



Financial Report for 1st Half of FY2012.3 (April 2011 – September 2011)

October 2011
Osaka Gas Co., Ltd.

I. Business Results for 1st Half of FY2012.3 and Forecasts for FY2012.3

Management information is available on Osaka Gas websites.

Financial reports, annual reports and road show materials can be accessed and downloaded at the following URL.

http://www.osakagas.co.jp/ir/index_e.html

Disclaimer

Certain statements contained herein are forward-looking statements, strategies, and plans, which reflect our judgment based on the 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 rates and crude oil prices, and extraordinary weather conditions.

Note regarding gas sales volume

All gas sales volumes are indicated based on the standard heating value at 45 MJ/m³.

Note regarding consolidated gas sales volume

The fiscal year of Nabari Kintetsu Gas, toyooka Energy, and Shingu Gas ends on December 31.

Note regarding the indication of quarter

"Quarter" refers to "quarterly cumulative period," unless otherwise noted.

Thank you very much for taking the time to attend this briefing for our business results report.

I would like to express, on behalf of the Company, my gratitude for your continued cooperation and understanding for the Company's businesses.

Today, I would like to explain the operational results of Osaka Gas for the 1st half of the year and forecasts for the full year ending March 2012.

Summary of Business Results for 1st Half of FY2012.3

■ Overview

Consolidated operating revenues	Increased 3.2% to ¥559.6 billion due to the increase in gas sales volume mainly in the industrial market and the increase in the gas sales unit price under the fuel cost adjustment system resulting from the LNG price increase.
Consolidated operating profit	Decreased 47.3% to ¥18.8 billion due to the decrease in the gross margin of gas sales that was affected by the increase in raw material costs resulting from the LNG price increase. Includes a time-lag loss of ¥28.3 billion (Time-lag loss in the same period last year was ¥6.9 billion).

■ Gas Sales Volume

Residential	Increased 0.4% to 853 million m ³ , supported by colder weather and colder water temperature than the previous year.
Commercial and Industrial	Increased 1.6% to 2,939 million m ³ , supported mainly by improvement in the facility operating rates at customer sites and development of new demand.

■ Other topics

Investment for expansion/greenfield/ M&A	Decided investments in the Shale Gas Development Project in Canada, LNG vessel construction, and others. Total investment made during the 1st half of FY2012.3 was ¥25.1 billion.
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In the first half of the year that ended September 30, 2011, we reported an increase in revenue and a decrease in profit.

Consolidated operating revenues increased by 3.2% from the same period last year to ¥559.6 billion due to an increase in gas sales volume mainly in the industrial market and an increase in the gas sales unit price under the fuel cost adjustment system resulting from the LNG price increase.

Consolidated operating profit decreased by 47.3% to ¥18.8 billion due to a decrease in the gross margin of gas sales that was affected by an increase in raw material costs resulting from the LNG price increase. A loss of ¥28.3 billion was incurred due to a time-lag loss on the fuel cost adjustment system, which was larger than that recorded in the same period of the previous year.

The volume of gas sales to residential customers increased by 0.4% to ¥853 million m³, supported by colder weather and colder water temperature than the same period last year.

The volume of gas sales to commercial and industrial customers increased by 1.6% to 2,939 million m³, supported mainly by improvement in the facility operating rates at customer sites and development of new demand

As for investments for expanding into new businesses, we decided to invest in the Shale Gas Development Project in Canada, LNG vessel construction, and others. The total investment made during the 1st half of the current fiscal year was ¥25.1 billion.

Gas sales for 1st Half of FY2012.3

45MJ/m ³	A. FY12.3 1 st Half	B. FY11.3 1 st Half	A-B	A-B/B(%)
Number of meters installed (thousand)	7,021	6,990	+30	+0.4%
Installation of new meters (thousand)	32	33	-1	-4.3%
Monthly gas sales volume per household (m ³ /month)	24.5	24.4	+0.0	+0.2%
Residential use	853	850	+3	+0.4%
Commercial, public, and medical use	809	845	-36	-4.2%
Industrial use	2,129	2,047	+82	+4.0%
Commercial and Industrial use	2,939	2,892	+46	+1.6%
Wholesale	233	231	+2	+0.7%
(Non-regulated included)	(2,510)	(2,448)	(+62)	(+2.5%)
Non-consolidated gas sales volume (million m ³)	4,024	3,973	+51	+1.3%
Consolidated gas sales volume (million m ³)	4,041	3,991	+50	+1.3%

Next, I will explain the details of the gas sale volume in the 1st half of the current year. Gas sales volume on a non-consolidated basis increased by 1.3% from the same period last year to 4,024 million m³.

