



Third Quarter of the Fiscal Year Ending March 31, 2012

Brief Report of Consolidated Financial Statements (Japanese GAAP)

January 30, 2012

Name of Listed Company : Osaka Gas Co., Ltd.	Listed Exchanges: 1 st Section of Tokyo, Osaka and Nagoya
Code : 9532	URL http://www.osakagas.co.jp
Representative Officer : Title: President	Name: Hiroshi Ozaki
Contact : Title: Manager, Consolidation Management Team, Finance Dept.	
	Name: Tatsuya Kataoka (TEL: 06-6205-4537)
Scheduled Date of Financial Report Filing	: February 13, 2012
Scheduled Date of Dividend Payment:	: -
Preparation of Supplementary Explanation Documents for Operational Results	: Yes
Holding of an Informational Meeting for Operational Results	: Yes (for institutional investors)

(Any amount less than one million yen is rounded down to the nearest million yen)

1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2012 (April 1, 2011 – December 31, 2011)

(1) Consolidated Operational Results (Percentages (%) represent changes from the previous year)

	Operating revenues		Operating profit		Ordinary profit		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Nine months ended December 31, 2011	868,716	6.0	25,744	-52.9	26,165	-50.0	12,911	-56.7
Nine months ended December 31, 2010	819,808	8.2	54,656	-22.1	52,370	-20.9	29,788	-24.7

(Note) Comprehensive income Nine months ended December 31, 2011 -952 million yen (- % YoY)
 Nine months ended December 31, 2010 17,880 million yen (- % YoY)

	Earnings per share	Diluted earnings per share
	yen	yen
Nine months ended December 31, 2011	6.20	—
Nine months ended December 31, 2010	13.92	—

(2) Consolidated Financial Position

	Total assets	Net assets	Net worth/Total assets
	million yen	million yen	%
As of December 31, 2011	1,446,696	670,100	44.6
As of March 31, 2011	1,437,297	688,695	46.3

<Reference> Net worth As of December 31, 2011 645,699 million yen As of March 31, 2011 664,959 million yen

2. Dividends

	Dividends per share				
	June 30	September 30	December 31	March 31	Annual
(Record date)	yen	Yen	yen	yen	yen
Year ended March 31, 2011	—	4.00	—	4.00	8.00
Year ending March 31, 2012	—	4.00	—	—	—
Year ending March 31, 2012 (Forecast)	—	—	—	4.00	8.00

(Note) Modification of the dividend forecast previously announced: None

3. Forecasts of Consolidated Results for the Fiscal Year Ending March 31, 2012 (April 1, 2011 to March 31, 2012) (Percentages represent forecasted changes from the previous year for the full year results.)

	Operating revenues		Operating profit		Ordinary profit		Net income		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	1,291,000	8.7	71,000	-19.9	70,000	-15.0	43,500	-5.4	20.89

(Note) Modification of the forecast previously announced: None

4. Other Information

- (1) Significant changes in subsidiaries during nine months ended December 31, 2011 (changes in certain subsidiaries resulting in a change in the consolidation scope): None
- (2) Adoption of special accounting treatments for consolidated quarterly financial statements: Adopted
- (3) Changes in accounting treatments and estimation methods, corrections and restatements
- (i) Changes in accounting policies in response to revisions in accounting standards, etc. : None
 - (ii) Changes in accounting policies other than (i) above: None
 - (iii) Changes in estimation methods : None
 - (iv) Corrections and restatements : None
- (4) Issued shares (common shares)
- | | | |
|--|---------------------------------------|----------------------|
| (i) Issued shares as of term-end (including treasury stocks) | : As of December 31, 2011 | 2,083,400,000 shares |
| | : As of March 31, 2011 | 2,083,400,000 shares |
| (ii) Repurchased shares (treasury stock) as of term-end | : As of December 31, 2011 | 1,102,980 shares |
| | : As of March 31, 2011 | 1,019,059 shares |
| (iii) Average number of outstanding shares during the period | : Nine months ended December 31, 2011 | 2,082,340,471 shares |
| | : Nine months ended December 31, 2010 | 2,139,578,334 shares |

*Statement regarding implementation of quarterly review

At the time of disclosure of this quarterly brief report of consolidated financial statements, the review of consolidated quarterly financial statements in accordance with the Financial Instruments and Exchange Act has not been completed.

