



# Financial Report for 3<sup>rd</sup> Quarter of FY2021.3 (April 2020 – December 2020)

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February 2021  
Osaka Gas Co., Ltd.

# Contents

I. Daigas Group Carbon neutral vision		III. Business Results and Forecasts	
□ Striving to Become Carbon Neutral by 2050	- 4	□ Results for 3 <sup>rd</sup> Quarter of FY2021.3	- 17-19
□ Our Energy Business in the Era of Carbon Neutrality	- 5	□ Forecasts for FY2021.3	- 20-24
□ Road Map to Carbon Neutrality	- 6	□ Sales-related results for 3 <sup>rd</sup> Quarter of FY2021.3	- 25
II. Summary of Business Results and Forecasts		□ Sales-related forecasts for FY2021.3	- 26
□ Summary of Business Results for 3 <sup>rd</sup> Quarter of FY2021.3 and Forecasts for FY2021.3	- 8	□ Residential Gas Sales	- 27
□ Considerations of Forecasts for FY2021.3	- 9	□ Non-Residential Gas Sales	- 28
□ YoY Comparison of 3 <sup>rd</sup> Quarter of FY2021.3	- 10	IV. Facts and Figures	
□ Forecasts for FY2021.3 against Previous Forecasts	- 11	□ Variance for 3 <sup>rd</sup> Quarter of FY2021.3	- 30-31
□ YoY Comparison of Forecasts for FY2021.3	- 12	□ Variance for FY2021.3 Forecasts	- 32-33
□ Results of Investment for growth for 3 <sup>rd</sup> Quarter of FY2021.3	- 13	□ Risk Factors for Annual Earnings Results Forecasts	- 34
□ Main Topics in 3 <sup>rd</sup> Quarter of FY2021.3	- 14-15		

Management information is available on Osaka Gas websites.

Financial reports, annual reports and road show materials can be accessed and downloaded at the following URL.

<https://www.osakagas.co.jp/en/ir/>

#### Disclaimer

Certain statements contained herein are forward-looking statements, strategies, and plans, which reflect our judgment based on the information so far available. Actual results may differ materially from those discussed in such statements. Among the factors that could cause actual results to differ materially are: economic trends in Japan, sharp fluctuations in exchange rates and crude oil prices, and extraordinary weather conditions.

#### Note regarding gas sales volume

All gas sales volumes are indicated based on the standard heating value at 45 MJ/m<sup>3</sup>.

#### Note regarding consolidated gas sales volume

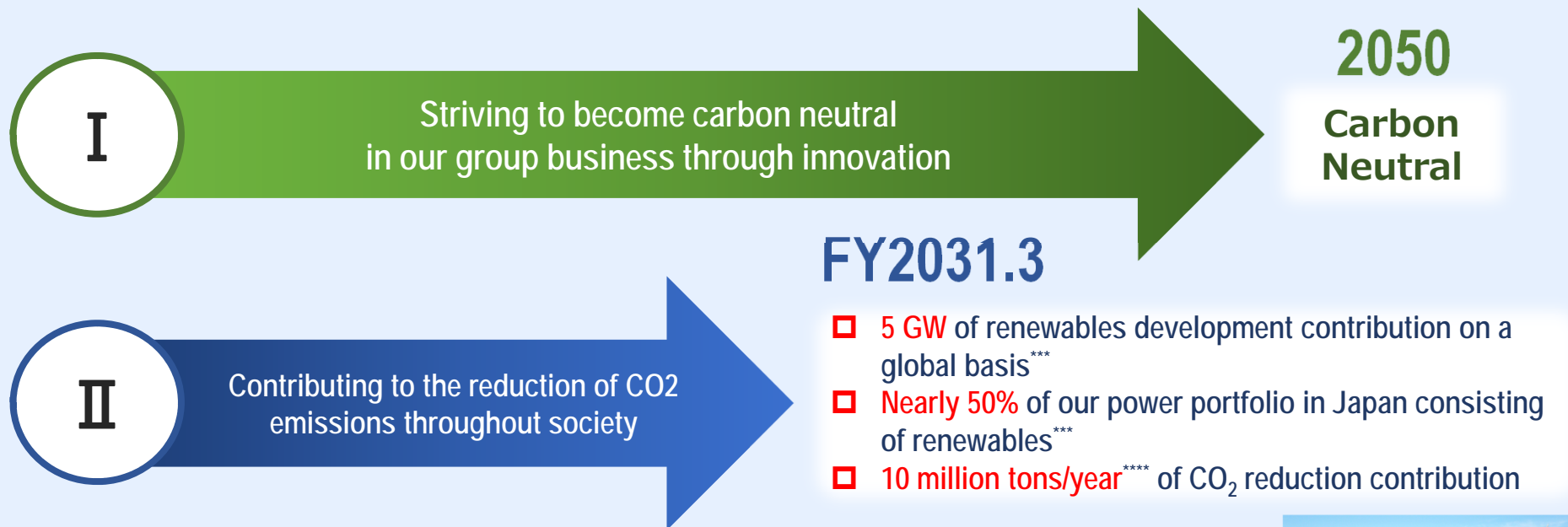
The fiscal year of Nabari Kintetsu Gas, Toyooka Energy, and Shingu Gas ends on December 31.

# I. Daigas Group Carbon neutral vision

## Striving to Become Carbon Neutral by 2050

We strive to become carbon neutral by 2050 through decarbonization of our gas and electricity by introducing methanation\* to generate gas with renewable energy and hydrogen and by increasing the share of renewables in our power generation portfolio. And as an innovative energy and services company, we plan to provide solutions for the realization of a sustainable society.

While technologies are being developed to realize a carbon free society, we also strive to contribute to radical reduction of CO2 emissions by promoting advanced utilization of natural gas and wider usage of renewable energy, aiming for a CO2 emissions reduction contribution target of more than 8.5 million tons/year\*\*, which was previously set for 2030.



\* Methane generation technology using hydrogen and CO<sub>2</sub>

\*\* Our CO<sub>2</sub> emissions reduction contribution annual target for 2030 set out in our long-term management vision announced in 2017 (2030 cumulative target: 70 million tons)

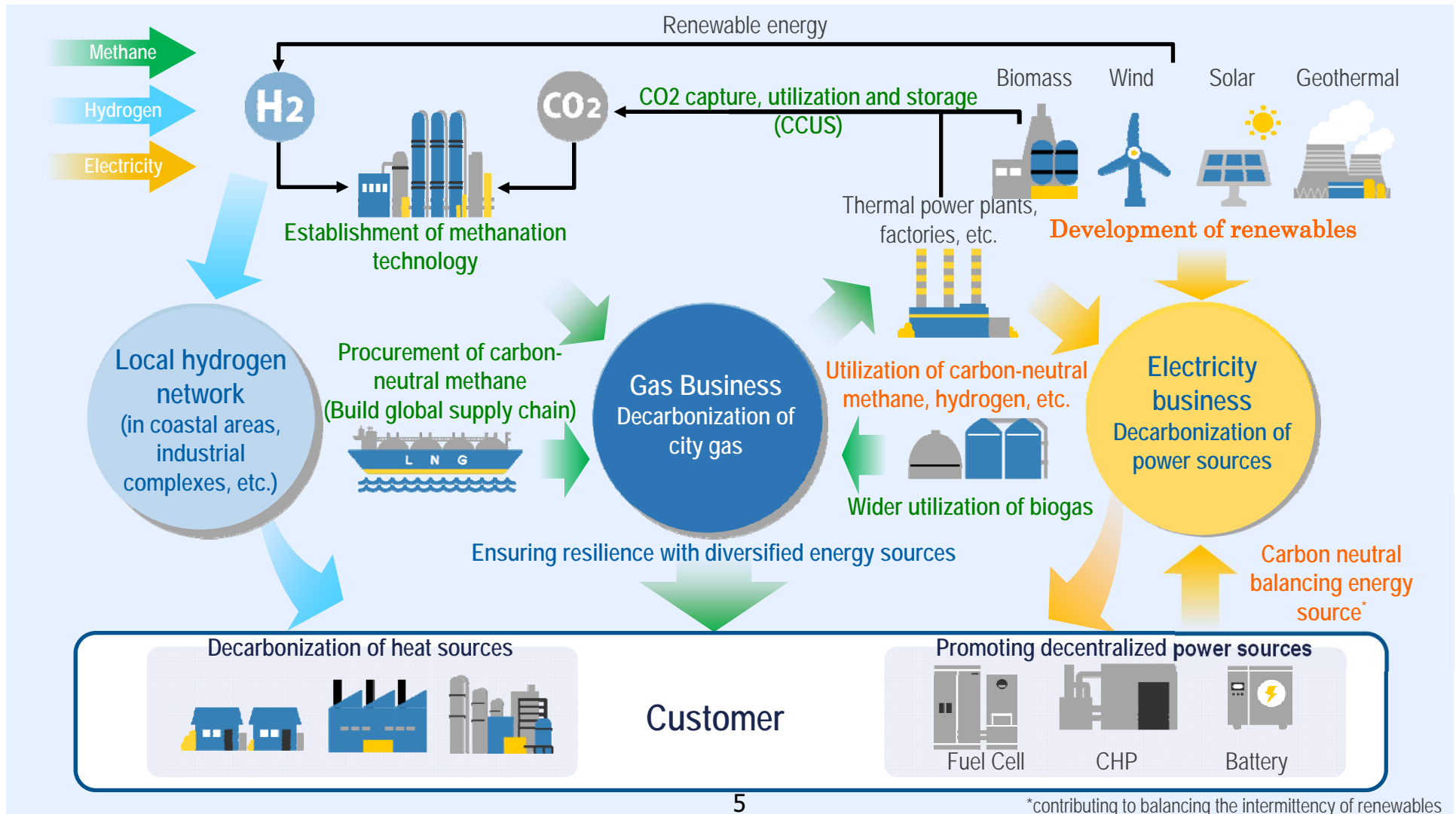
\*\*\* Includes solar, wind, and biomass power sources subject to feed-in tariffs (FIT)

