

Operating Results for the First Quarter of the Fiscal Year Ending March 31, 2022 (204th Term)

July 29, 2021
Osaka Gas Co., Ltd.

1. Operating Results (April 1, 2021 – June 30, 2021)

(1) Overview of Operating Results

Consolidated net sales for the three months ended June 30, 2021 decreased year-on-year primarily due to the lower unit selling price of city gas under the fuel cost adjustment system in the Domestic Energy Business, despite an increase in sales from the International Energy Business in the Freeport LNG project and the upstream project in the USA. Consolidated ordinary profit increased primarily due to profit contributions from the International Energy Business. Furthermore, profit attributable to owners of parent increased.

[billion yen]

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
Consolidated	314.3 (-0.9%) [317.2]	37.5 (+48.4%) [25.2]	42.1 (+31.4%) [32.0]	31.5 (+45.8%) [21.6]

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” remained at the same level as that of the same period of the previous fiscal year. Segment profit of “International Energy” increased mainly due to profit contributions from the Freeport LNG project and the upstream project in the USA. Segment profit of “Life & Business Solutions” increased mainly due to a relief from the impact of the spread of COVID-19 on the Information Solutions Business and the Fitness Business experienced in the previous fiscal year.

[billion yen]

	Net sales	Segment profit (loss) (Note)
Domestic Energy	256.6 (-4.6%) [269.1]	23.9 (+0.3%) [23.8]
International Energy	17.6 (+98.1%) [8.8]	12.5 (-) [-0.3]
Life & Business Solutions	51.6 (+3.7%) [49.7]	4.4 (+43.1%) [3.1]

(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) Domestic Gas Sales Breakdown

Gas sales [45MJ/m³] increased year-on-year. Sales volume of residential gas decreased from the level of the same period of the previous fiscal year, primarily due to the high air and water temperatures in early spring. Sales volume of non-residential gas increased year-on-year primarily due to an increase in operation of customers' facilities.

Non-Consolidated	Number of gas supply (thousands)		4,972 (-3.5%)
	Residential		427 (-8.7%)
	Non-residential		1,214 (+8.3%)
	Gas sales volume (million m ³)		1,641 (+3.3%)
Consolidated gas sales volume (million m ³)			1,653 (+3.2%)

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.

Number of low-voltage electricity supply (thousands)		1,544 (+12.2%)
	Retail	1,140 (+1.7%)
	Wholesale, etc.	2,365 (+9.3%)
Electricity sales volume (GWh)		3,505 (+6.7%)

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, 2022

Reconsidering the assumptions for crude oil prices and exchange rates, forecasts of financial results for the fiscal year ending March 31, 2022 have been revised from previous forecasts.

[New forecast] [billion yen]

	Consolidated
Net sales	1,510.0 (+10.7%)
Operating profit	80.5 (-28.4%)
Ordinary profit	95.0 (-25.6%)
Profit attributable to owners of parent	70.5 (-12.8%)

The percentage figures in () parentheses in each box represent the changes from the fiscal year ended March 31, 2021.

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

	1Q accumulated results	Forecast for 2Q and beyond	Annual average
Crude oil price (All Japan CIF price) USD/bbl	66.9	75.0	73.0
Exchange rate (TTM) JPY/USD	109.5	110.0	109.9

[Previous forecast (released on April 27, 2021)] [billion yen]

	Consolidated
Net sales	1,405.0 (+3.0%)
Operating profit	80.5 (-28.4%)
Ordinary profit	95.0 (-25.6%)
Profit attributable to owners of parent	70.5 (-12.8%)

The percentage figures in () parentheses in each box represent the changes from the fiscal year ended March 31, 2021.