# Presentation Script for the Analysts' Meeting (May 11, 2026): Financial Results for the Year Ended March 31, 2026 (FY2026.3)

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I am Masataka Fujiwara, Representative Director, President, and CEO of Osaka Gas Co., Ltd. Thank you for attending our financial results briefing for the year ended March 31, 2026. We appreciate your continued support. Today, I will explain our financial results for FY2026.3 using the presentation materials distributed today and posted on our website.

## Page 3: Executive Summary

Please turn to page 3. First, let me provide a summary of today's presentation. In the fiscal year ended March 2026, the second year of our Medium-Term Management Plan, we made steady progress, achieving year-on-year earnings growth. Driven by the strong performance of our International Energy Business, both ordinary profit and profit attributable to owners of the parent increased year-on-year. Consequently, ROIC and ROE improved steadily.

Our earnings forecasts for the fiscal year ending March 2027 remain unchanged from the business plan announced in March 2026. Despite the uncertain outlook in the Middle East, our estimates indicate that by incorporating current energy indices, we can achieve our final-year targets for both ROIC and ROE, excluding the time-lag effect.

Regarding shareholder returns, in line with the business plan announced in March 2026, we aim for an annual dividend of 130 yen per share for the fiscal year ending March 2027, representing a 10-yen increase from the previous year. Additionally, we will execute a share repurchase program with a maximum limit of 80 billion yen over approximately one year. To achieve the 8.0% ROE target outlined in the Medium-Term Management Plan 2026, we will continue to enhance capital efficiency by driving earnings growth and optimizing our equity capital.

## Page 4: Limited Impact of Middle East Instability on the Daigas Group

I will now discuss the impact of the situation in the Middle East on the Daigas Group.

At present, we do not have long-term procurement contracts from countries that require transit through the Strait of Hormuz, and we maintain a geographically diversified procurement portfolio. In addition, we procure LNG primarily through long-term contracts and secure power supply capacity mainly through our own generation assets. Accordingly, we do not expect a significant impact on near-term LNG procurement or on our supply of gas and electricity.

Our earnings sensitivities to changes in crude oil prices and foreign exchange rates are shown on page 28. We will update our assumptions for crude oil prices and exchange rates as appropriate. If the situation becomes prolonged or worsens and results in a further slowdown in domestic and overseas economic activity, risks may increase beyond higher energy prices. We will continue to monitor developments closely.

## Page 5: Achieving the Final Year (FY27.3) Targets of the Medium-Term Management Plan

Next, I will explain our progress toward achieving the final-year targets of the Medium-Term Management Plan.

Since we formulated the plan for the fiscal year ending March 2027 in March 2026, market fluctuations have increased our equity capital as of the end of the fiscal year ended March 2026. Consequently, the forecasted ROE for the fiscal year ending March 2027 is lower than the figure announced in March 2026. However, our estimates indicate that by reflecting current crude oil futures prices and other energy indices, an ROE excluding the time-lag effect is expected to exceed 8.0%.

Our final-year targets for the Medium-Term Management Plan—5.0% for ROIC and 8.0% for ROE—remain unchanged. We remain committed to achieving these targets by driving earnings growth while optimizing our equity capital.

Next, I will explain the progress of our initiatives to enhance corporate value.

<u>Page 7: Progress on Medium-Term Management Plan 2026: Three-Year Profit Growth</u>

Page 7 shows the progress of the Medium-Term Management Plan 2026. Driven by steady growth across all segments, our three-year average ordinary profit—including the forecast for the final year—is expected to increase significantly compared to the three-year average under the previous Medium-Term Management Plan. In the next Medium-Term Management Plan and beyond, we will continue to advance initiatives to achieve an ordinary profit of 200 billion yen for the fiscal year ending March 2031, along with an ROIC of around 6% and an ROE of around 10% in the early 2030s.

<u>Page 8: Progress on Medium-Term Management Plan 2026: Segment Profit Growth and Key Initiatives</u>

Page 8 outlines the main initiatives for each segment.

In the Domestic Energy Business, we are solidifying our foundation by improving our earnings structure through the optimization of gas sales prices, expanding our electricity sales volume, and securing profit contributions from electricity market trading. The International Energy Business has become a pillar of our earnings growth. We are expanding our energy value chain business centered on natural gas and LNG, which are increasingly important during the energy transition. This is driven by expanding stable profit contributions from the Sabine shale gas development and the Freeport LNG Project in the U.S., as well as increasing sales volume in our city gas business in India. In the Life & Business Solutions (LBS) Business, we are achieving steady growth by leveraging the strengths of our group companies and generating Daigas Group synergies. Furthermore, we are advancing our flow-type business model, primarily in real estate development, to enhance asset efficiency.

<u>Page 9: Progress on Medium-Term Management Plan 2026: Cash Allocation Outlook</u>

Page 9 compares the initial three-year cumulative plan and the current forecast for cash allocation. Cash inflow increased due to an upside in operating cash flow driven by earnings growth, along with planned asset recycling. Using these funds, we are managing cash outflow by steadily executing growth investments that exceed our initial plan and enhancing shareholder returns through dividend increases and share repurchases, while maintaining financial soundness.

<u>Page 10: Shareholder Return</u>

On page 10, I will explain our shareholder returns.

We will execute a new share repurchase program with a maximum limit of 80 billion yen. The repurchases will be carried out over approximately one year, ending on March 31, 2027. Furthermore, we raised our DOE target to 3.5% starting from the interim period of the fiscal year ended March 2026. In line with this policy, we aim for an annual dividend of 130 yen per share for the fiscal year ending March 2027, representing a 10-yen increase from the previous year. Going forward, we will maintain a progressive dividend policy while executing flexible share repurchases, carefully balancing these with our financial soundness, to enhance capital efficiency.