As explained previously, the volume of gas sales to residential customers increased by 0.4% to 853 million m³, supported by colder weather and colder water temperature.

The volume of gas sales to commercial, public and medical facility customers decreased by 4.2% from the same period last year to 809 million m³, affected mainly by the unfavorable temperature conditions and customers' energy-saving efforts that, we believe, were promoted in response to the request to save electricity.

The volume of gas sales to industrial customers increased by 4.0% to 2,129 million m³, mainly due to an increase in the operating rate of the customer sites in our service area, primarily in the metal and glass industries, as a result of the massive earthquake, and greater use of co-generation systems that, we believe, were promoted in response to the request to save electricity.

As a reference, monthly gas sales volumes are shown on Page 19.

The Great East Japan Earthquake and subsequent power shortage had a positive impact on certain sectors and categories while they had a negative impact on others.

Results for 1st Half of FY2012.3 I

Figures in parentheses are ratios of consolidated results to non-consolidated results.

Consolidated, billion yen	A. FY12.3 1H	B. FY11.3 1H	A-B	A-B/B	Remarks
Operating revenues	(1.26) 559.6	(1.31) 542.1	+17.4	+3.2%	Increase in gas sales volume, increase in gas sales unit price, etc.
Operating profit	(5.98) 18.8	(1.80) 35.8	-16.9	-47.3%	Decrease in gross margin of gas sales, etc.
Ordinary profit	(2.82) 19.4	(1.64) 34.6	-15.2	-43.9%	Increase in earnings of equity method affiliates, etc.
Net income	(2.12) 11.0	(1.41) 19.0	-7.9	-41.8%	
SVA	-5.6	3.5	-9.1	---	

		A. FY12.3 1H	B. FY11.3 1H	A-B
Consolidated gas sales volume	million m ³	4,041	3,991	+50
Profit/ loss on fuel cost adjustment system	billion yen	-28.3	-6.9	-21.3
Crude oil price	\$/bbl	113.9	78.9	+35.1
Exchange rate	¥/\$	79.8*	88.9	-9.1
Number of subsidiaries		131	130	+1

(*) Average of preliminary monthly data up to September. SVA (Shareholders' value added) = NOPAT – Invested capital × WACC

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Now, let's look at the operational results for the 1st half of the current year, in detail.

Operating revenues increased by ¥17.4 billion to ¥559.6 billion yen from the same period last year.

As shown in the lower table, the crude oil price increased by about \$35 per barrel, which resulted in a ¥21.3 billion increase in the time-lag loss on fuel cost adjustment system compared to the same period last year. As a result, operating profit decreased by ¥16.9 billion to ¥18.8 billion, and ordinary profit decreased by ¥15.2 billion to ¥19.4 billion.

The Great East Japan Earthquake and subsequent power shortage had an impact on gas sales volume, but the profit figures were not greatly affected.

Results for 1st Half of FY2012.3 II

Consolidated, billion yen	A. FY12.3	FY11.3		A-B	Remarks
	1H end	1H end	B. Year end		
Total assets	1,429.4	1,391.4	1,437.2	-7.8	
Net worth	664.9	660.0	664.9	-0.0	
Interest-bearing debt	557.0	524.6	532.4	+24.5	Increase in borrowings and Commercial Paper
Number of employees	19,939	19,785	19,684	+255	
Equity ratio	46.5%	47.4%	46.3%	+0.2	
D/E ratio	0.84	0.79	0.80	+0.04	
	A. FY12.3 1H	B. FY11.3 1H	A-B	Remarks	
Capital expenditure	33.1	31.2	+1.9	Construction of Himeji-Okayama Line, etc.	
Depreciation	46.4	47.9	-1.4		
Free cash flow	-12.5	-11.3	-1.1		
ROA	0.8%	1.3%	-0.6		
ROE	1.7%	2.9%	-1.2		
EPS (yen)	5.3	8.8	-3.5		
BPS (yen)	319.3	307.3	+12.0		

FCF = CF from operating activities - (OP after tax + depreciation and other non-cash expenses) - capital expenditure *Design Your Energy 夢ある明日を*