\*\*\*\* Equivalent to 33 million tons/year, one third of the CO<sub>2</sub> emissions produced in our business and by our customers



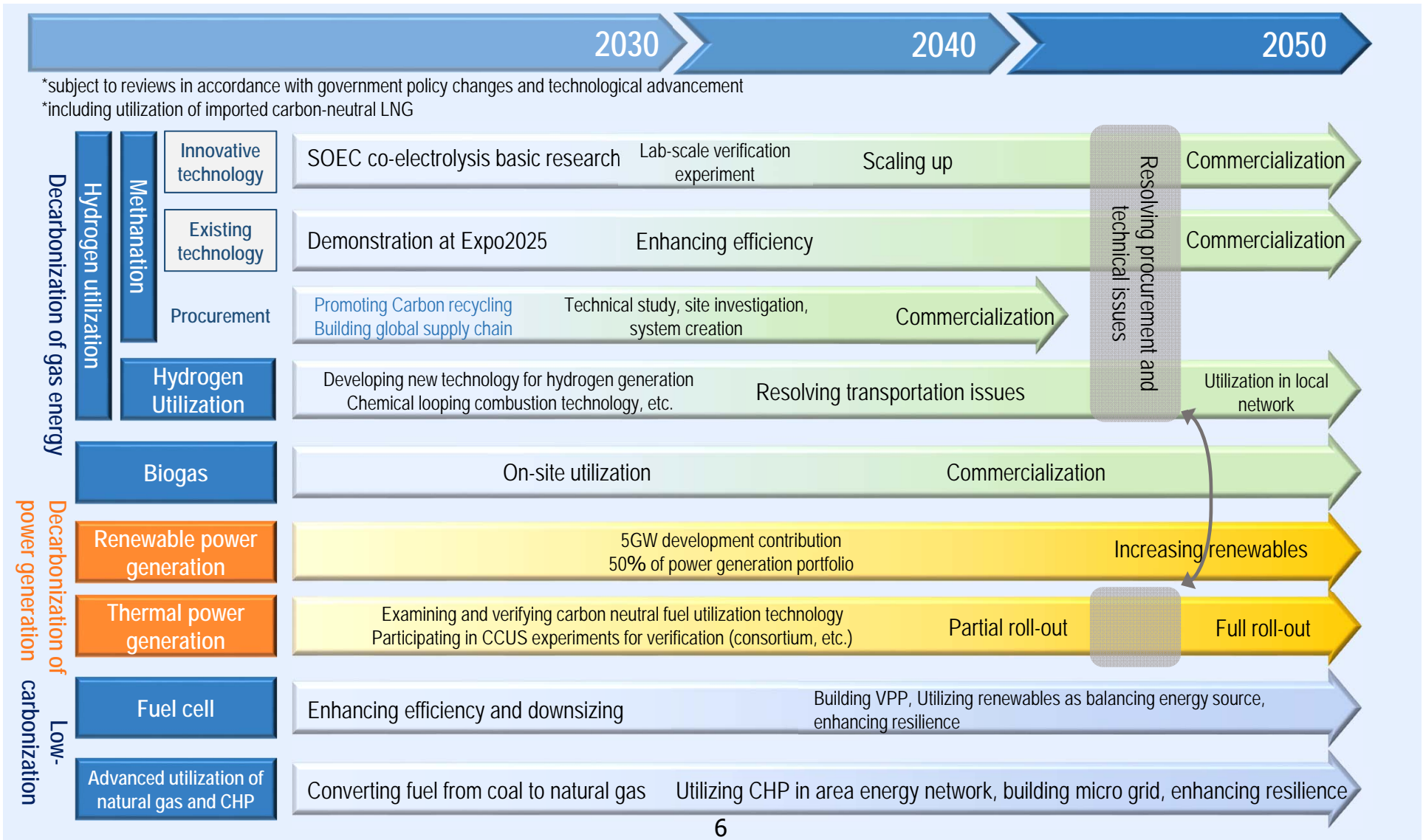
## Our Energy Business in the Era of Carbon Neutrality

How to achieve carbon neutrality should be flexibly selected in light of progress in energy innovation and changes in social circumstances. We aim to achieve our carbon neutrality goal with a comprehensive approach throughout our supply chain including customers, taking into account future technological advances and economic rationality.



## Road Map to Carbon Neutrality

We aim to achieve our carbon neutrality goal through our ongoing initiatives including methanation R&D and renewable power generation capacity development and other activities as shown in the road map below.



## II. Summary of Business Results and Forecasts

# Summary of Business Results for 3<sup>rd</sup> Quarter of FY2021.3 and Forecasts for FY2021.3



## Year-on-Year Comparison of Results for 3<sup>rd</sup> Quarter of FY2021.3

Consolidated net sales	Decreased by 1.2% (¥11.6 billion) to ¥962.8 billion due to the decrease in the gas sales unit price and the gas sales volume, etc.
Consolidated ordinary profit	Increased by 37.3% (¥22.1 billion) to ¥81.5 billion due to the increase in the profit contribution from Freeport LNG Project and Sabine Shale Gas Project in the International Energy business, etc. The time-lag effect* totaled ¥+15.1 billion (The time-lag effect in previous year was ¥+7.7 billion).
Consolidated profit**	Increased by 65.5% (¥22.8 billion) to ¥57.6 billion

## FY2021.3 Forecasts against Previous Forecasts

Consolidated net sales	Decrease by 0.5% (¥6.5 billion) to ¥1,330.0 billion due to the decrease in the revenue from the gas appliance sales and the gas transportation service revenue.
Consolidated ordinary profit	¥100.0 billion, unchanged from previous forecast There is the increase due to selling part of participating interests in the production licenses in the Barents Sea, Norway, but there is also the decrease in the gas transportation service business and the gas appliance sales business. The time-lag effect totaled ¥+4.2 billion (unchanged from previous forecast).
Consolidated profit**	¥71.5 billion, unchanged from previous forecast

