Third Quarter of the Fiscal Year Ending March 31, 2014
Brief Report of Consolidated Financial Statements (Japanese GAAP)

January 28, 2014

Name of Listed Company : Osaka Gas Co., Ltd. Listed Exchanges: 1st Section of Tokyo and Nagoya
Code No. : 9532 URL: http://www.osakagas.co.jp
Representative Officer : Title: President Name: Hiroshi Ozaki
Contact : Title: Manager, Finance Dept. Name: Kazushige Nomura
Scheduled Date of Financial Report Filing with the Finance Ministry : February 13, 2014
Scheduled Date of Dividend Payment : －
Preparation of Supplementary Explanation Documents for Operating Results : Yes
Holding of an Informational Meeting for Operating Results : Yes (for institutional investors and analysts)

(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, 2014
(April 1, 2013 － December 31, 2013)

(1) Consolidated Operating Results (Percentages (%) represent changes from the same period in the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Nine months ended December 31, 2013	1,034,366	7.4	59,568	-11.7	65,249	-8.2	14,375	-68.6
Nine months ended December 31, 2012	963,515	10.9	67,459	162.0	71,041	171.5	45,813	254.8

(Note) Comprehensive income Nine months ended December 31, 2013 47,217 million yen (-6.5% YoY)
Nine months ended December 31, 2012 50,478 million yen (－% YoY)

	Earnings per share	Diluted earnings per share
	yen	yen
Nine months ended December 31, 2013	6.90	－
Nine months ended December 31, 2012	22.00	－

(2) Consolidated Financial Position

	Total assets	Net assets	Net worth /Total assets
	million yen	million yen	%
As of December 31, 2013	1,682,191	801,944	46.0
As of March 31, 2013	1,566,899	774,317	47.7

(Reference) Net worth As of December 31, 2013 773,375million yen As of March 31, 2013 747,802 million yen

2. Dividends

	Dividends per share				
(Record date)	June 30	September 30	December 31	March 31	Annual
	yen	yen	yen	yen	yen
Year ended March 31, 2013	–	4.00	–	4.50	8.50
Year ending March 31, 2014	–	4.50			
Year ending March 31, 2014 (Forecast)			–	4.50	9.00

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

3. Forecasts of Consolidated Operating Results for the Fiscal Year Ending March 31, 2014 (April 1, 2013 － March 31, 2014)
(Percentages (%) represent forecasted changes from the previous year for the full year results.)

	Net sales		Operating income		Ordinary income		Net income		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	1,504,500	9.0	99,000	16.8	100,000	11.0	35,500	-32.3	17.05

(Note) Revision of the forecast previously announced: None

*Notes

(1) Changes in significant subsidiaries during nine months ended December 31, 2013 (changes in certain subsidiaries resulting in a change in the consolidation scope): None

(2) Adoption of special accounting treatments for quarterly consolidated financial statements: Adopted

*Note: For detailed information, please refer to "2. (1) Adoption of Special Accounting Treatments for Quarterly Consolidated Financial Statements" on Page 2 of the Attachment to this Quarterly Brief Report of Consolidated Financial Statements.

(3) Changes in accounting policies 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 accounting estimates: None

(iv) Corrections and restatements: None

(4) Issued shares (common shares)

(i) Number of shares issued and outstanding at the end of each period (including treasury stock)

	: As of December 31, 2013	2,083,400,000 shares
	As of March 31, 2013	2,083,400,000 shares
(ii) Number of treasury stock at the end of each period	: As of December 31, 2013	1,534,933 shares
	As of March 31, 2013	1,298,619 shares

(iii) Average number of shares issued and outstanding in each period

: Nine months ended December 31, 2013	2,081,997,163 shares
Nine months ended December 31, 2012	2,082,201,444 shares

*Statement regarding implementation of quarterly review

At the time of disclosure of this Quarterly Brief Report of Consolidated Financial Statements, the review of quarterly consolidated 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 results forecasts, are based on information currently available to Osaka Gas (the Company) and certain assumptions that the Company regards as 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 operating forecasts, refer to "1. (3) Forecasts of Consolidated Operating Results" on Page 2 of the Attachment to this Quarterly Brief Report of Consolidated Financial Statements.
2. The Company is planning to hold a conference call for institutional investors and analysts on January 28, 2014. 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 Operating Results for the Fiscal Year Ending March 31, 2014

(April 1, 2013 － March 31, 2014)

(Percentages (%) represent forecasted changes from the previous year for the full year results.)

	Net sales		Operating income		Ordinary income		Net income		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	1,193,500	7.6	59,000	28.2	65,000	17.4	21,000	-40.2	10.09

(Note) Revision of the forecast previously announced: None

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1. Overview of Quarterly Consolidated Financial Results

(1) Consolidated Operating Results

Consolidated net sales for the third quarter (nine months ended December 31, 2013) increased by ¥70.8 billion year-on-year to ¥1,034.3 billion, despite a decrease in gas sales volume of Osaka Gas. This was primarily due to the continuing high unit selling price on a non-consolidated basis for city gas under the fuel cost adjustment system. Consolidated ordinary income decreased by ¥5.7 billion year-on-year to ¥65.2 billion, primarily due to a decrease in gas sales volume and an increase in raw material costs on a non-consolidated basis. Consolidated net income decreased by ¥31.4 billion year-on-year to ¥14.3 billion, primarily due to impairment loss on the US upstream business.