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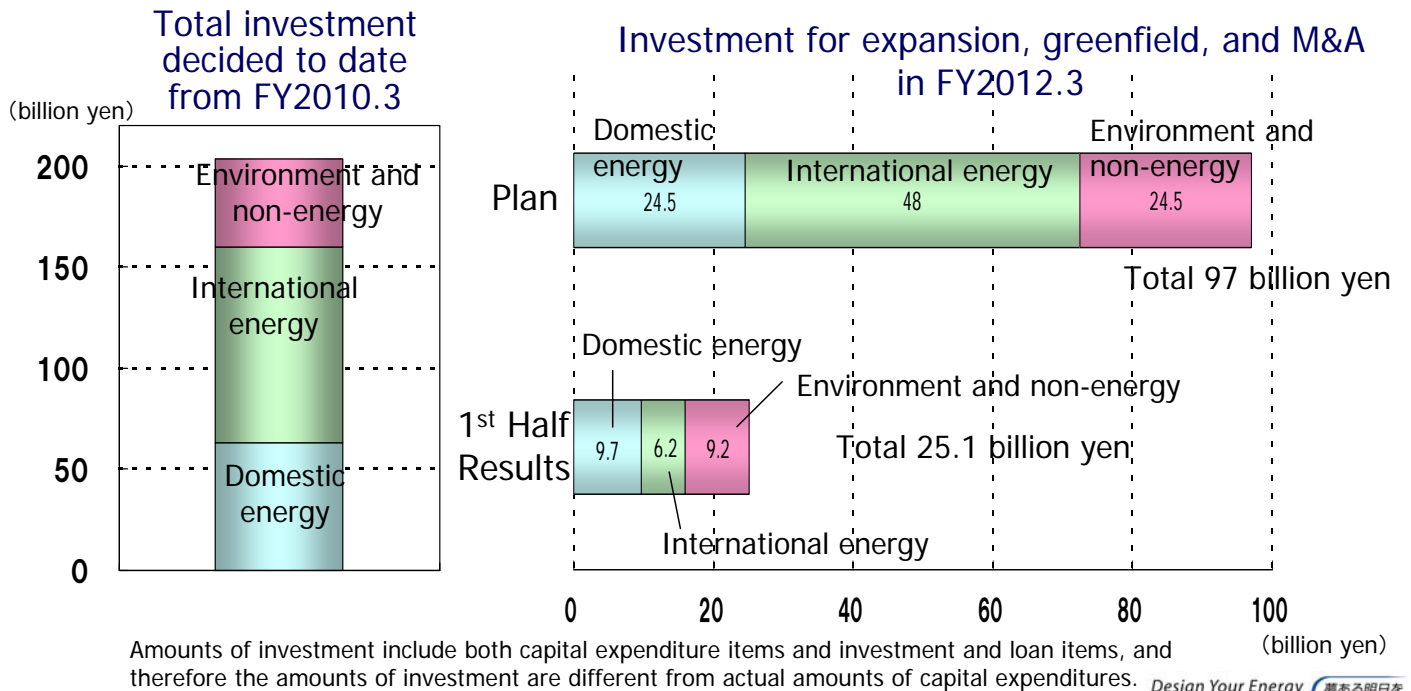
This slide shows the financial position and key financial indicators of Osaka Gas.

Capital expenditure increased by ¥1.9 billion to ¥33.1 billion mainly due to full-fledged construction of the Himeji-Okayama pipeline.

ROA and ROE declined from the same period last year to 0.8% and 1.7% respectively, due to a decrease in profit as a result of the increased time-lag loss.

Results of Investment for expansion, greenfield, and M&A in 1st Half of FY2012.3

- Decided investments in the Shale Gas Development Project in Canada and LNG vessel construction
- Total investment decided to date from FY 2010.3 is **¥203.5 billion** (51% of the FY 2010.3 to FY 2014.3 period plan).



Now, I will explain the progress of the investment plan.

As explained previously, we decided to make new investments in the Shale Gas Development Project in Canada and in the construction of LNG vessels. From the year ended March 2010, we have made decisions on investments totaling ¥203.5 billion. This accounts for 51% of the total planned investment amount under the five-year plan up to the end of March 2014. Since decisions on half of the total investment amount have been made as of the middle year of the five-year investment plan, the investment plan has progressed as scheduled.