\*The time-lag effect= Profit / loss on fuel cost adjustment system

\*\*Profit attributable to owners of parent



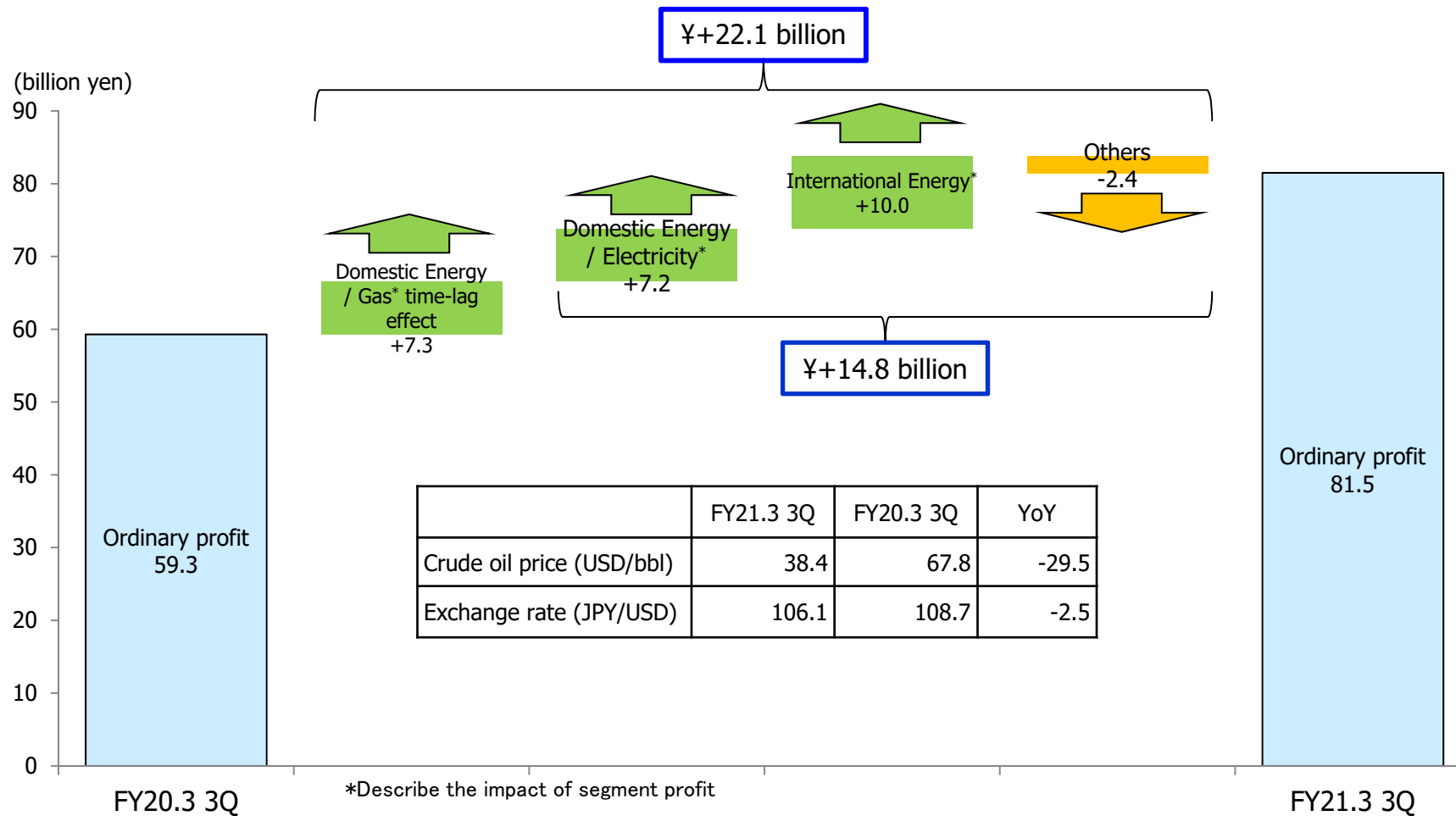
## Considerations of Forecasts for FY2021.3

- In the 3<sup>rd</sup> Quarter of FY2021.3, there was no major impact on business results from the issuance of a declaration of the state of emergency in January 2021, energy supply and demand, and increases in LNG spot prices and transaction prices on JEPX but attention should be paid in the future.

		FY21.3 3Q	FY21.3 forecasts (Contents of possible impact, etc.)
Impact of the spread of COVID-19	Domestic Energy business	<ul style="list-style-type: none"> <li>Profits increased due to the impact of the time-lag effect in the gas business, etc.</li> </ul>	-
		<ul style="list-style-type: none"> <li>Residential gas sales volume exceeded expectations</li> </ul>	<ul style="list-style-type: none"> <li>Increase in residential gas sales volume due to the declaration of the state of emergency</li> </ul>
		<ul style="list-style-type: none"> <li>Non-residential gas sales volume decreased by 7.4% from the previous year</li> <li>Decreased mainly in metals, glasses, restaurants, and hotel industries</li> <li>The gas transportation service business fell short of expectations</li> </ul>	<ul style="list-style-type: none"> <li>Decrease in sales due to the further shrink of economic activity following the declaration of the state of emergency</li> </ul>
		<ul style="list-style-type: none"> <li>The pace of gas and electricity switching slowed</li> <li>The gas appliance sales business fell short of expectations</li> </ul>	
		<ul style="list-style-type: none"> <li>Maintain stable energy supply</li> </ul>	<ul style="list-style-type: none"> <li>Maintain stable energy supply by thoroughly implementing measures against infections and diversifying LNG procurement countries, etc.</li> </ul>
	International Energy business	<ul style="list-style-type: none"> <li>Profits from the upstream business and the IPP projects in North America decreased due to the decline of the crude oil prices and the energy prices</li> <li>Profits decreased due to the impact of market value of derivatives due to the decline in the interest rates of US</li> </ul>	
	Life & Business Solutions business (LBS)	<ul style="list-style-type: none"> <li>Profits decreased in the fitness business, the information solutions business and the materials solutions business, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Decrease in sales due to the further shrink of economic activity following the declaration of the state of emergency</li> </ul>
	Investment for growth	<ul style="list-style-type: none"> <li>Some construction work is delayed</li> </ul>	-
Impact of energy supply and demand, etc.	Domestic Energy business	-	<ul style="list-style-type: none"> <li>Gas and electricity sales volume increase due to low air and water temperatures</li> <li>Profit increase or decrease due to increase in LNG spot price (resale and procurement)</li> <li>Profit decrease due to the increases in transaction prices on JEPX</li> </ul>

