Third Quarter of the Fiscal Year Ending March 31, 2015
Brief Report of Consolidated Financial Statements (Japanese GAAP)

January 29, 2015

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, 2015
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, 2015
(April 1, 2014 － December 31, 2014)

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

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2014	1,055,301	2.0	53,475	-10.2	58,194	-10.8	47,546	230.7
Nine months ended December 31, 2013	1,034,366	7.4	59,568	-11.7	65,249	-8.2	14,375	-68.6

(Note) Comprehensive income Nine months ended December 31, 2014 51,893 million Yen (9.9 % YoY)
Nine months ended December 31, 2013 47,217 million Yen (-6.5 % YoY)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2014	22.85	－
Nine months ended December 31, 2013	6.90	－

(2) Consolidated Financial Position

	Total assets	Net assets	Net worth /Total assets
	Millions of yen	Millions of yen	%
As of December 31, 2014	1,780,755	864,733	46.8
As of March 31, 2014	1,668,317	828,565	47.9

<Reference> Net worth As of December 31, 2014 834,035 million Yen As of March 31, 2014 798,964 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, 2014	–	4.50	–	4.50	9.00
Year ending March 31, 2015	–	4.50	–		
Year ending March 31, 2015 (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, 2015 (April 1, 2014 － March 31, 2015)
(Percentages (%) represent forecasted changes from the previous year for the full year results.)

	Net sales		Operating income		Ordinary income		Net income		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,581,500	4.6	98,000	-1.4	100,000	-5.7	74,000	77.3	35.56

(Note) Revision of the forecasts previously announced: None

*Notes

(1) Changes in significant subsidiaries during nine months ended December 31, 2014 (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 in accordance with changes in accounting standards, accounting estimates and restatement

(i) Changes in accounting policies in accordance with changes in accounting standards, etc.: Adopted

(ii) Changes in accounting policies other than (i) above: None

(iii) Changes in accounting estimates: None

(iv) 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, 2014	2,083,400,000 shares
	As of March 31, 2014	2,083,400,000 shares
(ii) Number of treasury stock at the end of each period	: As of December 31, 2014	2,467,978 shares
	As of March 31, 2014	2,214,444 shares

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

: Nine months ended December 31, 2014	2,081,056,184 shares
Nine months ended December 31, 2013	2,081,997,163 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 use of operating forecasts, please 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 results briefing for institutional investors and analysts on January 29, 2015. Immediately after the briefing, 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, 2015

(April 1, 2014 － March 31, 2015)

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

	Net sales		Operating income		Ordinary income		Net income		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,277,000	4.5	62,000	2.1	67,500	-2.5	57,000	128.5	27.39

(Note) Revision of the forecasts 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, 2014) increased by ¥20.9 billion year-on-year to ¥1,055.3 billion, despite a decrease in gas sales volume. This was primarily due to the continuing high unit selling price for city gas under the fuel cost adjustment system. Consolidated ordinary income decreased by ¥7.0 billion year-on-year to ¥58.1 billion, primarily due to an increase in expenses of Gas business. Consolidated net income increased by ¥33.1 billion year-on-year to ¥47.5 billion, primarily due to a gain on sales of investment securities in addition to impairment loss recorded in the same period of previous fiscal year.

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, 2014 increased by ¥112.4 billion compared with the fiscal year ended March 31, 2014 to ¥1,780.7 billion, primarily due to an increase in inventories attributed to seasonal factors, as well as an increase in noncurrent assets. Net assets totaled ¥864.7 billion and the ratio of net worth to total assets was 46.8%.

(3) Forecasts of Consolidated Operating Results

The forecast remains unchanged from the revision of projections announced on October 28, 2014.

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.

(2) Changes in accounting policies in accordance with changes in accounting standards, accounting estimates and restatement

(Changes in accounting policies in accordance with changes in accounting standards)

Effective from the beginning of the fiscal year ending March 31, 2015, the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, issued on May 17, 2012; hereinafter, “Accounting Standard”) and Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, issued on May 17, 2012; hereinafter, “Guidance”) have been applied (as set out in the main clause of Article 35 of the Accounting Standard and the main clause of Article 67 of the Guidance). Accordingly, the methods for calculating retirement benefit obligations and service costs have been revised. The method of attributing expected retirement benefit payments has been changed from the straight-line basis to the retirement benefit formula basis, and the method of determining the discount rate has been changed from a discount rate based on the approximate number of years of the average remaining service period of employees to a single weighted-average discount rate reflecting the expected timing and amount of benefit payment in each time.