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

(2) Consolidated Financial Position

Total assets as of December 31, 2013 increased by ¥115.2 billion compared with the year ended March 31, 2013 to ¥1,682.1 billion, primarily due to an increase in inventories attributed to seasonal factors, along with an increase in noncurrent assets. Net assets totaled ¥801.9 billion and the ratio of net worth to total assets as of December 31, 2013 was 46.0%.

(3) Forecasts of Consolidated Operating Results

The forecast remains unchanged from the revision of projections announced on December 20, 2013.

2. Summary Information (Notes)

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

(Calculation of tax expenses)

For major consolidated subsidiaries, effective tax rates (after applying tax effect accounting) expected to be imposed on their pre-tax 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 income of respective subsidiaries for the quarter by the estimated effective tax rates.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(million yen)

	Previous Year As of March 31, 2013	Current Year As of December 31, 2013
Assets		
Noncurrent assets		
Property, plant and equipment		
Production facilities	78,533	76,128
Distribution facilities	276,132	265,990
Service and maintenance facilities	66,204	66,038
Other facilities	300,149	290,531
Construction in progress	108,916	145,317
Total property, plant and equipment	829,936	844,006
Intangible assets	58,579	52,297
Investments and other assets		
Investment securities	164,302	197,979
Other	85,245	89,304
Allowance for doubtful accounts	-1,925	-1,868
Total investments and other assets	247,622	285,415
Total noncurrent assets	1,136,138	1,181,719
Current assets		
Cash and deposits	91,323	142,894
Notes and accounts receivable-trade	168,198	175,500
Inventories	84,242	117,060
Other	88,231	66,270
Allowance for doubtful accounts	-1,236	-1,254
Total current assets	430,760	500,471
Total assets	1,566,899	1,682,191

(million yen)

	Previous Year As of March 31, 2013	Current Year As of December 31, 2013
Liabilities		
Noncurrent liabilities		
Bonds payable	238,157	227,017
Long-term loans payable	186,766	217,355
Provision for retirement benefits	15,972	16,815
Provision for gas holder repairs	1,621	1,660
Provision for safety measures	13,418	11,514
Allowance for investment loss	6,999	6,999
Other	33,900	40,411
Total noncurrent liabilities	496,836	521,774
Current liabilities		
Notes and accounts payable-trade	55,520	80,629
Short-term loans payable	47,106	71,264
Other	193,118	206,576
Total current liabilities	295,745	358,471
Total liabilities	792,581	880,246
Net assets		
Shareholders' equity		
Capital stock	132,166	132,166
Capital surplus	19,482	19,483
Retained earnings	564,356	559,918
Treasury stock	-413	-513
Total shareholders' equity	715,592	711,055
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	31,526	42,248
Deferred gains or losses on hedges	-2,271	2,082
Revaluation reserve for land	-737	-737
Foreign currency translation adjustment	3,693	18,726
Total accumulated other comprehensive income	32,210	62,319
Minority interests	26,514	28,569
Total net assets	774,317	801,944
Total liabilities and net assets	1,566,899	1,682,191

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

(million yen)

	Previous Year (April 1, 2012 – December 31, 2012)	Current Year (April 1, 2013 – December 31, 2013)
Net sales	963,515	1,034,366
Cost of sales	651,241	734,440
Gross profit	312,273	299,926
Selling, general and administrative expenses	244,814	240,357
Operating income	67,459	59,568
Non-operating income		
Interest income	476	534
Dividends income	3,062	2,923
Equity in earnings of affiliates	4,867	5,793
Miscellaneous income	4,801	4,110
Total non-operating income	13,208	13,361
Non-operating expenses		
Interest expenses	6,363	6,472
Miscellaneous expenses	3,262	1,207
Total non-operating expenses	9,626	7,680
Ordinary income	71,041	65,249
Extraordinary income		
Gain on sales of investment securities	―	2,709
Total Extraordinary income	―	2,709
Extraordinary loss		
Impairment loss	―	29,247
Total Extraordinary losses	―	29,247
Income before income taxes and minority interests	71,041	38,711
Income taxes	23,375	22,127
Income before minority interests	47,665	16,584
Minority interests in income	1,852	2,208
Net income	45,813	14,375

Quarterly Consolidated Statements of Comprehensive Income

(million yen)

	Previous Year (April 1, 2012 – December 31, 2012)	Current Year (April 1, 2013 – December 31, 2013)
Income before minority interests	47,665	16,584
Other comprehensive income		
Valuation difference on available-for-sale securities	2,151	10,725
Deferred gains or losses on hedges	-366	2,232
Foreign currency translation adjustment	1,454	14,177
Share of other comprehensive income of associates accounted for using equity method	-427	3,497
Total other comprehensive income	2,812	30,632
Comprehensive income	50,478	47,217
Attributable to:		
Owners of the parent	48,340	44,630
Minority interests	2,137	2,587