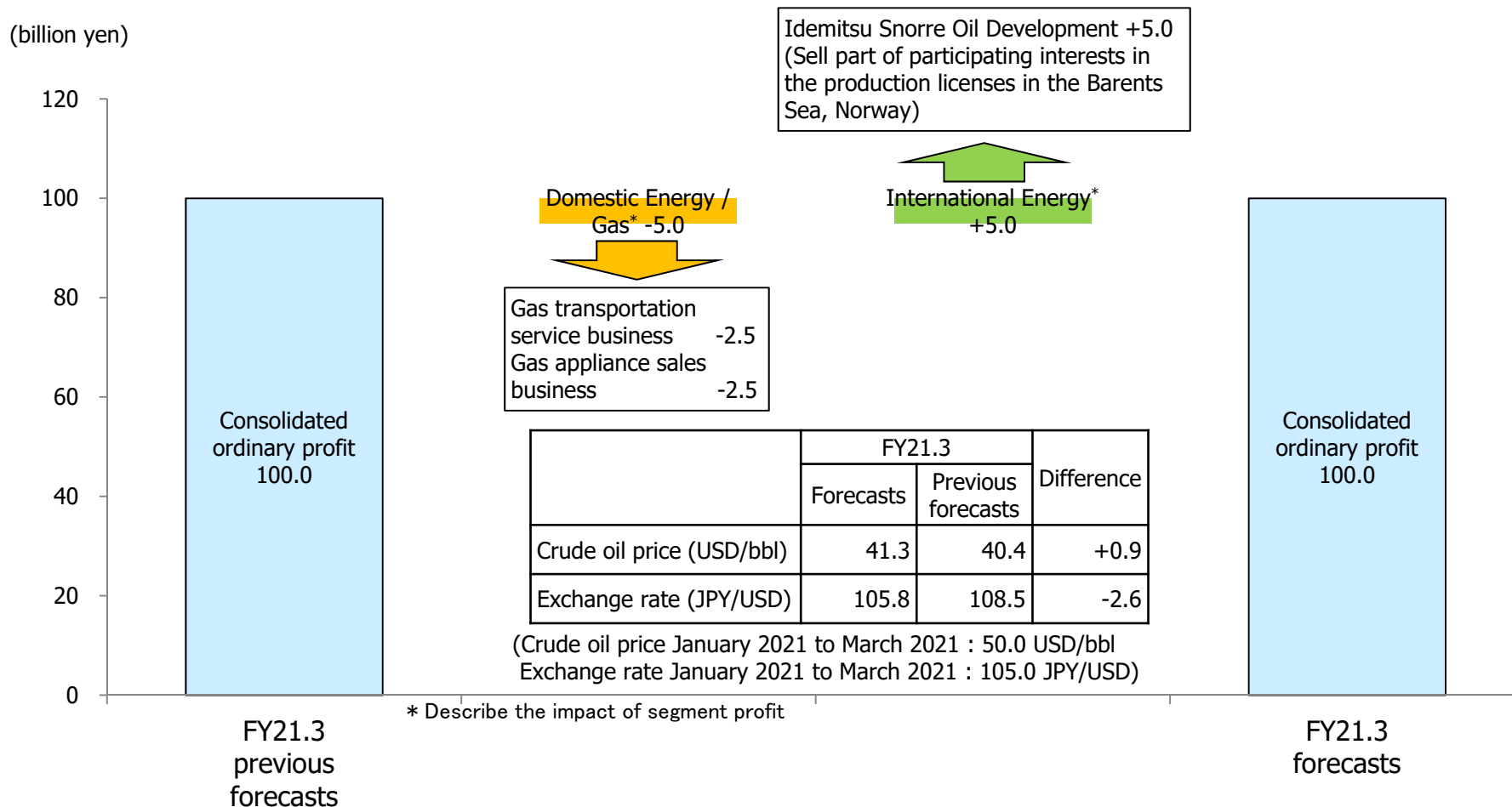
# YoY Comparison of 3<sup>rd</sup> Quarter of FY2021.3

- Consolidated ordinary profit increased by ¥22.1 billion year-on-year to ¥81.5 billion due to the increase in the profit contribution from Freeport LNG Project and Sabine Shale Gas Project in the International Energy business, etc.



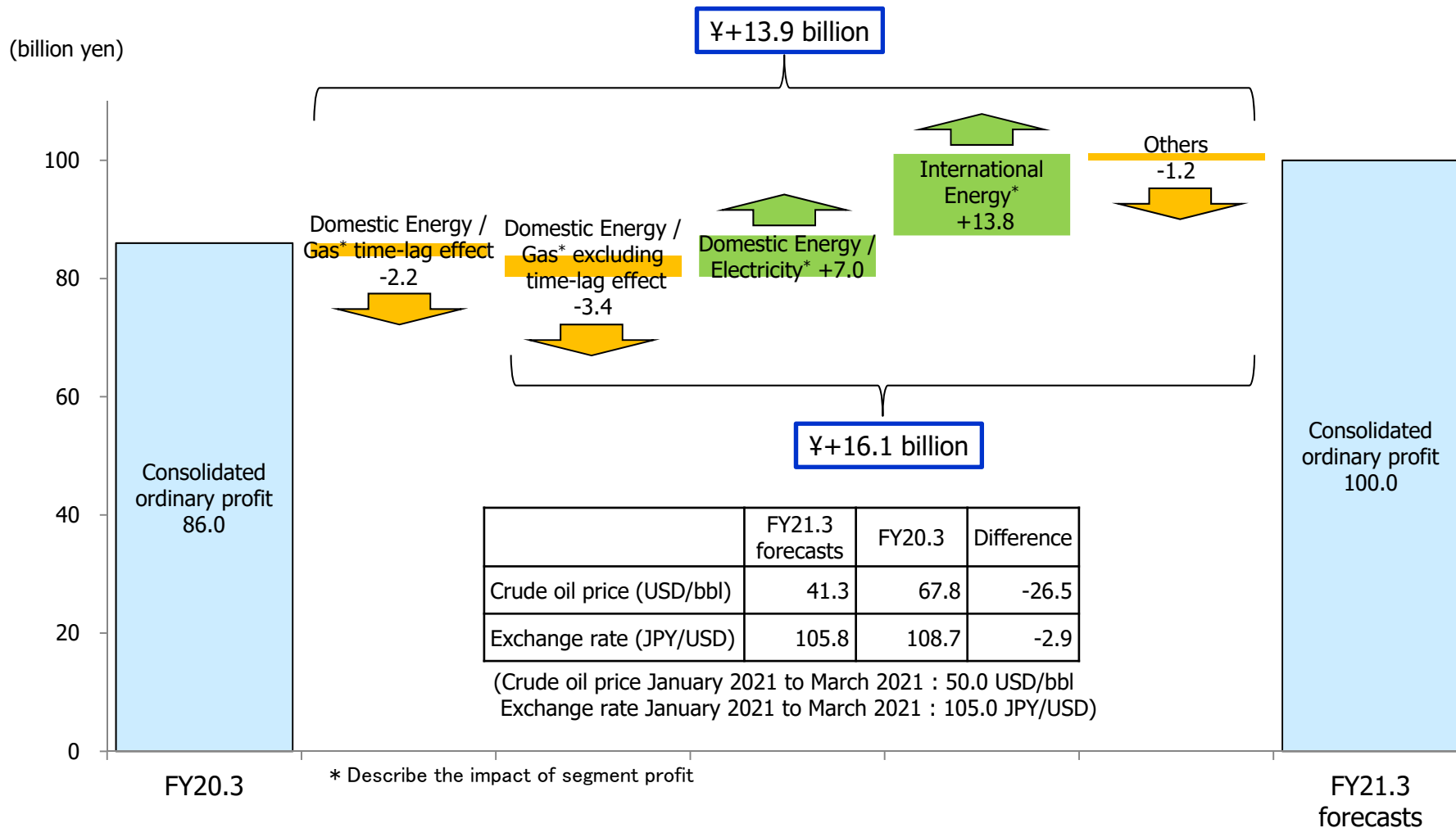
# Forecasts for FY2021.3 against Previous Forecasts

- Consolidated ordinary profit is unchanged.
- There is the increase due to selling part of participating interests in the production licenses in the Barents Sea, Norway, but there is also the decrease in the gas transportation service business and the gas appliance sales business.