Points of modifications to forecasts for FY 2012.3

			A. Revised forecasts	B. Initial forecasts	A-B	Remarks
Assumed factors for 2 nd Half	Crude oil price	\$/bbl	110	100	+10	\$107/bbl for October
	Exchange rate	¥/\$	80	85	-5	¥77/\$ for October
Non-consolidated gas sales volume (45MJ/m ³)	Residential use		(1,389) 2,242	(1,389) 2,237	(0) +4	No change to initial forecasts for the 2 nd half
	Commercial, industrial, and other use		(3,201) 6,372	(3,089) 6,211	(+112) +162	Considering results for the 1 st half, the forecasts for the 2 nd half is modified upward
P/L (billion yen)	Operating revenues		1,291.0	1,267.0	+24.0	
	Gross margin of gas sales		322.4	331.9	-9.5	Increase in electricity Assumptions for the 2 nd half are modified
	Gross margin of other sales		24.6	20.6	+4.0	Increase in electricity business profit, etc.
	Operating expenses, labor costs, and depreciation		311.0	309.5	+1.5	
	Profit of subsidiaries		35.0	31.0	+4.0	Increase in advanced materials business profit, etc.
	Operating profit		71.0	74.0	-3.0	
	Ordinary Profit		70.0	70.0	0.0	

Gas sales volume figures in parentheses in the upper row are figures for the 2nd half of FY2012.3

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Next, I would like to explain the modified forecasts for the full-year operational results for the current year.

As for assumptions used for the 2nd half forecasts, the crude oil price was amended from \$100 per barrel to \$110 per barrel, and the exchange rate was amended from ¥85 to the dollar to ¥80 to the dollar.

As for the volume of gas sales to residential customers, no modification was made to the initial forecasts for the 2nd half. On the other hand, we expect that the volume of gas sales to commercial, industrial and other customers will exceed 112 million m³ in the 2nd half, considering the fact that the results in the 1st half exceeded the initial forecasts.

As for operating revenues, we expect that operating revenues will exceed the initial forecasts by ¥24 billion, mainly because the gas sale price will be increased due to the modifications in the assumptions, which will result in an increase in gas sales revenues.

Operating profit is expected to become lower than the initial forecasts by ¥3 billion, mainly due to the decrease in the gas gross profit and the increase in labor and other expenses, which will not be covered by the increase in miscellaneous and incidental operating profits mainly in the electric power business and increases in the profits of the consolidated companies.

The initial forecasts for ordinary profit was not modified.

Gas Sales Forecasts for FY2012.3

45MJ/m ³	A. FY12.3 forecasts	B. FY11.3 results	A-B	A-B/B(%)
Number of meters installed (thousand)	7,039	7,012	+27	+0.4%
Installation of new meters (thousand)	79	79	-0	-0.2%
Monthly gas sales volume per household (m ³ /month)	32.2	32.7	-0.5	-1.6%
Residential use	2,242	2,275	-34	-1.5%
Commercial, public, and medical use	1,553	1,624	-71	-4.4%
Industrial use	4,330	4,141	+190	+4.6%
Commercial and industrial use	5,883	5,765	+119	+2.1%
Wholesale	489	488	+1	+0.3%
(Non-regulated included)	(5,037)	(4,874)	(+163)	(+3.3%)
Non-consolidated gas sales volume (million m ³)	8,614	8,528	+86	+1.0%
Consolidated gas sales volume (million m ³)	8,646	8,560	+86	+1.0%

This slide shows the forecasts for the full-year gas sales volumes compared with those for the previous year.

The volume of gas sales to residential customers will decrease by 1.5% from the previous year to 2,242 million m³.

Sales volumes to commercial, public and medical facility customers will decrease by 4.4% to 1,553 million m³.

Sales volumes to commercial and industrial customers will increase by 4.6% from the previous year to 4,330 million m³.

On a non-consolidated basis, the total gas sales volume will increase by 1.0% to 8,614 million m³ from the previous year.

Forecasts for FY12.3 I

Figures in parentheses are ratios of consolidated results to non-consolidated results.

