

## Second Quarter of the Fiscal Year Ending March 31, 2024

### Brief Report of Consolidated Financial Statements (Japanese GAAP)



\* This document is an English translation of materials originally disclosed in Japanese and is provided for reference purpose only.

October 27, 2023

Name of Listed Company	: Osaka Gas Co., Ltd.	Listed Exchanges:	Prime Market of Tokyo
Code No.	: 9532	URL:	<a href="https://www.osakagas.co.jp/en/">https://www.osakagas.co.jp/en/</a>
Representative Officer	: Title: President	Name:	Masataka Fujiwara
Contact	: Title: Manager, Finance Dept.	Name:	Shinji Konno
Scheduled Date of Financial Report Filing with the Financial Services Agency	: November 9, 2023		
Scheduled Date of Dividend Payment	: November 30, 2023		
Preparation of Supplementary Explanation Documents for Operating Results	: Yes		
Holding of an Informational Meeting for Operating Results	: Yes (for institutional investors and analysts)		

(Amounts less than one million yen are rounded down to the nearest million yen.)

#### 1. Consolidated Financial Results for the Six Months Ended September 30, 2023 (April 1, 2023 - September 30, 2023)

##### (1) Consolidated Operating Results (% of change from the same period in the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended September 30, 2023	995,693	1.4	96,731	—	123,851	—	89,351	—
Six months ended September 30, 2022	981,560	51.0	-45,690	—	-37,865	—	-29,744	—

(Note) Comprehensive income: Six months ended September 30, 2023 171,104 million yen (206.7% YoY)  
Six months ended September 30, 2022 55,797 million yen (-16.9% YoY)

	Earnings per share	Diluted earnings per share
	yen	yen
Six months ended September 30, 2023	214.94	-
Six months ended September 30, 2022	-71.56	-

##### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity / Total assets
	million yen	million yen	%
As of September 30, 2023	2,973,498	1,575,527	52.1
As of March 31, 2023	2,819,589	1,417,178	49.3

<Reference> Shareholders' equity: As of September 30, 2023 1,549,822 million yen  
As of March 31, 2023 1,391,421 million yen

#### 2. Dividends

	Dividends per share				
	End of First Quarter	End of Second Quarter	End of Third Quarter	End of Fiscal Year	Annual
	yen	yen	yen	yen	yen
Year ended March 31, 2023	-	30.00	-	30.00	60.00
Year ending March 31, 2024	-	32.50			
Year ending March 31, 2024 (Forecast)			-	32.50	65.00

(Note) Revision of the dividend forecast from previously announced figures: None

#### 3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(% of change from the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	2,095,000	-7.9	139,500	132.5	159,000	110.2	116,000	103.1	279.06

(Note) Revision of the financial results forecasts from previously announced figures: Yes

(Note) The Company resolved to repurchase its own shares at the board of directors meeting held on October 27, 2023. However, the impact of repurchase of its own shares is not taken into account in regards to "Earnings per share" in the forecasts of consolidated financial results. Please refer to the "Notice Concerning Repurchase of Own Shares" released today regarding the repurchase of its own shares.

\*Notes

(1) Changes in significant subsidiaries during the six months ended September 30, 2023 (changes in specified subsidiaries resulting in a change in the scope of consolidation): None

(2) Adoption of special accounting treatments for quarterly consolidated financial statements: Adopted

(Note) For detailed information, please refer to "2. (3) Adoption of Special Accounting Treatments for Quarterly Consolidated Financial Statements" on Page 8 of the Attachment to this Brief Report of Consolidated Financial Statements.

(3) Changes in accounting policies, changes in accounting estimates, and restatements

(i) Changes in accounting policies due to revisions to accounting standards, etc.: None

(ii) Changes in accounting policies other than (i) above: None

(iii) Changes in accounting estimates: None

(iv) Restatements: None

(4) Issued shares (common shares)

(i) Number of issued shares at the end of each period (including treasury shares):

As of September 30, 2023 416,680,000 shares

As of March 31, 2023 416,680,000 shares

(ii) Number of treasury shares at the end of each period: As of September 30, 2023 954,891 shares

As of March 31, 2023 1,000,693 shares

(iii) Average number of shares during each period: Six months ended September 30, 2023 415,698,963 shares

Six months ended September 30, 2022 415,661,913 shares

\*Quarterly Brief Report of Consolidated Financial Statements is outside the scope of quarterly review by a certified public accountant or an audit firm.

\*Notes on proper use of forecasts and other matters

1. Forward-looking statements contained in this document, including financial results forecasts, are based on information currently available to Osaka Gas Co., Ltd. (the "Company") and certain assumptions that the Company regards as reasonable. Actual results may differ significantly from these forecasts, due to various factors. As for notes regarding assumptions used for and the use of the financial results forecasts, please refer to "1. (3) Forecasts of Consolidated Financial Results" on Page 3 of the Attachment to this Brief Report of Consolidated Financial Statements.

2. The Company plans to hold a results briefing for institutional investors and analysts on October 30, 2023.

Immediately after the briefing, the presentation materials will be made available on the Company's website.