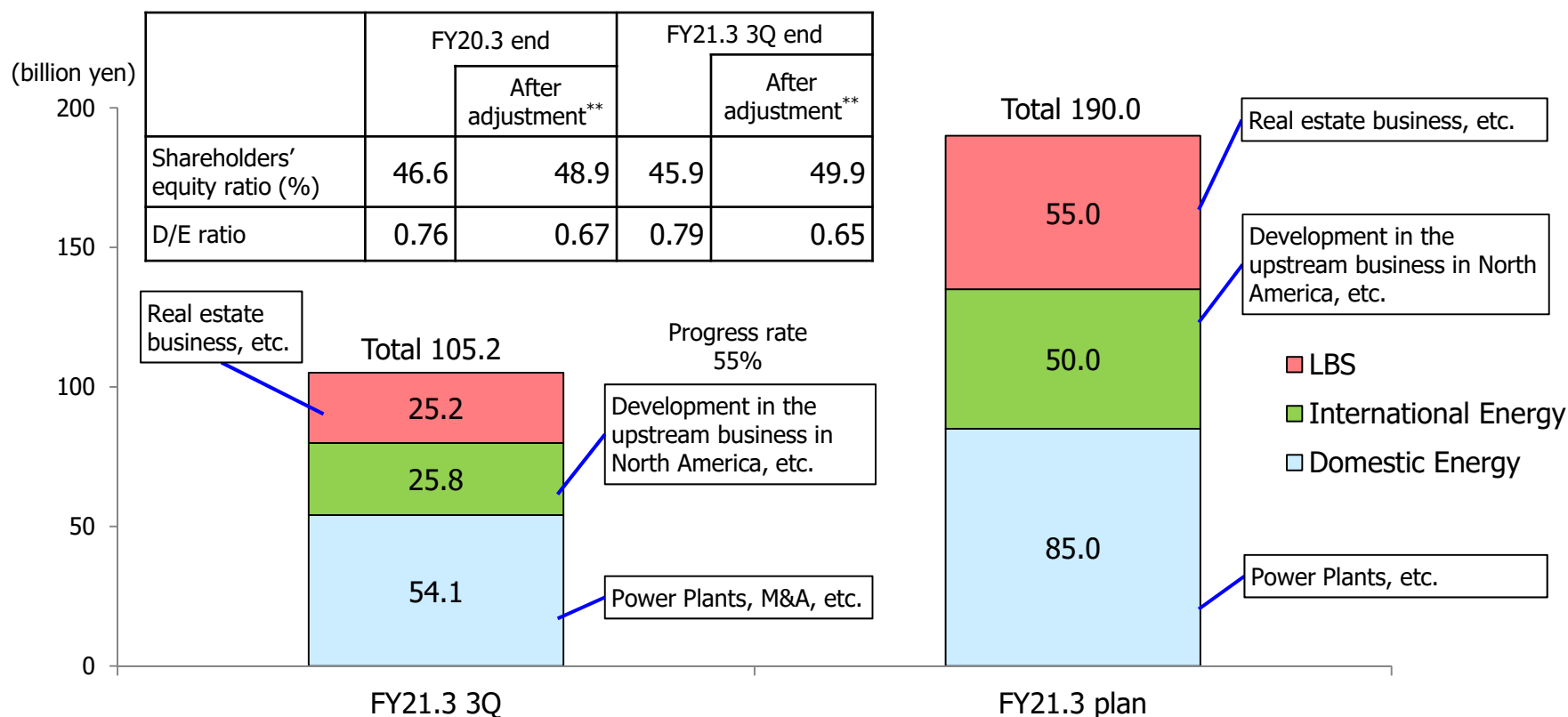
# YoY Comparison of Forecasts for FY2021.3

- Consolidated ordinary profit is expected to increase by ¥13.9 billion year-on-year to ¥100.0 billion.
- This is due to the profit contribution from Freeport LNG Project and Sabine Shale Gas Project, etc.



# Results of Investment for growth for 3<sup>rd</sup> Quarter of FY2021.3

- We invested ¥ 105.2 billion for growth in Power Plants, M&A, the development in the upstream business in North America and the real estate business, etc.
- The financial soundness indicator maintains the Shareholders' equity / Total assets ratio of around 50% and the D / E ratio of around 0.7 due to issue of hybrid bonds, etc.



\* Amounts of investment include both capital expenditure items and investment-and-loan items, and therefore the amounts of investment are different from actual amounts of capital expenditures.

\*\* Calculated with 50% of issued hybrid bonds as equity (It does not mean that shares will be diluted)  
(Issued : ¥ 100 billion in December 2019, ¥ 75 billion in September 2020)

## Main Topics in 3<sup>rd</sup> Quarter of FY2021.3

Apr.	<ul style="list-style-type: none"> <li>✓ Ohgishima City Gas Supply, Ltd. Begins Commercial Operation of City Gas Production and Supply Facility</li> <li>✓ Osaka Gas to Partner with NTT Com to Launch an AI-automated Voice Response Service at Its Contact Center</li> <li>✓ Osaka Gas Invests in Japan Infra Waymark, Which Offers Infrastructure Inspection Solutions Using Drones</li> <li>✓ Osaka Gas Invests in HACARUS INC., a Venture Company with Superb AI Technologies Including Image Analysis</li> </ul>
May	<ul style="list-style-type: none"> <li>✓ Osaka Gas Starts Commercial Operation of Unit 1 of Fukushima Natural Gas Power Plant</li> <li>✓ Osaka Gas Acquires Shares of Global Base</li> <li>✓ Osaka Gas Begins Collaboration with Sharp in Providing Equipment Utilizing an IoT Platform -Mobile App Provided by Sharp Enables Remote Control of IoT-connected Gas Equipment-</li> </ul>
Jun.	<ul style="list-style-type: none"> <li>✓ Osaka Gas to Start a Verification Project to Establish a Virtual Power Plant (VPP) Using a residential Fuel Cell, ENE-FARM - VPP Verification Project Connecting 1,500 Units-</li> <li>✓ Osaka Gas Liquid to Invest in Singapore SSB Group's Associate Company to Participate in the Industrial Gas Production and Sales Business in Vietnam</li> </ul>
Jul.	<ul style="list-style-type: none"> <li>✓ Osaka Gas Launches its Third With Plan, "With ABEMA Plan" and Starts Accepting Applications</li> <li>✓ Improvement of On-site Work Efficiency by Promoting DX Using a Private BWA System -Upgrading Osaka Gas Senboku Plant to a Smart Factory-</li> <li>✓ Launch of IoT-compatible Alarm Device "Sumapiko" and Cooperation with the Osaka City Government and the Osaka Prefectural Police Regarding Provision of Disaster and Crime Prevention Information</li> <li>✓ "Heartful Bento Project"-Supporting medical professionals fighting the COVID-19-</li> <li>✓ Public notification relating to the Environmental Impact Assessment Consideration Statement for [tentative name] Saga Karatsu City Offshore Wind Power Project</li> </ul>
Aug.	<ul style="list-style-type: none"> <li>✓ Osaka Gas Announces its Decision to Issue Publicly Offered Hybrid Corporate</li> <li>✓ Collaboration with Sony Network Communications to enable customers to remotely operate IoT-compatible gas appliances by using Sony's smartphone app for multifunctional light</li> <li>✓ Announcement of Collaboration to Improve Convenience and Security of Rental Apartments</li> <li>✓ Osaka Gas Starts Commercial Operation of Unit 2 of Fukushima Natural Gas Power Plant</li> <li>✓ Osaka Gas to Participate in Natural Gas-fueled Thermal Electric Generation in Illinois, U.S.</li> <li>✓ Osaka Gas has concluded a Renewable Electricity Procurement Contract with West Holdings</li> </ul>

## Main Topics in 3<sup>rd</sup> Quarter of FY2021.3

Sep.	<ul style="list-style-type: none"> <li>✓ Osaka Gas Announces Its Determination of Issuance Conditions for Publicly Offered Hybrid Corporate Bonds</li> <li>✓ Implementation of FY2020 Company-wide Comprehensive Disaster Drill</li> <li>✓ Osaka Gas to Organize a Connecting Gas Exhibition on the Web in Which Customers Can Participate from Home</li> <li>✓ Osaka Gas Expands the Menu of Sumikata Services, Designed to Solve Housing Problems and Provide Peace of Mind, with the Number of Sumikata Members Exceeding 400,000</li> </ul>
Oct.	<ul style="list-style-type: none"> <li>✓ Osaka Gas Acquires Shares in Palette Cloud Inc.</li> <li>✓ Direction of Spin-Off of the Gas Pipeline Segment</li> <li>✓ Osaka Gas Starts to Accept Applications for Miraito Denki, its New Electricity Rate Plan</li> <li>✓ Five companies agree on joint study of "FOURE concept" with the aim of developing renewable energy and the region together</li> <li>✓ Announcement of Transfer of Shares of Osaka Gas Niugini Pty Ltd</li> <li>✓ Osaka Gas Joint investment in offshore wind power generation business</li> </ul>
Nov.	<ul style="list-style-type: none"> <li>✓ Osaka Gas Decides to Build a Biomass Power Plant in Tahara City, Aichi Prefecture</li> <li>✓ Announcement of Commencement of Commercial Operation of a Liquefied Carbon Dioxide Production Plant in Nagaoka City, Niigata Prefecture</li> </ul>
Dec.	<ul style="list-style-type: none"> <li>✓ Joint development of smart meter system</li> <li>✓ Osaka Gas Announces Commencement of Commercial Operation of a Biomass Power Plant in Ichihara City, Chiba Prefecture</li> <li>✓ Invests in D&amp;D Solar GK and Acquires a Solar Power Plant in Izumi City, Kagoshima Prefecture, Through D&amp;D Solar GK</li> </ul>
Jan.	<ul style="list-style-type: none"> <li>✓ Establishment of the Daigas Group Carbon Neutral Vision: Striving to Become Carbon Neutral by 2050</li> <li>✓ Succeeded in trial manufacture of new SOEC that is key to realizing "innovative methanation" contributing to decarbonization of city gas : development of technology that can be used for highly efficient production of hydrogen, liquid fuels, etc.</li> <li>✓ Start of R &amp; D on chemical looping combustion technology that contributes to decarbonization</li> <li>✓ Commenced commercial operation of high-efficiency gas turbine power generation system at Mitsui Chemicals' Osaka Plant, contributing to reduction of CO2 emissions through introduction of distributed power sources</li> <li>✓ Concluded a contract with WEST HOLDINGS CORPORATION concerning the procurement of solar power: procure electricity and environmental value from a 200,000 kW power source that WEST HOLDINGS CORPORATION will develop in FY2022.3</li> </ul>

\* Press releases were issued in the above indicated months.