Consolidated, billion yen	A. FY12.3 forecasts	B. FY11.3 results	A-B	A-B/B (%)
Operating revenues	1,291.0	1,187.1	+103.8	+8.7%
Operating profit	(1.26) 71.0	(1.29) 88.5	-17.5	-19.9%
Ordinary profit	(1.97) 70.0	(1.68) 82.3	-12.3	-15.0%
Net income	(1.73) 43.5	(1.49) 45.9	-2.4	-5.4%
SVA	(1.58) 10.0	(1.33) 13.2	-3.2	-24.2%

		A. FY12.3 forecasts	B. FY11.3 results	A-B
Consolidated gas sales volume	million m ³	8,646	8,560	+86
Profit/ loss on fuel cost adjustment system	billion yen	-27.7	-8.5	-19.2
Crude oil price	\$/bbl	111.7	84.1	+27.6
Exchange rate	¥/\$	79.7	85.7	-6.1

SVA (Shareholders' value added) = NOPAT – Invested capital × WACC

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This slide shows the forecasts for the full-year results compared with those for the previous year.

Operating revenues will increase by 8.7% to ¥1,291 billion from the previous year.

As for profits, it is expected that the time-lag loss will increase by ¥19.2 billion,

Thus, operating profit will decrease by 19.9% to ¥71 billion, and ordinary profit will decrease by 15% to ¥70 billion.

Forecasts for FY2012.3 II

Consolidated, billion yen	A. FY12.3 end forecasts	B. FY11.3 end results	A-B
Total assets	1,519.2	1,437.2	+81.9
Net worth	693.6	664.9	+28.6
Interest-bearing debt	571.8	532.4	+39.3
Number of employees	19,830	19,684	+146
Equity ratio	45.7%	46.3%	-0.6
D/E ratio	0.82	0.80	+0.02

	A. FY12.3 forecasts	B. FY11.3 results	A-B
Capital expenditure	90.8	69.6	+21.2
Depreciation	96.8	97.5	-0.7
Free cash flow	70.8	72.7	-1.9
ROA	2.9%	3.1%	-0.3
ROE	6.2%	6.9%	-0.7
EPS (yen)	20.9	21.6	-0.7
BPS (yen)	333.1	319.3	+13.8

FCF = CF from operating activities - (OP after tax + depreciation and other non-cash expenses) - capital expenditure Design Your Energy 夢ある明日を

Forecasts for the financial position and key financial indicators are shown in this slide.

Full year ROA and ROE are expected to decrease from the previous year to 2.9% and 6.2%, respectively.

Participation in the Shale Gas Development Project in Canada

- Decision was made to participate in the Shale Gas Development Project in the Cordova depositional basin via a consortium^(*).
- Will invest in 7.5% interest in Cordova Gas Resources, which holds 50% of the interest in the Project.
- Reserve: 100 to 160 million tons (LNG equivalent);
Production: 3.5 million tons/year (LNG equivalent)
- Will obtain beneficial knowledge about shale gas development, and discuss studying the possibility of exporting the shale gas to Japan as LNG.



^(*) Consortium: Will comprise five Japanese companies (Mitsubishi Corporation, Japan Oil, Gas and Metals National Corporation (JOGMEC), Chubu Electric Power, Tokyo Gas, and Osaka Gas)

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Finally, I will explain some projects announced in the 1st half of the year ending March 2012.

The Company decided to participate in the Shale Gas Development Project at the Cordova depositional basin in British Columbia, Canada, jointly with Mitsubishi Corporation, JOGMEC, Chubu Electric Power, and Tokyo Gas.

Osaka Gas will have a 7.5% stake in Cordova Gas Resources, which holds a 50% share of the Project.

The basin is estimated to have reserves of 100 to 160 million tons when converted to LNG volumes. By around 2014, annual production will reach 3.5 million tons when converted to LNG volumes. Production has already started, and the gas produced is sold in the North America market mainly via the marketing company in which Mitsubishi Corporation has invested in.

By participating in this project, we expect to obtain beneficial knowledge about shale gas developments, and discuss studying the possibility of exporting the shale gas to Japan as LNG.

Construction of LNG Vessel

- Decided construction of two LNG vessels.
- Will be used mainly for importing LNG under new contract to Osaka Gas.
- In-service schedule:
September 2014 and April 2015
- Capacity: 153,000 m³
- Shipyard: Mitsubishi Heavy Industries
- Vessel management: Mitsui O.S.K. Lines



Appearance image

Osaka Gas decided to construct two new LNG vessels. The capacity of each will be 153,000 m³, and they will be used for importing LNG under new contracts to Osaka Gas.

The two vessels will be placed in service in September 2014 and April 2015. Combined with our existing six vessels, the LNG fleet of Osaka Gas will then comprise eight vessels.

