

April 24, 2019
Osaka Gas Co., Ltd.

**Osaka Gas Withdraws from Construction Plan
for Nishiokinoyama Power Plant (provisional name)**

In March 2015, Osaka Gas Co., Ltd. (President: Takehiro Honjo), Electric Power Development Co., Ltd. (President: Toshifumi Watanabe), and Ube Industries, Ltd. (President: Masato Izumihara) jointly established Yamaguchi-Ube Power Generation Co., Ltd. (President: Shigeru Morimoto). The three have proceeded with a plan of building a coal-fired power plant (tentatively named Nishiokinoyama Power Plant) (on Ube Industries' property) in Nishiokinoyama, Ube City, Yamaguchi Prefecture.

However, in light of the changing business environment of the electric power industry and future risks, Osaka Gas has decided to withdraw from this business project as a result of comprehensive consideration based on the company's investment criteria. Osaka Gas appreciates all the understanding and support it has received so far in promoting this plan from all the persons and entities involved.

The Daigas Group will continue to strive for achievement of stable, eco-friendly, and economically efficient energy supply.

Profile of Yamaguchi-Ube Power Generation

Company name: Yamaguchi-Ube Power Generation Co., Ltd.

Head office: Ube City, Yamaguchi Prefecture

Established: March 13, 2015

President and Representative Director: Shigeru Morimoto

Capital contribution ratio: Electric Power Development 45%, Osaka Gas 45%,
Ube Industries 10%