(3) Notes on the Quarterly Consolidated Financial Statements

(Notes Regarding Uncertainties of Entity's Ability to Continue as Going Concern)

Not applicable

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

Not applicable

(Segment Information)

Nine months ended December 31, 2012(April 1, 2012 － December 31, 2012) (million yen)

	Gas	LPG, Electricity, and Other Energy	International Energy	Environment and Non-Energy	Total	Adjustments	Consolidated
Net sales	719,759	154,259	7,871	129,275	1,011,166	-47,650	963,515
Segment income							
Operating income	21,362	29,043	1,843	13,169	65,418	2,041	67,459
Equity in earnings of affiliates	24	269	4,366	207	4,867	－	4,867
Total	21,386	29,312	6,210	13,376	70,285	2,041	72,326

Nine months ended December 31, 2013(April 1, 2013 － December 31, 2013) (million yen)

	Gas	LPG, Electricity, and Other Energy	International Energy	Environment and Non-Energy	Total	Adjustments	Consolidated
Net sales	763,858	174,549	9,523	138,079	1,086,010	-51,643	1,034,366
Segment income							
Operating income (loss)	14,006	30,714	-934	13,823	57,609	1,958	59,568
Equity in earnings (losses) of affiliates	-1,300	316	6,192	585	5,793	－	5,793
Total	12,705	31,030	5,258	14,408	63,402	1,958	65,361

(Notes Regarding Significant Events after Reporting Period)

On October 29, 2013, Osaka Gas Chemicals Co., Ltd. (hereinafter "Osaka Gas Chemicals"), a consolidated subsidiary of Osaka Gas Co., Ltd., reached an agreement with AddSorb Holding AB that Osaka Gas Chemicals would acquire 100% shares of the Swedish activated carbon company Jacobi Carbons AB (hereinafter "Jacobi").

Under the agreement, Osaka Gas Chemicals acquired the shares for US$392 million (approx. ¥39.7 billion)* on January 7, 2014. The acquisition funds were to be covered by cash reserves and bank loans.

* The acquisition price was calculated by adding and subtracting the approximated cash and liabilities at the end of December 2013 from the corporate value of Jacobi. Hence, the acquisition price may change based on the fixed cash and liabilities of Jacobi at the end of December 2013.

4. Reference Information

(1) Overview of Quarterly Non-Consolidated Financial Results (April 1, 2013 － December 31, 2013)

(billion yen)

Earnings			YoY Changes	YoY Changes (%)	Expenses			YoY Changes	YoY Changes (%)
Product sales	Gas	619.1	+40.5	+7.0	Operating expenses	Cost of sales	420.7	+54.6	+14.9
						SG&A	196.4	-5.7	-2.9
						Total	617.2	+48.9	+8.6
Other sales	Installation work	15.4	+1.0	+7.1	Other expenses	Installation work	15.4	+0.6	+4.6
	Gas appliances	78.1	+2.7	+3.7		Gas appliances	74.8	+2.2	+3.1
	Transportation services and others	5.1	+0.0	+1.0					
	Incidental businesses	119.8	+16.2	+15.6		Incidental businesses	96.0	+14.9	+18.5
	Total	218.6	+20.0	+10.1		Total	186.3	+17.8	+10.6
Total net sales		837.7	+60.6	+7.8	Total expenses		803.5	+66.7	+9.1
					Operating income		34.1	-6.1	-15.3
Non-operating income		11.7	-0.5	-4.8	Non-operating expenses		5.5	-0.5	-8.9
					Ordinary income		40.4	-6.2	-13.3
Extraordinary income		1.8	+1.8	―	Extraordinary loss		24.2	+24.2	―
					Net income		5.4	-26.4	-83.0

Quarterly non-consolidated financial statements are not subjected to statutory review by accounting auditors. Quarterly non-consolidated financial statements are prepared in accordance with the rules for quarterly non-consolidated financial statements.

(2) Quarterly Non-Consolidated Gas Sales

			3Q 2013 (a) (Apr. 1, 2013－ Dec. 31, 2013)	3Q 2012 (b) (Apr. 1, 2012－ Dec. 31, 2012)	YoY Changes (a)-(b)	YoY Changes (%)
Customers <Meters installed> (thousand)		Residential	6,770	6,729	+41	+0.6
		Non-residential	341	338	+3	+1.0
		Total	7,111	7,067	+45	+0.6
Monthly average usage per residential customer (m^3/month)			24.1	25.6	-1.5	-5.9
Gas sales volume (million m^3)	Residential		1,269	1,342	-74	-5.5
	Non-residential		4,296	4,259	+37	+0.9
		Industrial	3,193	3,146	+47	+1.5
		Commercial	654	663	-9	-1.4
		Public and medical institutions	448	449	-1	-0.2
	Wholesale		332	337	-5	-1.4
	Total		5,897	5,938	-41	-0.7

[Converted at 45MJ/m^3]