By using these vessels, we will ensure flexible and stable procurement of raw materials economically. In the future, we also plan to expand our LNG trading business by using these vessels.

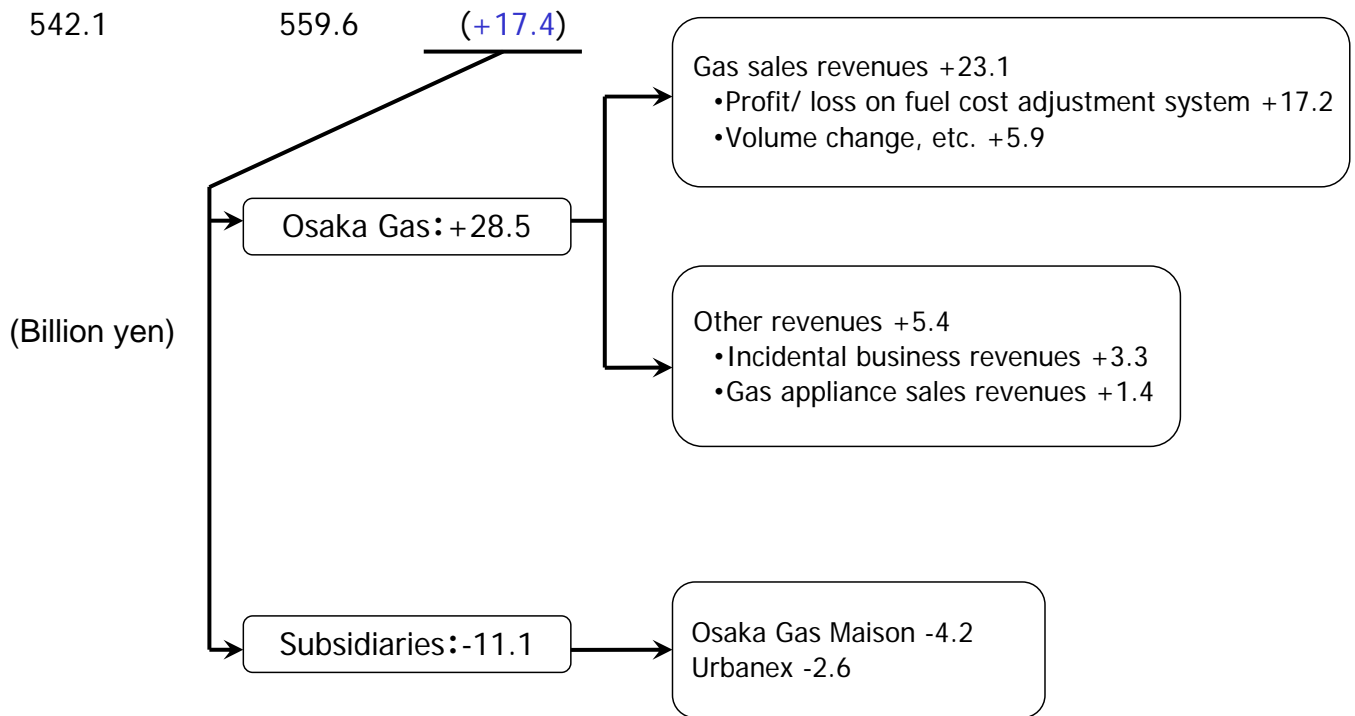
That's all for my report of operational results for the 1st half and forecast for the full year ending March 2012.



