

Osaka Gas Group's New Medium-Term Business Plan

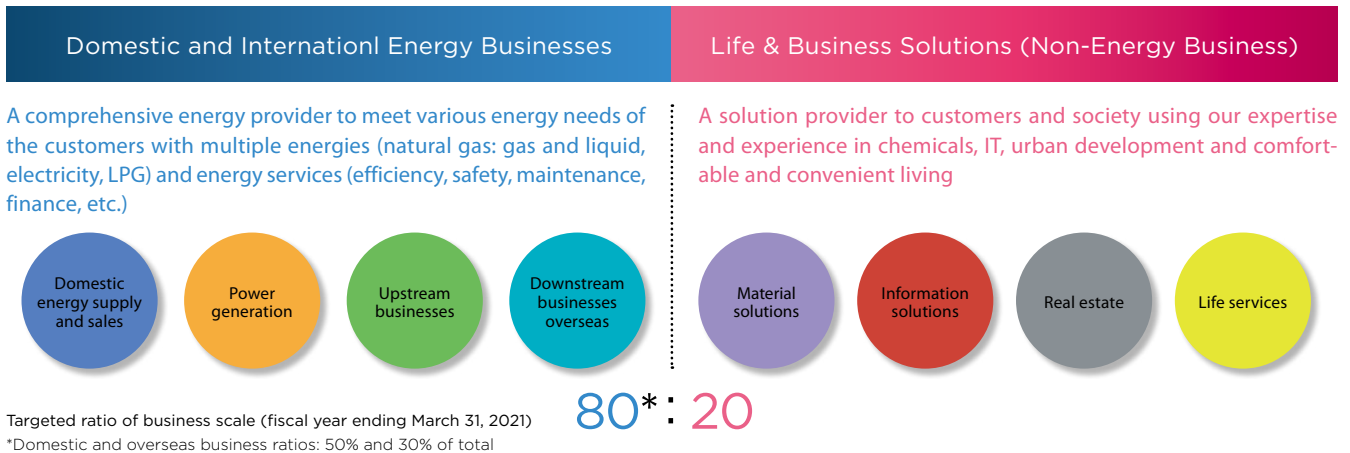
(From the fiscal year ending March 31, 2015 to the fiscal year ending March 31, 2017)

Catalyze

In March 2014, following the five years of business activities based on the “Field of Dreams 2020” long-term management vision, the Osaka Gas Group created and announced the new medium-term business plan “**Catalyze Our Dreams.**” The new medium-term plan reflects changes in the business environment since 2009 while staying true to the Group’s long-term management vision. As the second phase of “Field of Dreams 2020,” the plan covers the period from the fiscal year ending March 31, 2015 to the fiscal year ending March 31, 2017.

Vision of the Osaka Gas Group

Through its endeavors to enhance diverse businesses to world-class levels and actively expand business fields by leveraging the Group’s strengths, the Osaka Gas Group aims to enrich its customers’ lives and society.



Concept of Catalyze Our Dreams

In the long-term management vision “Field of Dreams 2020,” the Osaka Gas Group aims to achieve

- ① Business field expansion
- ② Solid business portfolio

Changes in operating environment of Osaka Gas Group:

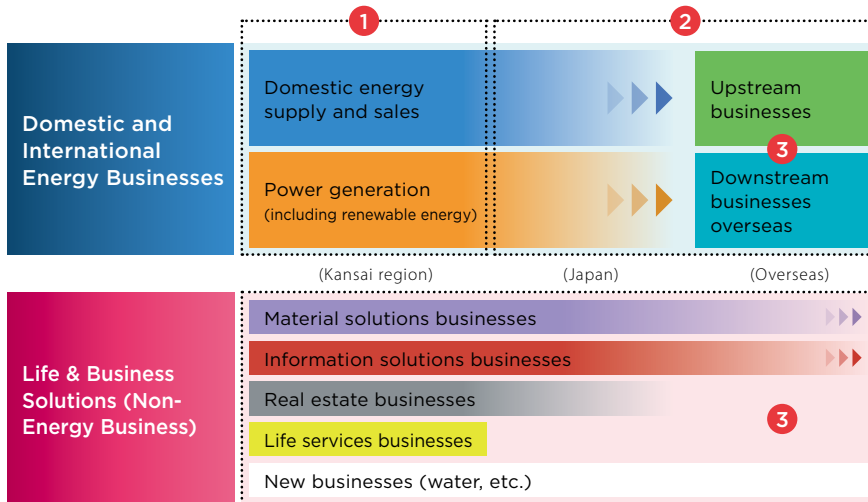
Great East Japan Earthquake, electricity and gas regulatory reforms, shale gas revolution, etc.

The Vision still holds valid but the Osaka Gas Group must accelerate its efforts to realize the Vision and augment its abilities to defeat the competition.

- Evolving into a comprehensive energy business in response to the proposed electricity and gas regulatory reforms
- Seeking opportunities in power generation, international energy business, and material solutions where our management resources expedite the growth of the Group

Our Dreams

Core Themes



1 Enhancement of the Energy Business in the Kansai region

Evolving its core energy business in the Kansai region into a comprehensive energy business able to address a diverse range of customer demands

2 Expansion of Service Areas in the Energy Business

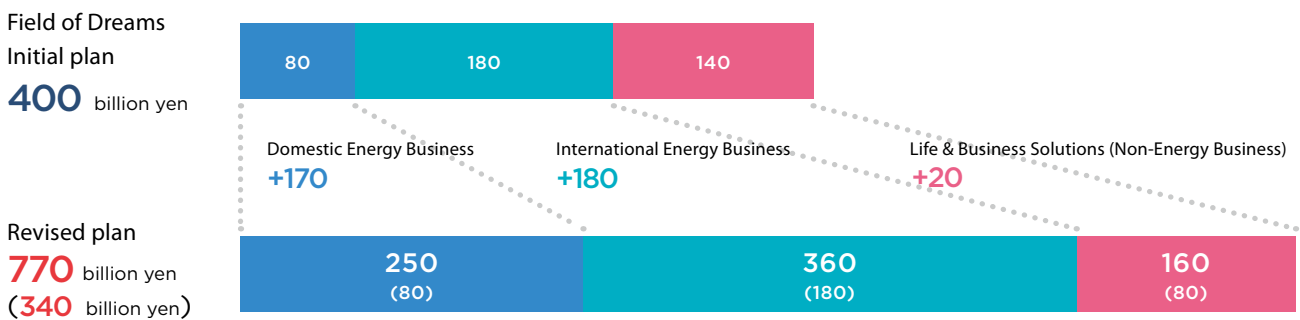
Expanding the scope of its energy business inside and outside Japan by leveraging its expertise

3 Creation of the Next Core Business

Expanding businesses in growth markets in the international energy business and the life & business solutions (non-energy business) by leveraging the strengths of the Osaka Gas Group

Investment Plan

Investments for expansion, greenfield and M&A (2015.3-2021.3)



* Data in parentheses indicates the investment plan for the three-year period from the fiscal year ending March 31, 2015 to the fiscal year ending March 31, 2017.

Major Management Indicator Targets

		2017.3	2021.3
Profitability indicator	ROA	3.5%	4.5%
	ROE	8.0%	9.0%
Financial soundness indicator	D/E ratio	Approx. 0.7	
	Net worth / Total assets	50% or higher	
Shareholder returns	Payout ratio	30% or higher*	
	Share buybacks	Management intends to take a flexible approach while considering overall investments and financial position.	

* Excluding factors that affect short-term profits