*Notes on proper use of forecasts and other matters

1. Forward-looking statements in this document, including operating forecasts, are based on information currently available to the Company and certain assumptions that the Company believes are reasonable. Actual results may significantly differ from these forecasts, affected by various factors. As for notes regarding assumptions used for operating forecasts and regarding the use of forecasts, refer to 1. (3) "Descriptive Information on Forecasts of Consolidated Operating Results" on Page 2 of the Attachment to the Quarterly Brief Report of Consolidated Financial Statements.
2. The Company is planning to hold a conference call for institutional investors and analysts on January 31, 2012. Immediately after the meeting, the presentation materials used on that day will be made available on the Company's web site.

(Reference) Forecasts of Non-Consolidated Results for the Year Ending March 31, 2012 (April 1, 2011 to March 31, 2012) (Percentages represent forecasted changes from the previous year for the full year results.)

	Operating revenues		Operating profit		Ordinary profit		Net income		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	1,023,000	11.4	36,000	-31.5	40,500	-26.6	27,500	-20.3	13.21

(Note) Modification of the forecast previously announced: None

Table of Contents for Attachment

1. Descriptive Information on the Quarterly Financial Statements	2
(1) Descriptive Information on Consolidated Operating Results	2
(2) Descriptive Information on Consolidated Financial Position	2
(3) Descriptive Information on Forecasts of Consolidated Operating Results	2
2. Matters Relating to Summary Information (Others)	2
(1) Adoption of Special Accounting Treatments for Consolidated Quarterly Financial Statements	2
3. Consolidated Quarterly Financial Statements	3
(1) Consolidated Quarterly Balance Sheet	3
(2) Consolidated Quarterly Income Statement and Statement of Comprehensive Income	5
(3) Notes Regarding Assumption of Going Concern	7
(4) Segment Information	7
(5) Notes regarding Significant Changes in the Value of Shareholder's Equity	7
4. Reference Information	8
(1) Overview of Non-Consolidated Quarterly Financial Results	8
(2) Overview of Non-Consolidated Quarterly Gas Sales	8

1. Descriptive Information on the Quarterly Financial Statements

(1) Descriptive Information on Consolidated Operating Results

Despite gas sales volume of Osaka Gas remaining largely unchanged, revenues in the third quarter rose year-on-year by ¥48.9 billion to ¥868.7 billion owing to the continuing high unit sales price of gas under the fuel cost adjustment system. Operating profit decreased by 28.9 billion to ¥25.7 billion due chiefly to a large increase in raw material costs for Osaka Gas. Ordinary profit decreased by ¥26.2 billion to ¥26.1 billion and net income decreased by ¥16.8 billion to ¥12.9 billion.

Non-consolidated operating results of Osaka Gas are presented in “4. (1) Overview of Non-Consolidated Quarterly Financial Results” on Page 8.

(2) Descriptive Information on Consolidated Financial Position

Total assets as of December 31, 2011 totaled ¥1,446.6 billion, a increase of ¥9.3 billion from March 31, 2011. This increase was primarily attributable to an increase in inventories due mainly to seasonal factors. Net assets totaled ¥607.1 billion and the ratio of net worth to total assets was 44.6%.

(3) Descriptive Information on Forecasts of Consolidated Operating Results

The forecast remains unchanged.

2. Matters Relating to Summary Information (Others)

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

Tax expenses

For major consolidated subsidiaries, effective tax rates (after applying tax effect accounting) expected to be imposed on their pretax net income applicable to the tax year in which the current third quarter is included were estimated based on reasonable assumptions. Then, tax expenses for the third quarter were calculated by multiplying the pre-tax net incomes of respective subsidiaries for the quarter by the estimated effective tax rates.