II. Facts and Figures

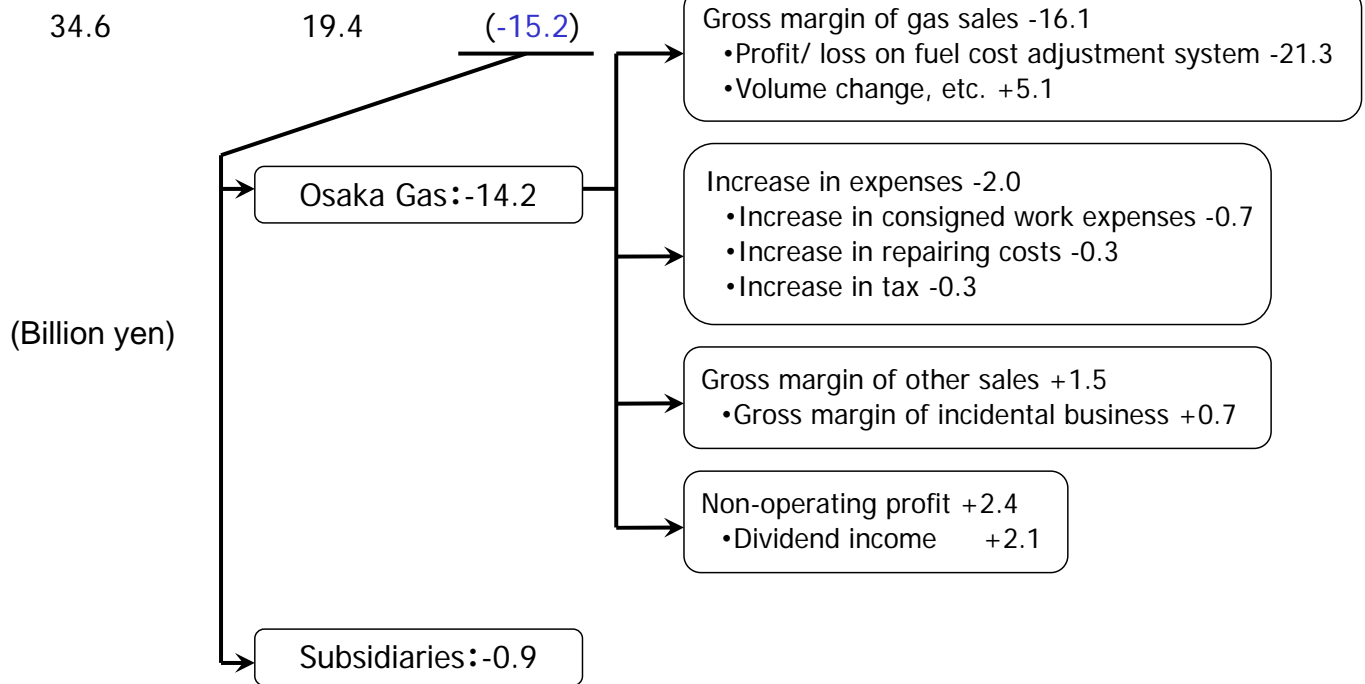
Sales variance for 1st Half of FY2012.3 (vs.FY2011.3)

FY11.3 1st Half → FY12.3 1st Half (differences)



Ordinary profit variance for 1st Half of FY2012.3 (vs. 2011.3)

FY11.3 1st Half → FY12.3 1st Half (difference)



Results by segment

billion yen	Operating revenues		Operating profit + equity method earnings		Remarks
	FY12.3 1H	FY11.3 1H	FY12.3 1H	FY11.3 1H	
Gas	418.2	394.3	-4.2	13.6	<u>Revenues</u> : Increase in gas sales <u>Profit</u> : Increase in loss on fuel cost adjustment system
LPG, electricity, and other energies	82.1	82.2	12.8	12.7	
International energies	5.1	5.4	2.7	2.7	
Environment and non-energies	86.1	88.5	8.2	6.9	<u>Revenues</u> : Decrease in real estate sales, etc. <u>Profit</u> : Increase in profit of advanced materials business, etc.
Elimination and consolidation	-32.0	-28.3	1.1	1.2	
Consolidated	559.6	542.1	20.8	37.3	

Forecasts by segment

billion yen	Operating revenues		Operating profit + equity method earnings		Remarks
	FY12.3 forecasts	FY11.3 results	FY12.3 forecasts	FY11.3 results	
Gas	965.5	879.8	21.0	41.9	<u>Revenues</u> : Increase in gas sales unit price <u>Profit</u> : Increase in loss on fuel cost adjustment system
LPG, electricity, and other energies	206.0	174.7	27.5	25.6	<u>Revenues</u> : Increase in sales of electricity and LNG businesses, and increase in LPG sales unit price, etc. <u>Profit</u> : Increase in profit of electricity business, etc.
International energies	11.0	11.1	6.0	4.9	Increase in equity method earnings (IPP in Spain, North Sea oil field)
Environment and non-energies	175.5	185.4	17.5	15.6	<u>Revenues</u> : Decrease in real estate sales, etc. <u>Profit</u> : Increase in profit of advanced materials business, etc.
Elimination and consolidation	-67.0	-64.0	2.0	2.5	
Consolidated	1,291.0	1,187.1	74.0	90.7	

Monthly gas sales for the 1st Half of FY 2012.3

Year-on-year change 2011/2010 (%)