## III. Business Results and Forecasts



## Results for 3<sup>rd</sup> Quarter of FY2021.3-I

Figures in ( ) are ratios of consolidated results to non-consolidated results

Consolidated, billion yen	A. FY21.3 3Q	B. FY20.3 3Q	A-B	(A-B) /B(%)	Remarks
Net sales	(1.29) 962.8	(1.26) 974.5	-11.6	-1.2	
Operating profit	(2.03) 74.8	(1.92) 54.2	+20.5	+37.9	Increased due to the increase in the profit contribution from Freeport LNG Project and Sabine Shale Gas Project in the International Energy business, etc.
Ordinary profit	(1.78) 81.5	(1.49) 59.3	+22.1	+37.3	
Profit*	(1.68) 57.6	(1.12) 34.8	+22.8	+65.5	
EBITDA **	158.6	126.2	+32.3	+25.6	
The time-lag effect	+15.1	+7.7	+7.3	-	
Ordinary profit excluding time-lag effect	66.4	51.5	+14.8	+28.8	
Crude oil price*** USD/bbl	38.4	67.8	-29.5		
Exchange rate JPY/USD	106.1	108.7	-2.5		

\* Profit attributable to owners of parent

\*\* EBITDA=operating profit (loss) + depreciation + amortization of goodwill + share of profit (loss) of entities accounted for using equity method

\*\*\* Average of preliminary monthly data up to December 2020

## Results for 3<sup>rd</sup> Quarter of FY2021.3-II

billion yen	Net sales			Segment Profit*			Remarks
	A.FY21.3 3Q	B.FY20.3 3Q	A-B	A.FY21.3 3Q	B.FY20.3 3Q	A-B	
Domestic Energy / Gas**	654.7	694.2	-39.5	42.1	34.4	+7.6	Profit : Increased due to the impact of the time-lag effect in the gas business, etc.
Domestic Energy / Electricity**	163.1	142.9	+20.1	11.8	4.5	+7.2	Profit : Increased due to the increase in the sales volume, etc.
International Energy	49.4	43.2	+6.1	13.6	3.5	+10.0	Profit : Increased due to the increase in the profit contribution from Freeport LNG Project and Sabine Shale Gas Project, etc.
Life & Business Solutions	154.3	156.8	-2.5	12.7	13.4	-0.7	Profit : Decreased in the information solutions business and the fitness business, etc.
Adjustments	-58.7	-62.8	+4.0	4.2	2.2	+2.0	
Consolidated	962.8	974.5	-11.6	84.5	58.3	+26.2	

\* Segment profit=Operating profit(loss) + Share of profit(loss) of entities accounted for using equity method

\*\* In April 2020, Gas and Power Co., Ltd.("Domestic Energy / Electricity") was merged into Daigas Gas and Power Solution Co., Ltd.("Domestic Energy / Gas" segment). Results for FY20.3 are calculated based on this change.

Including profit/loss on market value of derivative  
A.FY21.3 3Q -6.5, B.FY20.3 3Q -3.6, A-B -2.9

## Results for 3<sup>rd</sup> Quarter of FY2021.3-III

Consolidated, billion yen	A. FY21.3	FY20.3		A-B	Remarks
	3Q end	3Q end	B. year end		
Total assets	2,205.9	2,125.5	2,140.4	+65.4	Increased due to the progress in the investment for growth, etc.
Shareholders' equity	1,013.0	992.5	997.4	+15.5	
Interest-bearing debts	799.9	781.4	754.0	+45.9	Bond issue, etc.
Number of employees	21,054	20,519	20,543	+511	Increased in Jacobi Carbons AB and a new consolidation, etc.
Shareholders' equity / Total assets	45.9%	46.7%	46.6%	-0.7%	
(After adjustment*)	(49.9%)	(49.0%)	(48.9%)	(+1.0%)	
D/E ratio	0.79	0.79	0.76	+0.03	
(After adjustment*)	(0.65)	(0.70)	(0.67)	(-0.02)	

\*Calculated with 50% of issued hybrid bonds as equity (It does not mean that shares will be diluted)

Consolidated, billion yen	A. FY21.3 3Q	B. FY20.3 3Q	A-B	Remarks
Capital expenditure	128.8	80.7	+48.0	Increased due to the progress in the investment for growth, etc.
Depreciation	74.0	67.9	+6.0	
Free cash flow**	85.3	54.9	+30.3	

\*\* Free cash flow = cash flows from operating activities - capital expenditures for upgrading existing businesses

## Forecasts for FY2021.3 – I

Figures in ( ) are ratios of consolidated results to non-consolidated results

Consolidated, billion yen	A. FY21.3 forecasts		B. FY21.3 previous forecasts		A-B	(A-B)/B(%)	Remarks
Net sales	(1.30)	1,330.0	(1.30)	1,336.5	-6.5	-0.5	Decrease due to the decrease in the revenue from the gas appliance sales and the gas transportation service revenue.
Operating profit	(2.06)	88.5	(1.95)	93.5	-5.0	-5.3	Decrease due to the decrease in the gas transportation service business and the gas appliance sales business.
Ordinary profit	(1.85)	100.0	(1.69)	100.0	-	-	Increase due to selling part of participating interests in the production licenses in the Barents Sea, Norway.
Profit*	(1.72)	71.5	(1.59)	71.5	-	-	
EBITDA **		200.0		200.0	-	-	
The time-lag effect		4.2		4.2	-	-	
Ordinary profit excluding time-lag effect		95.7		95.7	-	-	
Crude oil price*** USD/bbl		41.3		40.4	+0.9		January 2021 to March 2021 : 50.0 USD/bbl
Exchange rate JPY/USD		105.8		108.5	-2.6		January 2021 to March 2021 : 105.0 JPY/USD

\*\*\* Average of preliminary monthly data up to December 2020

## Forecasts for FY2021.3 – II

billion yen	Net sales			Segment Profit*			Remarks
	A.FY21.3 forecasts	B.FY21.3 previous forecasts	A-B	A.FY21.3 forecasts	B.FY21.3 previous forecasts	A-B	
Domestic Energy / Gas	863.5	870.0	-6.5	47.5	52.5	-5.0	Profit : Decrease due to the decrease in the gas transportation service business and the gas appliance sales business
Domestic Energy / Electricity	221.0	221.0	-	15.0	15.0	-	
International Energy	79.0	79.0	-	22.0	17.0	+5.0	Profit : Increase due to selling part of participating interests in the production licenses in the Barents Sea, Norway
Life & Business Solutions	217.5	217.5	-	19.0	19.0	-	
Adjustments	-51.0	-51.0	-	-	-	-	
Consolidated	1,330.0	1,336.5	-6.5	103.5	103.5	-	

\* Segment profit=operating profit(loss) + share of profit(loss) of entities accounted for using equity method