3. Consolidated Quarterly Financial Statements

(1) Consolidated Quarterly Balance Sheet

(million yen)

	Previous Year As of March 31, 2011	Current Year As of December 31, 2011
Assets		
Fixed assets		
Tangible fixed assets		
Production facilities	84,785	81,224
Distribution facilities	296,526	280,979
Operational facilities	70,981	69,492
Other facilities	324,993	315,273
Construction in progress	23,106	43,393
Total tangible fixed assets	800,394	790,362
Intangible fixed assets	40,262	37,402
Investments and other assets		
Investment in securities	136,179	129,418
Others	95,785	99,754
Allowance for bad debts	-2,102	-1,942
Total investments and other assets	229,862	227,230
Total fixed assets	1,070,520	1,054,995
Current assets		
Cash and deposits	98,422	70,748
Notes and trade accounts receivable	136,930	142,007
Short-term investment securities	23,112	27,908
Inventories	49,400	89,693
Others	60,277	62,803
Allowance for bad debts	-1,366	-1,460
Total current assets	366,776	391,701
Total assets	1,437,297	1,446,696

Osaka Gas Co., Ltd. (9532)
Brief Report of Consolidated Financial Statements for the Third Quarter of the Fiscal Year Ending March 31, 2012

(million yen)

	Previous Year As of March 31, 2011	Current Year As of December 31, 2011
Liabilities		
Fixed liabilities		
Bonds	269,733	258,816
Long-term loans payable	190,430	196,288
Reserve for severance benefits	14,548	15,287
Reserve for gasholder repair	1,715	1,720
Reserve for safety actions	9,508	7,308
Allowance for investment loss	3,280	3,280
Others	29,156	26,683
Total fixed liabilities	518,373	509,385
Current liabilities		
Notes and trade accounts payable	38,218	49,625
Short-term loans payable	40,660	45,010
Others	151,349	172,574
Total current liabilities	230,228	267,210
Total liabilities	748,601	776,596
Net Assets		
Shareholders' equity		
Capital stock	132,166	132,166
Capital surpluses	19,482	19,482
Retained earnings	499,366	495,653
Treasury stock	-323	-348
Shareholders' equity total	650,692	646,954
Accumulated other comprehensive income		
Difference between market price and acquisition cost of other securities	18,037	14,926
Deferred hedge gains/losses	4,116	-709
Land revaluation excess	-519	-510
Foreign exchange adjustment	-7,367	-14,962
Accumulated other comprehensive income total	14,267	-1,255
Minority interest	23,735	24,401
Net assets total	688,695	670,100
Liabilities and net assets total	1,437,297	1,446,696

(2) Consolidated Quarterly Income Statement and Statement of Comprehensive Income

Consolidated Quarterly Income Statement

(million yen)

	Previous Year (April 1, 2010 – December 31, 2010)	Current Year (April 1, 2011 – December 31, 2011)
Operating revenues	819,808	868,716
Cost of sales	519,492	595,204
Gross profit on sales	300,315	273,512
Selling, general and administrative expenses	245,659	247,767
Operating profit	54,656	25,744
Non-operating revenues		
Interest income	463	525
Dividend income	1,851	1,905
Equity in earnings (losses) of affiliated companies	1,571	3,051
Miscellaneous income	3,777	3,694
Total non-operating revenues	7,664	9,176
Non-operating expenses		
Interest expenses	6,830	6,676
Miscellaneous expenses	3,119	2,078
Non-operating expenses total	9,950	8,755
Ordinary profit	52,370	26,165
Extraordinary loss		
Loss on adjustment accompanying application of accounting standard for asset retirement obligations	784	—
Total extraordinary loss	784	—
Net income before tax adjustments	51,585	26,165
Corporate, resident and business taxes	20,418	11,735
Income before minority interests	31,167	14,430
Minority interest	1,378	1,518
Net income	29,788	12,911

Consolidated Quarterly Statement of Comprehensive Income

(million yen)

	Previous Year (April 1, 2010 – December 31, 2010)	Current Year (April 1, 2011 – December 31, 2011)
Income before minority interests	31,167	14,430
Other comprehensive income		
Difference between market price and acquisition cost of other securities	-4,570	-3,113
Deferred hedge gains/losses	-3,382	-3,052
Land revaluation excess	-112	9
Foreign exchange adjustment	-2,236	-6,546
Share of other comprehensive income of associates accounted for using equity method	-2,983	-2,680
Other comprehensive income total	-13,286	-15,382
Comprehensive income	17,880	-952
Attributable to:		
Owners of the parent	17,363	-2,119
Minority interests	517	1,167