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# 1. Overview of Quarterly Consolidated Financial Results

## (1) Consolidated Operating Results

### (Overview of Quarterly Operating Results)

Consolidated net sales for the six months ended September 30, 2023 increased by ¥14.1 billion year-on-year to ¥995.6 billion. This was primarily due to the higher unit selling price of city gas under the fuel cost adjustment system in the Domestic Energy Business. Consolidated ordinary profit increased by ¥161.7 billion year-on-year to ¥123.8 billion. This was primarily due to the positive impact of a time lag between fluctuations in raw material costs, etc. and their reflection in the unit selling prices(\*), and the absence of increased costs for LNG procurement following the suspension of operations at the liquefaction plant of the Freeport LNG Project in the previous fiscal year in the Domestic Energy Business. Profit attributable to owners of parent increased by ¥119.0 billion year-on-year to ¥89.3 billion.

(\*)There is a time lag between fluctuations in raw material costs and fuel costs and their reflection in the unit selling prices under the raw material and fuel costs adjustment system, which causes a temporary increase/decrease in profit.

(billion yen)

	Consolidated results	Compared with previous fiscal year	
		increase/decrease	increase/decrease rate (%)
Net sales	995.6	+14.1	+1.4
Cost of sales	791.6	-142.8	-15.3
Selling, general and administrative expenses	107.3	+14.5	+15.7
Operating profit	96.7	+142.4	—
Ordinary profit	123.8	+161.7	—
Profit attributable to owners of parent	89.3	+119.0	—

### (Quarterly Domestic Gas Sales Breakdown)

		Six months ended September 30, 2023	YoY Changes rate (%)
Gas sales volume (million m <sup>3</sup> )	Residential	583	-1.1
	Non-residential, etc.	2,459	-6.5
	Total	3,041	-5.5
Number of gas supply (thousands)		5,020	+0.6

[45MJ/m<sup>3</sup>]

### (Quarterly Domestic Electricity Sales Breakdown)

		Six months ended September 30, 2023	YoY Changes rate (%)
Electricity sales volume (GWh)	Retail	3,291	+6.8
	Wholesale, etc.	3,710	-19.1
	Total	7,001	-8.7
Number of low-voltage electricity supply (thousands)		1,761	+5.4

**(2) Consolidated Financial Position**

Total assets as of September 30, 2023 increased by ¥153.9 billion compared with March 31, 2023 to ¥2,973.4 billion. This was primarily due to an increase in cash and deposits resulting from the issuance of bonds and an increase in non-current assets resulting from progress of investment activities.

Net assets totaled ¥1,575.5 billion and the ratio of shareholders' equity to total assets was 52.1%.

**(3) Forecasts of Consolidated Financial Results**

Considering recent trends in our performance and other factors, forecasts of consolidated financial results for the fiscal year ending March 31, 2024 have been revised from the previous forecasts as shown in the tables below.

Consolidated net sales is expected to exceed the previous forecasts mainly due to the rise in the unit selling price of city gas under the fuel cost adjustment system. Consolidated operating profit, consolidated ordinary profit and profit attributable to owners of parent are expected to remain unchanged from the previous forecasts.

(Reference) Assumptions for the crude oil price and exchange rate (October 2023 - March 2024)

Crude oil price (All Japan CIF price) at 90USD/bbl

Exchange rate (TTM) at 145JPY/USD

Changes from the previous financial results forecasts in the Brief Report of Consolidated Financial Statements for the Fiscal Year Ended March 31, 2023 announced on May 8, 2023 are shown in the tables below.

Revision of Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2024  
(April 1, 2023 - March 31, 2024)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	million yen	million yen	million yen	million yen	yen
Previous forecasts (A)	2,017,000	139,000	159,000	116,000	279.06
Revised forecasts (B)	2,095,000	139,500	159,000	116,000	279.06
Changes (B - A)	+78,000	-	-	-	
Changes (%)	+3.9	-	-	-	
(Reference) Actual results of fiscal year ended March 31, 2023	2,275,113	60,001	75,649	57,110	137.39

(Note)The Company resolved to repurchase its own shares at the board of directors meeting held on October 27, 2023. However, the impact of repurchase of its own shares is not taken into account in regards to "Earnings per share" in the forecasts of consolidated financial results. Please refer to the "Notice Concerning Repurchase of Own Shares" released today regarding the repurchase of its own shares.