	Apr.	May	Jun.	Jul.	Aug.	Sep.	Total	Remarks	
Residential	101.5	96.2	100.7	94.7	99.4	116.9	100.4	Influence of temperature	
Commercial	102.4	94.8	103.7	97.4	91.7	90.4	95.8	Influence of saving energies	
Industrial	103.3	107.5	102.5	102.6	106.4	102.1	104.0		
by s e c t o r	Machinery	87.9	95.7	99.3	95.6	99.0	96.9	95.8	Decrease in operation due to disruption of supply chain
	Metal	104.6	106.4	100.6	104.0	111.4	105.0	105.3	Transfer of production from east to west in Japan.
	Glass	114.3	115.8	105.9	110.0	109.7	114.7	111.6	
	Food	101.8	106.0	105.7	100.3	100.6	101.9	102.7	Increase in production for restoration in east Japan.
	Chemical	101.6	110.9	98.5	96.2	98.1	94.6	99.8	
Wholesale	101.0	108.3	100.8	94.0	102.5	97.6	100.7		
Total	102.4	102.1	102.2	99.6	101.1	100.1	101.3		

Residential Gas Sales

FY2012.3 1st Half results

	YoY change	Remarks
Change in number of customers	+0.2%	
Influence of temperature	+1.3%	Average temperature at 23.3 degrees C. (Year-on-year change: -0.3 degree C.)
Others	-1.1%	
Total	+0.4%	



FY2012.3 forecasts

- Results in the 1st half exceeded the initial forecasts by 4 million m³.
- No change in the initial forecasts for the 2nd half
- Full-year result is expected to exceed the initial forecasts by 4 million m³, which is a decrease of 34 million m³ from the previous year to 2,242 million m³.

Commercial, public, and medical Gas Sales

FY2012.3 1st Half results

	YoY change	Remarks
Demand development	+2.8%	Mainly new operation of public facilities
Influence of temperature, etc.	-1.5%	Decrease in demand for air conditioning due to cooler weather during summer
Others	-5.5%	Impact of energy-saving efforts at customer sites
Total	-4.2%	



FY2012.3 forecasts

- Results in the 1st half exceeded the initial forecasts by 1 million m³.
- No change in the initial forecasts for the 2nd half
- Full-year result is expected to exceed the initial forecasts by 1 million m³, which is a decrease of 71 million m³ from the previous year to 1,553 million m³.

Industrial Gas Sales

FY2012.3 1st Half results

	YoY change	Remarks
Demand development	+3.2%	Shift to gas from other fuels, etc.
Increase/decrease of operating rates	+0.8%	Increase in operating rates at customer sites, etc.
Total	+4.0%	

Breakdown by sector

(45MJ, million m³)

	Volume	YoY change
Machinery	175	95.8%
Metal	531	105.3%
Glass	170	111.6%
Food	258	102.7%
Chemical	580	99.8%

FY2012.3 forecasts

- Results in the 1st half exceeded the initial forecasts by 51 million m³.
- Considering the 1st half results, we expect that sales for the 2nd half will also be higher than the initial forecasts. Accordingly, we expect the full-year result will exceed the initial forecasts by 163 million m³, which is an increase of 190 million m³ from the previous year to 4,330 million m³.

Risk Factors Affecting Forecast of Annual Results

- Atmospheric and water temperatures
 - A 1 degree Celsius change in atmospheric and water temperatures will impact the residential gas sales volume (with an approx. 5% increase/decrease in spring and autumn, an approx. 6% change in summer, and an approx. 4% change in winter).
- Crude oil price
 - LNG price is linked to crude oil price. A \$1/bbl change in crude oil price will have an effect of approximately 700 million yen on gross profit for 2nd half of this fiscal year.
- Foreign exchange rate
 - LNG price is affected by the fluctuation of the U.S. dollar/Japanese yen exchange rate. A 1 yen fluctuation in the U.S. dollar/Japanese yen exchange rate will have an effect of approximately 1.2 billion yen on gross profit for 2nd half of this fiscal year.
- Fuel costs
 - Although the fuel cost adjustment system allows us to reflect changes in fuel costs in gas rates in the medium and long terms, an increase in fuel costs is likely to affect the business results due to a time lag in reflecting cost fluctuations, and depending on the composition of fuel suppliers.
- Interest rate
 - A 1% change in the interest rate will have an effect of approximately 600 million yen on annual consolidated non-operating expenses.