In accordance with the article 37 of Accounting Standard, the effect of the change in the methods of calculating retirement benefit obligations and service costs arising from initial application has been recognized in retained earnings in the beginning balance of the fiscal year ending March 31, 2015.

As a result, Net defined benefit asset increased by ¥5,996 million, Net defined benefit liability increased by ¥904 million and Retained earnings increased by ¥3,649 million in the beginning balance of the fiscal year ending March 31, 2015. The impact on Operating income, Ordinary income and Net income before income taxes and minority interests for the nine months ended December 31, 2014 was minimal.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2014	As of December 31, 2014
Assets		
Non-current assets		
Property, plant and equipment		
Production facilities	76,164	75,124
Distribution facilities	317,836	305,490
Service and maintenance facilities	66,540	65,735
Other facilities	291,378	297,263
Construction in progress	111,163	135,295
Total property, plant and equipment	863,084	878,909
Intangible assets		
Goodwill	24,471	21,292
Other	65,840	72,229
Total intangible assets	90,311	93,521
Investments and other assets		
Investment securities	192,846	218,998
Other	82,589	90,992
Allowance for doubtful accounts	-1,860	-1,700
Total investments and other assets	273,575	308,291
Total non-current assets	1,226,971	1,280,722
Current assets		
Cash and deposits	75,258	111,729
Notes and accounts receivable - trade	192,277	181,007
Inventories	88,748	133,733
Other	86,462	74,942
Allowance for doubtful accounts	-1,400	-1,379
Total current assets	441,346	500,033
Total assets	1,668,317	1,780,755

(Millions of yen)

	As of March 31, 2014	As of December 31, 2014
Liabilities		
Non-current liabilities		
Bonds payable	242,124	230,664
Long-term loans payable	244,503	279,881
Provision for gas holder repairs	1,636	1,788
Provision for safety measures	10,831	8,940
Allowance for investment loss	6,999	6,999
Provision for loss on guarantees	―	1,731
Net defined benefit liability	15,325	16,610
Other	39,978	46,608
Total non-current liabilities	561,400	593,225
Current liabilities		
Notes and accounts payable - trade	60,358	73,269
Short-term loans payable	46,756	46,064
Other	171,236	203,462
Total current liabilities	278,351	322,796
Total liabilities	839,752	916,022
Net assets		
Shareholders' equity		
Capital stock	132,166	132,166
Capital surplus	19,486	19,488
Retained earnings	587,268	619,734
Treasury shares	-797	-907
Total shareholders' equity	738,124	770,482
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	34,839	44,320
Deferred gains or losses on hedges	2,425	-5,933
Revaluation reserve for land	-737	-737
Foreign currency translation adjustment	30,414	31,712
Remeasurements of defined benefit plans	-6,100	-5,807
Total accumulated other comprehensive income	60,840	63,553
Minority interests	29,601	30,698
Total net assets	828,565	864,733
Total liabilities and net assets	1,668,317	1,780,755

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

(Millions of yen)

	Nine months ended December 31, 2013	Nine months ended December 31, 2014
Net sales	1,034,366	1,055,301
Cost of sales	734,440	751,068
Gross profit	299,926	304,233
Selling, general and administrative expenses	240,357	250,758
Operating income	59,568	53,475
Non-operating income		
Interest income	534	565
Dividend income	2,923	4,142
Share of profit of entities accounted for using equity method	5,793	7,312
Miscellaneous income	4,110	6,720
Total non-operating income	13,361	18,740
Non-operating expenses		
Interest expenses	6,472	6,955
Miscellaneous expenses	1,207	7,066
Total non-operating expenses	7,680	14,021
Ordinary income	65,249	58,194
Extraordinary income		
Gain on sales of investment securities	2,709	12,993
Total extraordinary income	2,709	12,993
Extraordinary loss		
Impairment loss	29,247	－
Total extraordinary loss	29,247	－
Income before income taxes and minority interests	38,711	71,188
Income taxes	22,127	22,051
Income before minority interests	16,584	49,136
Minority interests in income	2,208	1,589
Net income	14,375	47,546

Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2013	Nine months ended December 31, 2014
Income before minority interests	16,584	49,136
Other comprehensive income		
Valuation difference on available-for-sale securities	10,725	9,492
Deferred gains or losses on hedges	2,232	-8,145
Foreign currency translation adjustment	14,177	924
Remeasurements of defined benefit plans	—	177
Share of other comprehensive income of entities accounted for using equity method	3,497	308
Total other comprehensive income	30,632	2,756
Comprehensive income	47,217	51,893
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	44,630	50,260
Comprehensive income attributable to minority interests	2,587	1,633