## 2. Quarterly Consolidated Financial Statements and Notes

### (1) Quarterly Consolidated Balance Sheets

(million yen)

	As of March 31, 2023	As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	85,087	195,377
Notes and accounts receivable - trade, and contract assets	279,602	204,191
Inventories	219,380	210,856
Other	197,998	201,863
Allowance for doubtful accounts	(1,132)	(952)
Total current assets	780,936	811,336
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	187,685	182,007
Machinery, equipment and vehicles, net	616,247	640,440
Land	231,327	237,393
Construction in progress	182,611	211,102
Other, net	25,917	25,318
Total property, plant and equipment	1,243,788	1,296,261
Intangible assets	105,120	108,317
Investments and other assets		
Investment securities	440,911	498,705
Other	249,531	259,734
Allowance for doubtful accounts	(699)	(857)
Total investments and other assets	689,743	757,582
Total non-current assets	2,038,652	2,162,162
Total assets	2,819,589	2,973,498

(million yen)

	As of March 31, 2023	As of September 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	69,142	69,164
Income taxes payable	26,586	31,825
Other	364,069	304,571
Total current liabilities	459,798	405,562
Non-current liabilities		
Bonds payable	425,018	460,018
Long-term borrowings	386,516	390,615
Retirement benefit liability	19,703	20,034
Other	111,372	121,739
Total non-current liabilities	942,611	992,408
Total liabilities	1,402,410	1,397,970
Net assets		
Shareholders' equity		
Share capital	132,166	132,166
Capital surplus	19,096	19,107
Retained earnings	1,010,078	1,087,344
Treasury shares	(2,045)	(1,953)
Total shareholders' equity	1,159,295	1,236,664
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	68,085	77,707
Deferred gains or losses on hedges	25,268	47,859
Revaluation reserve for land	(1,947)	(2,142)
Foreign currency translation adjustment	97,838	150,994
Remeasurements of defined benefit plans	42,881	38,738
Total accumulated other comprehensive income	232,125	313,158
Non-controlling interests	25,757	25,704
Total net assets	1,417,178	1,575,527
Total liabilities and net assets	2,819,589	2,973,498

## (2) Quarterly Consolidated Statements of Income and Comprehensive Income

### Quarterly Consolidated Statements of Income

(million yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	981,560	995,693
Cost of sales	934,465	791,639
Gross profit	47,095	204,053
Selling, general and administrative expenses	92,785	107,322
Operating profit (loss)	(45,690)	96,731
Non-operating income		
Interest income	1,411	5,217
Dividend income	2,191	2,569
Share of profit of entities accounted for using equity method	4,130	10,907
Other	10,150	18,375
Total non-operating income	17,883	37,070
Non-operating expenses		
Interest expenses	5,723	7,092
Other	4,335	2,858
Total non-operating expenses	10,059	9,950
Ordinary profit (loss)	(37,865)	123,851
Extraordinary losses		
Impairment losses	3,594	-
Total extraordinary losses	3,594	-
Profit (loss) before income taxes	(41,459)	123,851
Income taxes	(12,469)	34,178
Profit (loss)	(28,989)	89,672
Profit attributable to non-controlling interests	754	320
Profit (loss) attributable to owners of parent	(29,744)	89,351



Quarterly Consolidated Statements of Comprehensive Income

(million yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit (loss)	(28,989)	89,672
Other comprehensive income		
Valuation difference on available-for-sale securities	410	9,483
Deferred gains or losses on hedges	(4,201)	21,230
Foreign currency translation adjustment	74,650	51,965
Remeasurements of defined benefit plans	(3,715)	(3,481)
Share of other comprehensive income of entities accounted for using equity method	17,644	2,235
Total other comprehensive income	84,787	81,432
Comprehensive income	55,797	171,104
(Breakdown)		
Comprehensive income attributable to owners of parent	54,490	170,578
Comprehensive income attributable to non-controlling interests	1,307	525

### (3) Notes to the Quarterly Consolidated Financial Statements

#### (Going Concern Assumption)

Not applicable

#### (Significant Changes in the Value of Shareholders' Equity)

Six months ended September 30, 2023 (April 1, 2023 - September 30, 2023)

Not applicable

#### (Adoption of Special Accounting Treatments for Quarterly Consolidated Financial Statements)

(Calculation of tax expenses)

The effective tax rates (after applying tax effect accounting) expected to be imposed on income before income taxes applicable to the tax year in which this second quarter is included were estimated based on reasonable assumptions. Tax expenses were then calculated by multiplying the income before income taxes by the estimated effective tax rates.

#### (Segment Information)

Six months ended September 30, 2022 (April 1, 2022 - September 30, 2022) (million yen)

	Domestic Energy	International Energy	Life & Business Solutions	Total	Adjustments	Consolidated
Net sales	831,270	59,392	122,543	1,013,205	(31,644)	981,560
Segment profit (loss)						
Operating profit (loss)	(91,373)	34,047	13,426	(43,899)	(1,790)	(45,690)
Share of profit of entities accounted for using equity method	977	3,153	-	4,130	-	4,130
Total	(90,396)	37,201	13,426	(39,768)	(1,790)	(41,559)

Six months ended September 30, 2023 (April 1, 2023 - September 30, 2023) (million yen)

	Domestic Energy	International Energy	Life & Business Solutions	Total	Adjustments	Consolidated
Net sales	846,286	49,112	133,176	1,028,575	(32,882)	995,693
Segment profit						
Operating profit	57,036	21,430	16,821	95,288	1,442	96,731
Share of profit of entities accounted for using equity method	911	9,996	-	10,907	-	10,907
Total	57,947	31,426	16,821	106,195	1,442	107,638