

## Operating Results for the Second Quarter of the Fiscal Year Ending March 31, 2021 (203rd Term)

October 29, 2020  
Osaka Gas Co., Ltd.

### 1. Operating Results (April 1, 2020 – September 30, 2020)

#### (1) Overview of Operating Results

Consolidated net sales for the six months ended September 30, 2020 decreased year-on-year primarily due to a decrease in gas sales volume and the lower unit selling price of city gas under the fuel cost adjustment system, despite an increase in electricity sales volume. Consolidated ordinary profit increased primarily due to an increase in profit in the Electricity Business and the LNG Sales Business, in addition to the increased impact of the time-lag effect (\*) in the Gas Business compared to the previous second quarter. Furthermore, profit attributable to owners of parent increased.

(\*) Impact of the time lag between fluctuations in raw material costs and their reflection in the unit selling price of city gas.

[billion yen]

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent (Note)
Consolidated	638.9 (-2.2%) [652.9]	51.9 (+17.1%) [44.3]	54.8 (+9.9%) [49.8]	36.7 (+10.0%) [33.4]
Non-consolidated	500.3 (-2.9%) [515.1]	31.3 (+19.8%) [26.1]	37.7 (+7.6%) [35.0]	28.4 (+4.8%) [27.1]

(Note) "Profit" for non-consolidated results

The figures in [ ] brackets in each box represent actual results for the same period of the previous fiscal year.

The percentage figures in ( ) parentheses in each box represent the changes from the same period of the previous fiscal year.

#### (2) Overview by Segment

Segment profit of "Domestic Energy/Gas" increased mainly due to the time-lag effect and a profit increase in the LNG Sales Business, despite a decrease in the gas sales volume. Segment profit of "Domestic Energy/Electricity" increased primarily due to an increase in electricity sales volume. Segment profit of "International Energy" decreased, owing mainly to the effect of fair value of derivatives, despite the effect of an increase in profit of the Freeport LNG project and a U.S. upstream operating company. Segment profit of "Life & Business Solutions" decreased mainly due to the effect of a profit decline in the Information Solutions Business and the Fitness Business owing to the impact of the spread of COVID-19.

[billion yen]

	Net sales	Segment profit (loss) (Note)
Domestic Energy/Gas	438.0 (-5.6%) [464.1]	31.7 (+9.4%) [28.9]
Domestic Energy/Electricity	111.1 (+13.7%) [97.7]	11.6 (+139.9%) [4.8]
International Energy	30.0 (+17.9%) [25.4]	2.5 (-36.1%) [4.0]
Life & Business Solutions	99.5 (-5.3%) [105.1]	7.2 (-19.6%) [9.0]

(Note) Segment profit (loss): Operating profit (loss) + Share of profit (loss) of entities accounted for using equity method

The figures in [ ] brackets in each box represent actual results for the same period of the previous fiscal year.

The percentage figures in ( ) parentheses in each box represent the changes from the same period of the previous fiscal year.

### (3) Non-consolidated Gas Sales Breakdown

Gas sales on a non-consolidated basis [45MJ/m<sup>3</sup>] decreased year-on-year. Sales volume of residential gas remained at approximately the same level as that of the same period of the previous fiscal year. Sales volume of non-residential gas decreased year-on-year primarily due to a decrease in operation of customers' facilities due to the impact of the spread of COVID-19.

Gas sales volume (million m <sup>3</sup> )	3,158 (-9.9%)
Residential	693 (+1.6%)
Non-residential	2,465 (-12.6%)
Number of gas supply (thousands)	5,096 (-4.4%)

The percentage figures in ( ) parentheses in each box represent the changes from the same period of the previous fiscal year.

### (4) Domestic Electricity Sales Breakdown

Sales volume of domestic electricity increased year on year due to an increase in both retail and wholesale sales volumes.

Electricity sales volume (million kWh)	7,594 (+19.6%)
Retail	2,715 (+29.6%)
Wholesale, etc.	4,879 (+14.7%)
Number of low-voltage electricity supply (thousands)	1,424 (+22.8%)

The percentage figures in ( ) parentheses in each box represent the changes from the same period of the previous fiscal year.

## 2. Forecast for the Fiscal Year Ending March 31, 2021

Regarding the impact of the global spread of COVID-19, the revised forecasts released on July 30, 2020 reflected the impacts that had materialized in the first quarter. In consideration of the outlook currently anticipated until the end of the current fiscal year, the consolidated and non-consolidated financial results forecasts have been revised again.

【New forecast】

[billion yen]

	Consolidated	Non-consolidated
Net sales	1,336.5 (-2.4%)	1,026.0 (-5.4%)
Operating profit	93.5(+11.6%)	48.0 (+4.8%)
Ordinary profit	100.0 (+16.3%)	59.0 (+0.9%)
Profit attributable to owners of parent (Note)	71.5 (+71.1%)	45.0 (+0.0%)

(Note) "Profit" for non-consolidated results

The percentage figures in ( ) parentheses in each box represent the changes from the fiscal year ended March 31, 2020.

(Reference) Assumptions for the crude oil price and exchange rate in the new forecast

	2Q accumulated results	Forecast for 3Q and beyond	Annual average
Crude oil price (All Japan CIF price) USD/bbl	35.7	45.0	40.4
Exchange rate (TTM rate) JPY/USD	106.9	110.0	108.5

【Previous forecast (released on July 30, 2020)】

[billion yen]

	Consolidated	Non-consolidated
Net sales	1,380.0 (+0.8%)	1,063.5 (-1.9%)
Operating profit	90.0 (+7.4%)	42.0 (-8.3%)
Ordinary profit	100.0 (+16.3%)	53.0 (-9.4%)
Profit attributable to owners of parent (Note)	71.5 (+71.1%)	41.0 (-8.8%)

(Note) "Profit" for non-consolidated results

The percentage figures in ( ) parentheses in each box represent the changes from the fiscal year ended March 31, 2020.