(3) Notes Regarding Assumption of a Going Concern

Not applicable

(4) Segment Information

Nine months ended December 31, 2010 (April 1, 2010 to December 31, 2010) (million yen)

	Gas	LPG, Electricity, and Other Energy	International Energy	Environment and Non-Energy	Total	Adjustments	Consolidated income statement totals
Net sales	602,456	122,113	8,382	129,755	862,708	-42,899	819,808
Segment profit (losses)							
Operating profit (losses)	22,910	16,778	2,566	10,506	52,762	1,894	54,656
Equity in earnings (losses) of affiliated companies	29	107	1,433	—	1,571	—	1,571
Total	22,940	16,886	3,999	10,506	54,333	1,894	56,227

Nine months ended December 31, 2011 (April 1, 2011 to December 31, 2011) (million yen)

	Gas	LPG, Electricity, and Other Energy	International Energy	Environment and Non-Energy	Total	Adjustments	Consolidated income statement totals
Net sales	650,152	128,975	7,959	130,573	917,660	-48,944	868,716
Segment profit (losses)							
Operating profit (losses)	-9,340	18,596	1,921	12,920	24,098	1,645	25,744
Equity in earnings (losses) of affiliated companies	20	152	2,820	57	3,051	—	3,051
Total	-9,319	18,748	4,741	12,978	27,149	1,645	28,795

(5) Notes Regarding Significant Changes in the Value of Shareholders' Equity

Not applicable

4. Reference Information

(1) Overview of Non-Consolidated Quarterly Financial Results (April 1, 2011 to December 31, 2011)

(billion yen)

Revenues					Expenses				
			YoY increase/ decrease	% change				YoY increase/ decrease	% change
Operating revenues from product sales	Gas	526.4	+45.6	+9.5%	Operating expenses	Cost of sales	339.7	+76.0	+28.9%
						SG&A	205.6	+2.0	+1.0%
						Total	545.4	+78.0	+16.7%
Other operating revenues	House-pipe installation	13.6	+0.5	+4.5%	Other expenses	House-pipe installation	13.9	+0.0	+0.5%
	Gas appliances	65.3	+2.1	+3.5%		Gas appliances	62.4	+2.1	+3.6%
	Transportation services	4.6	+0.3	+7.4%					
	Incidental business and others	79.0	+8.8	+12.7%		Incidental business and others	66.2	+6.4	+10.8%
	Total	162.6	+11.9	+7.9%		Total	142.6	+8.6	+6.5%
Total operating revenues		689.1	+57.6	+9.1%	Total expenses		688.0	+86.7	+14.4%
					Operating profit		1.0	-29.1	-96.6%
Non-operating revenues		9.1	+1.6	+21.9%	Non-operating expenses		5.5	-0.1	-2.0%
					Ordinary profit		4.6	-27.4	-85.5%
					Net income		2.4	-18.0	-88.2%

Quarterly non-consolidated financial statements are not subject to statutory review by accounting auditors. Quarterly non-consolidated financial statements were prepared in accordance with the Rules for Quarterly Consolidated Financial Statements.

(2) Overview of Non-Consolidated Quarterly Gas Sales

		3Q 2011 (a) (Apr. 1, 2011 – Dec. 31, 2011)	3Q 2010 (b) (Apr. 1, 2010 – Dec. 31, 2010)	Change (a)-(b)	% change
Customers (Meters installed) (thousand customers meters)	Residential	6,698	6,666	+32	+0.5
	Commercial/ Industrial	333	331	+3	+0.8
	Total	7,031	6,997	+35	+0.5
Monthly average usage per residential customer (m ³ /month)		25.3	25.6	-0.3	-1.2
Gas sales volume (million m ³)	Residential	1,322	1,336	-14	-1.0
	Commercial/ industrial	4,304	4,247	+57	+1.3
	Industrial	3,167	3,051	+115	+3.8
	Commercial	685	729	-44	-6.1
	Public and medical institutions	452	466	-14	-3.0
	Wholesale	342	347	-5	-1.5
Total		5,968	5,929	+38	+0.6

[Converted at 45MJ/m³]