8%	
	(LBS ⁽²⁾) Osaka Gas Chemicals Co., Ltd.	8,896	34,186	7,956	37,547	-940	-10.6%		3,361	9.8%	
(LBS ⁽²⁾) Jacobi Carbons AB	10,340	49,608	10,823	52,104	483	4.7%		2,495	5.0%		
Segment Profit (Loss)	(Domestic) Osaka Gas Co., Ltd. ^{*1-3}	-35,738	-90,251	45,480	-	81,218	-	Time-lag effect, etc.	-	-	
	(Domestic) Osaka Gas Network Co., Ltd. ^{*1}	70	13,554	545	11,212	474	673.1%		-2,342	-17.3%	
	(Domestic) Osaka Gas Marketing Co., Ltd.	2,243	4,340	2,039	4,852	-203	-9.1%		512	11.8%	
	(Domestic) Daigas Energy Co., Ltd.	1,715	5,598	1,529	4,164	-186	-10.8%		-1,434	-25.6%	
	(Domestic) Osaka Gas International Transport Inc.	953	-3,939	3,357	3,546	2,404	252.1%	Increase in LNG transport revenues, etc.	7,486	-	Decrease in ship charter costs, etc.
	(International) Osaka Gas Australia Pty. Ltd.	5,639	21,882	2,330	15,528	-3,309	-58.7%	Decrease in number of LNG cargos, etc.	-6,354	-29.0%	Changes in the crude oil price, etc.
	(International) Osaka Gas USA Corporation	11,134	42,570	7,937	40,055	-3,197	-28.7%	Decrease in income from Freeport LNG project, etc.	-2,515	-5.9%	
	(International) IPP projects in North America ^{*4-5}	285	8,254	2,850	10,723	2,564	896.6%	Impact of market conditions, etc.	2,468	29.9%	Impact of market conditions, etc.
	(LBS ⁽²⁾) Osaka Gas Urban Development Co., Ltd.	1,816	9,608	1,709	9,768	-106	-5.9%		160	1.7%	
	(LBS ⁽²⁾) OGIS-RI Co., Ltd.	477	5,749	908	5,136	430	90.1%		-613	-10.7%	
(LBS ⁽²⁾) Osaka Gas Chemicals Co., Ltd.	980	2,198	147	1,640	-833	-85.0%		-558	-25.4%		
(LBS ⁽²⁾) Jacobi Carbons AB	1,092	6,874	1,193	6,248	100	9.2%		-626	-9.1%		

*1 From April 2022, Osaka Gas Co., Ltd. implemented the legal separation of the gas pipeline business.

*2 Life & Business Solutions.

*3 Including operating expenses for International Energy.

*4 Equity method affiliates.

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

5. Investment

		Results				Forecasts		FY2023.3 1Q Results → FY2024.3 1Q Results		FY2023.3 Results → FY2024.3 Forecasts	
		FY2023.3		FY2024.3	FY2024.3	(A→C)		(B→D)			
		A. 1Q	B. Full Year	C. 1Q	D. Full Year	Changes	Remarks (billion yen)	Changes	Remarks (billion yen)		
Investment (including capital expenditures)		46,368	237,249	52,751	250,000	6,383	13.8%		12,750	5.4%	
Investment for quality improvement		11,482	65,019	12,535	90,000	1,053	9.2%		24,980	38.4%	
Investment for growth		34,885	172,229	40,216	160,000	5,330	15.3%	Total 40.2 25% progress to the plan in FY24.3 (FY24.3 Results Breakdown) Domestic Energy 7.5, International Energy 19.9, Life & Business Solutions 12.6	-12,229	-7.1%	
Capital expenditures		36,953	195,330	45,330	214,000	8,376	22.7%		18,669	9.6%	

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

	Results				Forecasts		FY2023.3 1Q Results → FY2024.3 1Q Results (A→C)		FY2023.3 Results → FY2024.3 Forecasts (B→D)	
	FY2023.3		FY2024.3		FY2024.3		Changes	Remarks (billion yen)	Changes	Remarks (billion yen)
	A. 1Q	B. Full Year	C. 1Q	D. Full Year	FY2024.3					
Sales from gas business ^{*1}	164,277	858,724	196,186	737,000	31,908	19.4%			-121,724	-14.2%
Raw material costs	109,353	628,413	120,260	474,200	10,906	10.0%			-154,213	-24.5%
Gross profit of gas business ^{*1}	54,923	230,311	75,925	262,800	21,001	38.2%	Time-lag effect 35.1, Others -14.1		32,488	14.1%

*1 Figures are calculated excluding gas transportation service and revenue from interoperator settlement.