(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)

Nine months ended December 31, 2014 (April 1, 2014 - December 31, 2014)

Not applicable

(Segment Information)

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

	Gas	LPG, Electricity, and Other Energy	International Energy	Life & Business Solutions	Total	Adjustments	Consolidated
Net sales	763,858	176,615	9,576	135,959	1,086,010	-51,643	1,034,366
Segment income							
Operating income (losses)	14,006	31,602	-951	12,951	57,609	1,958	59,568
Equity in earnings (losses) of affiliates	-1,300	316	6,777	－	5,793	－	5,793
Total	12,705	31,919	5,826	12,951	63,402	1,958	65,361

Nine months ended December 31, 2014(April 1, 2014 － December 31, 2014) (Millions of yen)

	Gas	LPG, Electricity, and Other Energy	International Energy	Life & Business Solutions	Total	Adjustments	Consolidated
Net sales	777,860	174,631	10,276	141,606	1,104,375	-49,073	1,055,301
Segment income							
Operating income	8,428	32,741	731	9,723	51,625	1,849	53,475
Equity in earnings (losses) of affiliates	68	-684	7,667	261	7,312	－	7,312
Total	8,496	32,057	8,399	9,985	58,938	1,849	60,788

*Note: Disclosure of changes in reportable segments

The business segments were reviewed in the Medium-term Management Plan "Catalyze Our Dreams" formulated in March 2014. Thus, effective from the first quarter of the fiscal year ending March 31, 2015, the renewable energy business, which was previously included in the "Environment and Non-Energy Business" segment, is transferred to the relevant segments ("LPG, Electricity, and Other Energy Business" and "International Energy Business"). The segment name of "Environment and Non-Energy Business" has been changed to "Life & Business Solutions."

The segment information for the nine months ended December 31, 2013 has been reclassified based on the new reportable segments.

4. Reference Information

(1) Overview of Quarterly Non-Consolidated Financial Results (April 1, 2014 － December 31, 2014)

(Billions of yen)

Earnings			YoY Changes	YoY Changes rate (%)	Expenses			YoY Changes	YoY Changes rate (%)
Product sales	Gas	635.3	+16.2	+2.6	Operating expenses	Cost of sales	434.9	+14.2	+3.4
						SG&A	202.3	+5.8	+3.0
						Total	637.3	+20.0	+3.2
Other sales	Installation work	16.0	+0.6	+4.1	Other operating expenses	Installation work	15.6	+0.1	+1.2
	Gas appliances	78.5	+0.4	+0.6		Gas appliances	76.2	+1.4	+1.9
	Transportation services and others	4.5	-0.6	-11.7					
	Incidental businesses	128.2	+8.3	+7.0		Incidental businesses	101.3	+5.2	+5.5
	Total	227.4	+8.8	+4.0		Total	193.1	+6.8	+3.7
Total net sales		862.8	+25.0	+3.0	Total expenses		8,30.5	+26.9	+3.3
					Operating income		32.3	-1.8	-5.4
Non-operating income		16.2	+4.4	+37.9	Non-operating expenses		9.7	+4.2	+77.5
					Ordinary income		38.7	-1.6	-4.0
Extraordinary income		12.4	+10.5	+566.6	Extraordinary losses		―	-24.2	―
					Net income		37.4	+31.9	+588.0

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

			Nine months ended December 31, 2014 (a)	Nine months ended December 31, 2013 (b)	YoY Changes (a)-(b)	YoY Changes rate (%)
Customers <Meters installed> (thousand)		Residential	6,826	6,770	+55	+0.8
		Non-residential	345	341	+4	+1.1
		Total	7,171	7,111	+59	+0.8
Monthly average usage per residential customer (m^3/month)			24.0	24.1	-0.1	-0.5
Gas sales volume (million m^3)	Residential		1,269	1,269	+0	+0.0
	Non-residential		4,126	4,296	-170	-4.0
		Industrial	3,085	3,193	-109	-3.4
		Commercial	622	654	-32	-4.8
		Public and medical institutions	418	448	-30	-6.7
	Wholesale		336	332	+4	+1.1
	Total		5,731	5,897	-166	-2.8

[Converted at 45MJ/m^3]