## Forecasts for FY2021.3 – III

Figures in ( ) are ratios of consolidated results to non-consolidated results

Consolidated, billion yen	A. FY21.3 forecasts		B. FY20.3 results		A-B	(A-B)/B(%)	Remarks
Net sales	(1.30)	1,330.0	(1.26)	1,368.6	-38.6	-2.8	
Operating profit	(2.06)	88.5	(1.83)	83.7	+4.7	+5.6	Increase in the International Energy business, etc.
Ordinary profit	(1.85)	100.0	(1.47)	86.0	+13.9	+16.3	
Profit*	(1.72)	71.5	(0.93)	41.7	+29.7	+71.1	Increase due to the rebound from the impairment loss of the upstream projects in the International Energy business
EBITDA **		200.0		180.9	+19.0	+10.5	
The time-lag effect		4.2		6.5	-2.2	-	
Ordinary profit excluding time-lag effect		95.7		79.5	+16.1	+20.4	Increase in the International Energy business, etc.
Crude oil price*** USD/bbl		41.3		67.8	-26.5		January 2021 to March 2021 : 50.0 USD/bbl
Exchange rate JPY/USD		105.8		108.7	-2.9		January 2021 to March 2021 : 105.0 JPY/USD

\*\*\* Average of preliminary monthly data up to December 2020

## Forecasts for FY2021.3 – IV

billion yen	Net sales			Segment Profit*			Remarks
	A.FY21.3 forecasts	B.FY20.3 results	A-B	A.FY21.3 forecasts	B.FY20.3 results	A-B	
Domestic Energy / Gas	863.5	973.7	-110.2	47.5	53.1	-5.6	Profit : Decrease due to the impact of the time-lag effect in the gas business, etc.
Domestic Energy / Electricity	221.0	204.8	+16.1	15.0	7.9	+7.0	Profit : Increase due to the increase in the sales volume, etc.
International Energy	79.0	61.2	+17.7	22.0	8.1	+13.8	Profit : Increase due to the increase in the profit contribution from Freeport LNG Project and Sabine Shale Gas Project, etc.
Life & Business Solutions	217.5	219.4	-1.9	19.0	19.6	-0.6	Profit : Almost the same level as the previous year
Adjustments	-51.0	-90.6	+39.6	-	0.1	-0.1	
Consolidated	1,330.0	1,368.6	-38.6	103.5	89.0	+14.4	

\* Segment profit=operating profit(loss) + share of profit(loss) of entities accounted for using equity method

## Forecasts for FY2021.3 – V

Consolidated, billion yen	A. FY21.3 end forecasts	B. FY20.3 end	A-B	Remarks
Total assets	2,285.2	2,140.4	+144.7	Increase in the investment for growth, etc.
Shareholders' equity	1,056.8	997.4	+59.3	
Interest-bearing debts	834.4	754.0	+80.4	Increase due to the new borrowing, etc.
Number of employees	21,450	20,543	+907	Increase in Jacobi Carbons AB and Osaka Gas Information System Research Institute Group, etc.
Shareholders' equity / Total assets	46.2%	46.6%	-0.4%	
(After adjustment*)	(50.1%)	(48.9%)	(+1.1%)	
D/E ratio	0.79	0.76	+0.03	
(After adjustment*)	(0.65)	(0.67)	(-0.02)	

\*Calculated with 50% of issued hybrid bonds as equity (It does not mean that shares will be diluted)

Consolidated, billion yen	A. FY21.3 forecasts	B. FY20.3 results	A-B	Remarks
Capital expenditure	203.0	131.0	+71.9	Increase in the investment for growth, etc.
Depreciation	94.6	91.9	+2.7	
Free cash flow**	80.3	125.3	-45.0	Increase in the working capital, etc.
ROA	3.2%	2.0%	+1.2%	
ROE	7.0%	4.2%	+2.8%	
EPS (yen/share)	172.0	100.5	+71.5	
BPS (yen/share)	2,541.7	2,399.1	+142.7	

\*\* Free cash flow = cash flows from operating activities - capital expenditures for upgrading existing businesses



## Sales-related results for 3<sup>rd</sup> Quarter of FY2021.3

\* Number of units for gas supply = number of meters installed – number of meters unused (unoccupied houses, etc.)  
– number of units for gas supply from other companies

\*\* The difference factors are described on pages 27 and 28

### ■ Gas sales volume

45MJ/m <sup>3</sup>	A.FY21.3 3Q	B.FY20.3 3Q	A-B	(A-B)/B(%)
Number of units for gas supply* (thousands)	5,069	5,287	-218	-4.1
Installation of new meters (thousands)	71	73	-2	-2.1
Monthly gas sales volume per household (m <sup>3</sup> /month)	24.6	23.2	+1.4	+6.1
Residential**	1,090	1,077	+13	+1.2
Non-Residential**	3,810	4,114	-304	-7.4
Non-consolidated gas sales volume (million m <sup>3</sup> )	4,900	5,191	-291	-5.6
Consolidated gas sales volume (million m <sup>3</sup> )	4,928	5,220	-293	-5.6

### ■ Electricity sales volume (Consolidated)

	A.FY21.3 3Q	B.FY20.3 3Q	A-B	(A-B)/B(%)
Retail	3,914	3,137	+776	+24.7%
Wholesale, etc.	7,522	6,268	+1,254	+20.0%
Electricity Sales Volume(GWh)	11,435	9,405	+2,030	+21.6%
Number of low-voltage electricity supply (thousands)	1,476	1,241	+235	+18.9%

### ■ Customer Accounts (Consolidated)

	A.FY21.3 3Q end	B.FY20.3 end	A-B	(A-B)/B(%)
Number of customer Accounts (ten thousands)	931	910	+21	+2.3

## Sales-related forecasts for FY2021.3

Unchanged from the previous forecasts

\* The difference factors are described on pages 27 and 28

### ■ Gas sales volume

45MJ/m<sup>3</sup>

	A. FY21.3 forecasts	B. FY20.3 results	A-B	(A-B) /B(%)
Residential*	1,817	1,798	+19	+1.1
Non-Residential*	5,100	5,526	-427	-7.7
Non-consolidated gas sales volume (million m3)	6,917	7,324	-408	-5.6
Consolidated gas sales volume (million m3)	6,953	7,362	-410	-5.6

### ■ Electricity sales volume (Consolidated)

	A. FY21.3 forecasts	B. FY20.3 results	A-B	(A-B) /B(%)
Electricity Sales Volume(GWh)	16,567	13,189	+3,378	+25.6

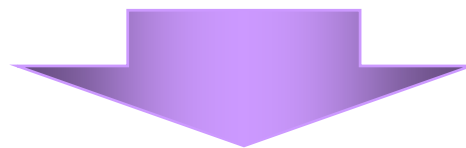
### ■ Customer Accounts (Consolidated)

	A. FY21.3 end forecasts	B. FY20.3 end	A-B	(A-B) /B(%)
Number of customer Accounts (ten thousands)	930	910	+20	+2.2

# Residential Gas Sales

FY21.3 3Q

	YoY change	Remarks
Number of customers	-3.1%	Switching to another company, etc.
Impact of temperature	+5.7%	3 <sup>rd</sup> quarter average temperature: 20.4 degrees Celsius (-0.2 degrees Celsius from the previous year)
Others	-1.4%	High-efficiency of gas appliances, decrease in household size, etc.
Total	+1.2%	



FY21.3 forecasts

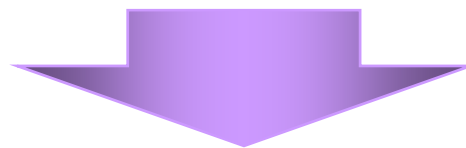
Unchanged from the previous forecasts

- Residential gas sales volume is expected to increase by 19 million m<sup>3</sup> (1.1%) from the previous year to 1,817million m<sup>3</sup>, due to the impact of the rebound from high air and water temperatures of the previous year, etc.

# Non-Residential Gas Sales

FY21.3 3Q

	YoY change	Remarks
Demand development	+0.9%	Equipment introduction, fuel conversion, etc.
Impact of temperature	+0.0%	
Capacity utilization of facilities	-6.7%	The impact of the spread of COVID-19, etc.
Individual factor	-0.9%	Decreased due to the switching to another company, etc.
Others	-0.8%	
Total	-7.4%	



FY21.3 forecasts

Unchanged from the previous forecasts

- Non-residential gas sales volume is expected to decrease by 427 million m<sup>3</sup> (7.7%) from the previous year to 5,100 million m<sup>3</sup>, due to the impact of the spread of COVID-19, etc.