<u>Page 11: Strengthening Non-Financial Capital</u>

Page 11 reports on the progress of our non-financial targets. We are making steady progress toward our targets for the fiscal years ending March 2027 and March 2031. We aim to drive business growth that contributes to decarbonization through the advanced utilization of natural gas and the use of renewable energy. To achieve this, we will focus on solidifying our foundation, including our human capital, and strive for long-term, sustainable growth by enhancing our non-financial capital.

For reference, page 12 covers the adoption of a C-suite structure, and page 13 outlines the key feedback from shareholders and investors, along with our responses.

Next, I will explain the financial results for the fiscal year ended March 2026 and our earnings forecasts for the fiscal year ending March 2027.

Page 15: FY26.3 Results: Overview

Page 15 provides an overview of the financial results for the fiscal year ended March 2026.

Net sales decreased, primarily due to lower gas selling prices under the gas rate adjustment system in Domestic Energy. Ordinary profit and profit attributable to owners of the parent increased, as strong performance in International Energy, including Freeport LNG and U.S. upstream operations, more than offset lower earnings in Domestic Energy.

I will explain the factors for changes in ordinary profit on the following pages.

Page 16: FY26.3 Results: Ordinary Profit YoY Change

Page 16 breaks down the year-on-year changes in ordinary profit by segment.

Ordinary profit increased by 14.8 billion yen year on year. Ordinary profit in Domestic Energy decreased mainly due to higher fixed costs associated with the start-up of the Himeji Power Plant. Ordinary profit in International Energy increased, supported by strong performance in the U.S.

Page 17: FY26.3 Results: Ordinary Profit YoY Change

Page 17 provides segment-specific details. In the Domestic Energy Business, profit decreased by 5.6 billion yen. Despite the improved competitiveness of long-term LNG contracts relative to JLC and an expansion of time-lag gains, profit was weighed down by higher fixed costs associated with the start-up of the Himeji Power Plant and lower earnings from electricity market transactions. The International Energy Business recorded a 16.4 billion yen increase in profit, driven by higher earnings from the Freeport LNG and the upstream business in the U.S. In the LBS Business, profit increased due to increase in property sales in real estate development. Others saw a 4.6 billion yen decrease in profit due to segment adjustments and non-operating profit/loss.

Page 18: FY26.3 Results: Ordinary Profit YoY Change

Starting with this briefing, page 18 has been added to provide a breakdown of the year-on-year change in ordinary profit, including figures excluding the time-lag effect, for reference.

Page 19: FY26.3 Results: Ordinary Profit Variance vs. Feb. 2 Forecasts

Page 19 breaks down the variance from the ordinary profit forecast announced on February 2 by segment. Details are provided on the following page.

Page 20: FY26.3 Results: Ordinary Profit Variance vs. Feb. 2 Forecasts

Page 20 provides the details. Domestic Energy fell short of the forecast, primarily due to a decrease in time-lag gains. On the other hand, results exceeded the forecast due to increased profit from the U.S. upstream business in the International Energy

Business and higher sales of rental properties in the real estate development business within the LBS segment. As a result, ordinary profit exceeded the forecast by 18.5 billion yen.

Page 21: FY27.3 Forecasts: Overview

Next, I will move to the overview of the forecast for the fiscal year ending March 2027. Net sales, ordinary profit, profit attributable to owners of the parent, and EBITDA remain unchanged from the plan announced in March 2026. While we are not revising our full-year earnings forecast at this time, we will monitor the situation closely and provide timely and appropriate information disclosure.

Page 22: FY27.3 Forecasts: Ordinary Profit YoY Change

Page 22 breaks down the factors for changes in the ordinary profit forecast compared to the previous year's results by segment. In the Domestic Energy Business, ordinary profit is forecast to decrease by 14.5 billion yen, driven by factors such as lower profit in the electricity business.

Page 23: FY27.3 Forecasts: Ordinary Profit YoY Change

Page 23 provides details by segment. Profit in the Domestic Energy Business is forecast to decrease by 16.4 billion yen, mainly driven by lower profit from electricity market transactions and higher fixed costs associated with the start-up of the Himeji Power Plant. In the International Energy Business, profit is expected to decrease by 2.8 billion yen, primarily due to lower profit in the thermal power plants business in the United States. In the LBS Business, profit is forecast to increase by 3.0 billion yen, driven by factors such as improved gross margin in the activated carbon business within the Chemical materials field.

Page 24: FY27.3 Forecasts: Ordinary Profit YoY Change

Page 24 is provided for your reference, showing the year-on-year variance in the ordinary profit forecast excluding the time-lag effect.

Page 25: Reference Information for FY26.3 Results & FY27.3 Forecasts

Page 25 provides key reference data, such as sales volumes.

Page 26: Investment for Growth: Results and Forecasts

Page 26 outlines our growth investments and financial soundness. In the fiscal year ended March 2026, we executed 203.4 billion yen in growth investments. These were primarily allocated to power plants in the Domestic Energy Business, the development of the US upstream business in the International Energy Business, and real estate development in the LBS Business. As of the end of March 2026, our financial soundness indicators successfully secured the levels set out in the Medium-Term Management Plan 2026, maintaining a shareholders' equity ratio of 45% or higher and a D/E ratio of 0.8 or lower.

I will not cover the remaining slides in detail; supplementary information is provided in the latter half of the presentation.
Sensitivity analyses and other data are provided from page 27.
A comparison of FY2026.3 results is provided from page 32.
A comparison of FY2027.3 forecasts is provided from page 44.

Initiatives for each business are described from page 50 onwards.

This concludes my presentation.

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