(Sales-related Results (Cumulative results))

	Results				Forecasts		FY2023.3 1Q Results → FY2024.3 1Q Results (A→C)		FY2023.3 Results → FY2024.3 Forecasts (B→D)	
	FY2023.3		FY2024.3		FY2024.3		Changes	Remarks	Changes	Remarks
	A. 1Q	B. Full Year	C. 1Q	D. Full Year	FY2024.3					
Average temperature (°C)	20.4	17.8	19.9	17.3	-0.5	-2.5%			-0.5	-2.8%
Number of customer accounts (thousands)	9,899	10,021	10,101	10,156	202	2.0%			135	1.4%
Number of units for gas supply	5,004	5,004	5,024	-	20	0.4%			-	-
Number of low-voltage electricity supply	1,649	1,707	1,743	-	94	5.7%			-	-
Gas sales volume (million m ³) ^{*1,2}	1,664	6,845	1,535	6,778	-129	-7.7%			-67	-1.0%
Residential	390	1,697	376	1,715	-14	-3.7%			18	1.0%
(Changes) Number of customers	-	-	-	-	-0	-0.1%			-	-
(Changes) Impact of temperature	-	-	-	-	-3	-0.9%			-	-
(Changes) Others	-	-	-	-	-11	-2.7%			-	-
Non-residential	1,274	5,148	1,160	5,063	-115	-9.0%			-85	-1.6%
(Changes) Demand development	-	-	-	-	11	0.8%			-	-
(Changes) Impact of temperature	-	-	-	-	-1	-0.1%			-	-
(Changes) Capacity utilization of facilities	-	-	-	-	-48	-3.7%			-	-
(Changes) Individual factor	-	-	-	-	-76	-5.9%			-	-
(Changes) Others	-	-	-	-	-1	-0.1%			-	-
Electricity sales volume (GWh) ^{*2}	3,391	15,883	2,860	15,620	-531	-15.7%			-263	-1.7%
Retail	1,216	6,390	1,272	-	56	4.6%			-	-
Wholesale, etc	2,175	9,493	1,588	-	-587	-27.0%			-	-

*1 145 MJ/m³

*2 Gas sales volume and electricity sales volume reflect 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 gas sales and electricity sales are estimated and recorded based on the Implementation Guidance on Accounting Standard for Revenue Recognition.

The analysis of changes factors is based on monthly meter readings of usage, and the difference between the estimated usage amount for the period between the last meter reading day in the account closing month and the account closing date is recorded in "Others" under changes factors.

7. Reference Data

(Crude oil price, Exchange rate)

		Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
FY2023.3	Crude oil price (JCC) (USD / bbl)	108.2	107.8	116.9	116.4	112.5	110.9	106.0	100.5	95.0	88.3	87.9	85.4
	Exchange rate (JPY / USD)	126.0	128.8	133.9	136.8	135.2	143.1	147.2	142.5	135.1	130.4	132.8	133.9
FY2024.3	Crude oil price (JCC) (USD / bbl)	83.5	86.3	82.0									
	Exchange rate (JPY / USD)	133.4	137.4	141.3									

(Sales-related Results (Quarterly results))

	FY2023.3	FY2024.3	FY2023.3 → FY2024.3 Changes	
	1Q	1Q	1Q	
Gas sales volume (million m3) ^{*1,2}	1,664	1,535	-129	-7.7%
Residential	390	376	-14	-3.7%
(Changes) Number of customers	-	-	-0	-0.1%
(Changes) Impact of temperature	-	-	-3	-0.9%
(Changes) Others	-	-	-11	-2.7%
Non-residential	1,274	1,160	-115	-9.0%
(Changes) Demand development	-	-	11	0.8%
(Changes) Impact of temperature	-	-	-1	-0.1%
(Changes) Capacity utilization of facilities	-	-	-48	-3.7%
(Changes) Individual factor	-	-	-76	-5.9%
(Changes) Others	-	-	-1	-0.1%
Electricity sales volume (GWh) ^{*2}	3,391	2,860	-531	-15.7%
Retail	1,216	1,272	56	4.6%
Wholesale, etc	2,175	1,588	-587	-27.0%

*1 45MJ/m3

*2 Gas sales volume and electricity sales volume reflect 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 gas sales and electricity sales are estimated and recorded based on the Implementation Guidance on Accounting Standard for Revenue Recognition.

The analysis of changes factors is based on monthly meter readings of usage, and the difference between the estimated usage amount for the period between the last meter reading day in the account closing month and the account closing date is recorded in "Others" under changes factors.

(Average temperature of Osaka city)

		Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
FY2023.3	Average temperature (°C)	16.8	20.0	24.4	28.4	29.5	26.2	19.0	15.2	7.9	6.5	7.0	13.0
FY2024.3	Average temperature (°C)	15.9	20.0	23.8									

Disclaimer

Certain statements contained herein are forward-looking statements 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.

This document has been translated from the Japanese original for reference purpose only.

In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.