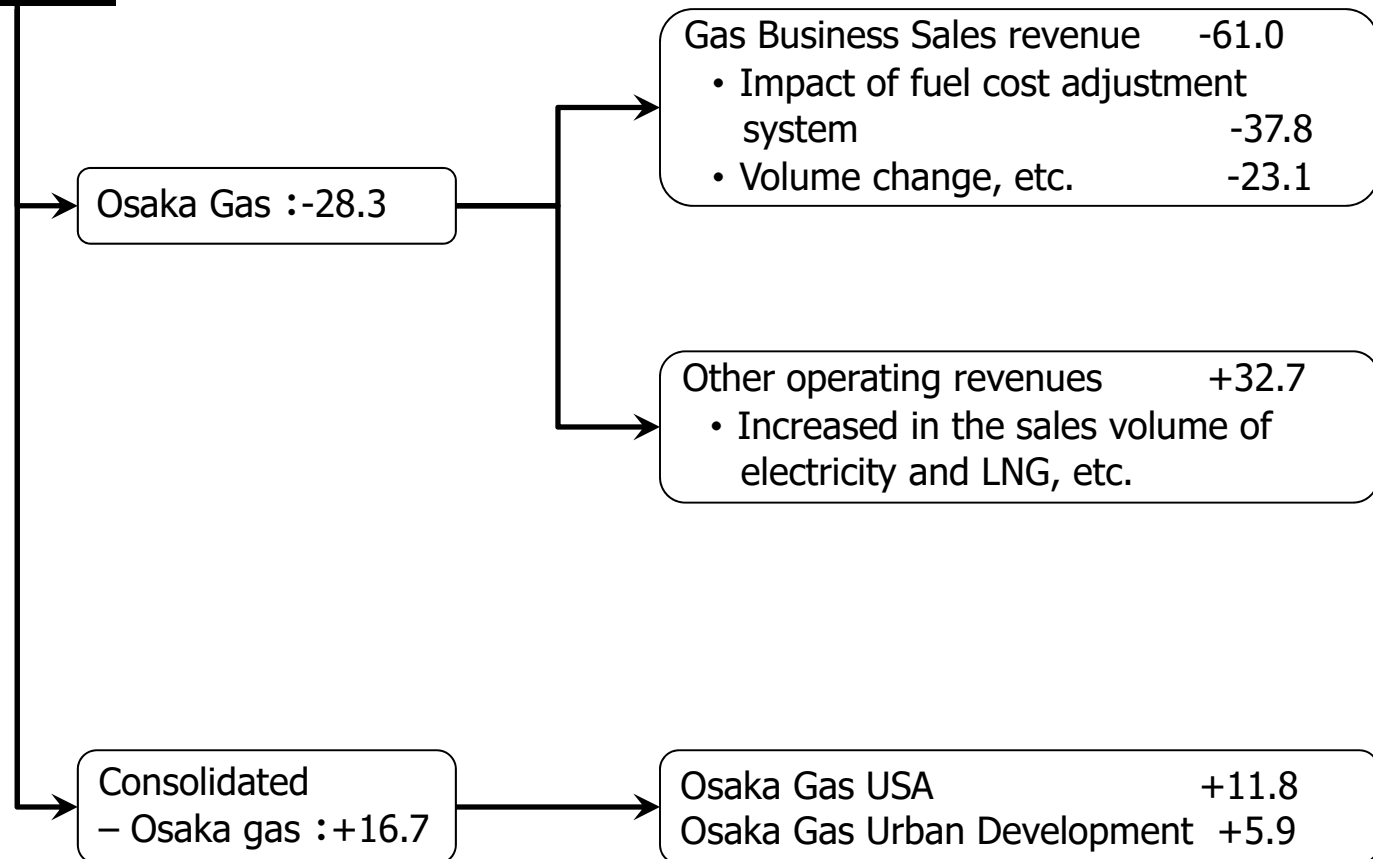
## IV. Facts and Figures

# Sales variance for 3<sup>rd</sup> Quarter of FY2021.3 (Year-on-Year)

FY20.3 3Q → FY21.3 3Q (differences)

974.5      962.8 (-11.6)

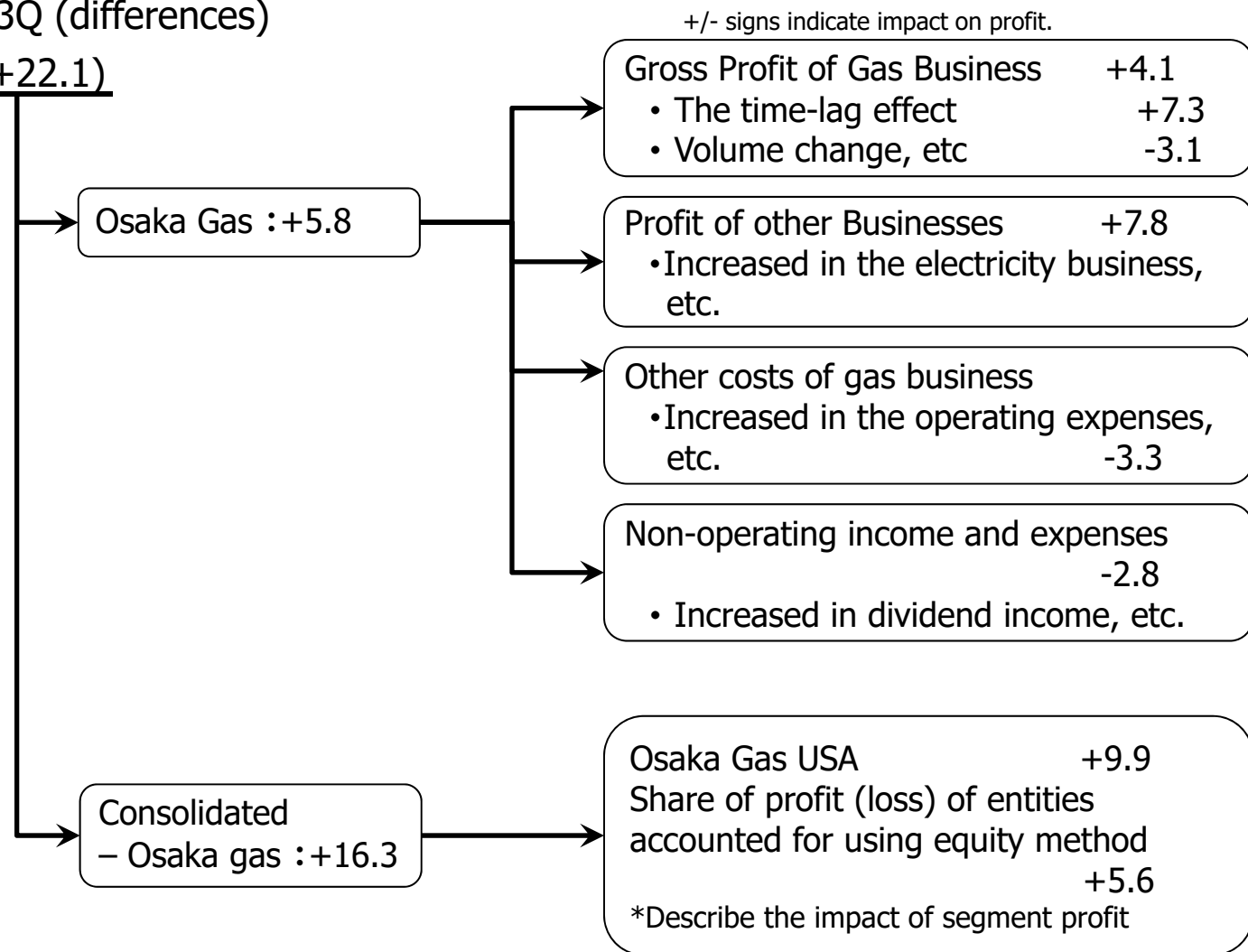
(billion yen)



# Ordinary profit variance for 3<sup>rd</sup> Quarter of FY2021.3 (Year-on-Year)

FY20.3 3Q → FY21.3 3Q (differences)

59.3            81.5 (+22.1)  
 (billion yen)

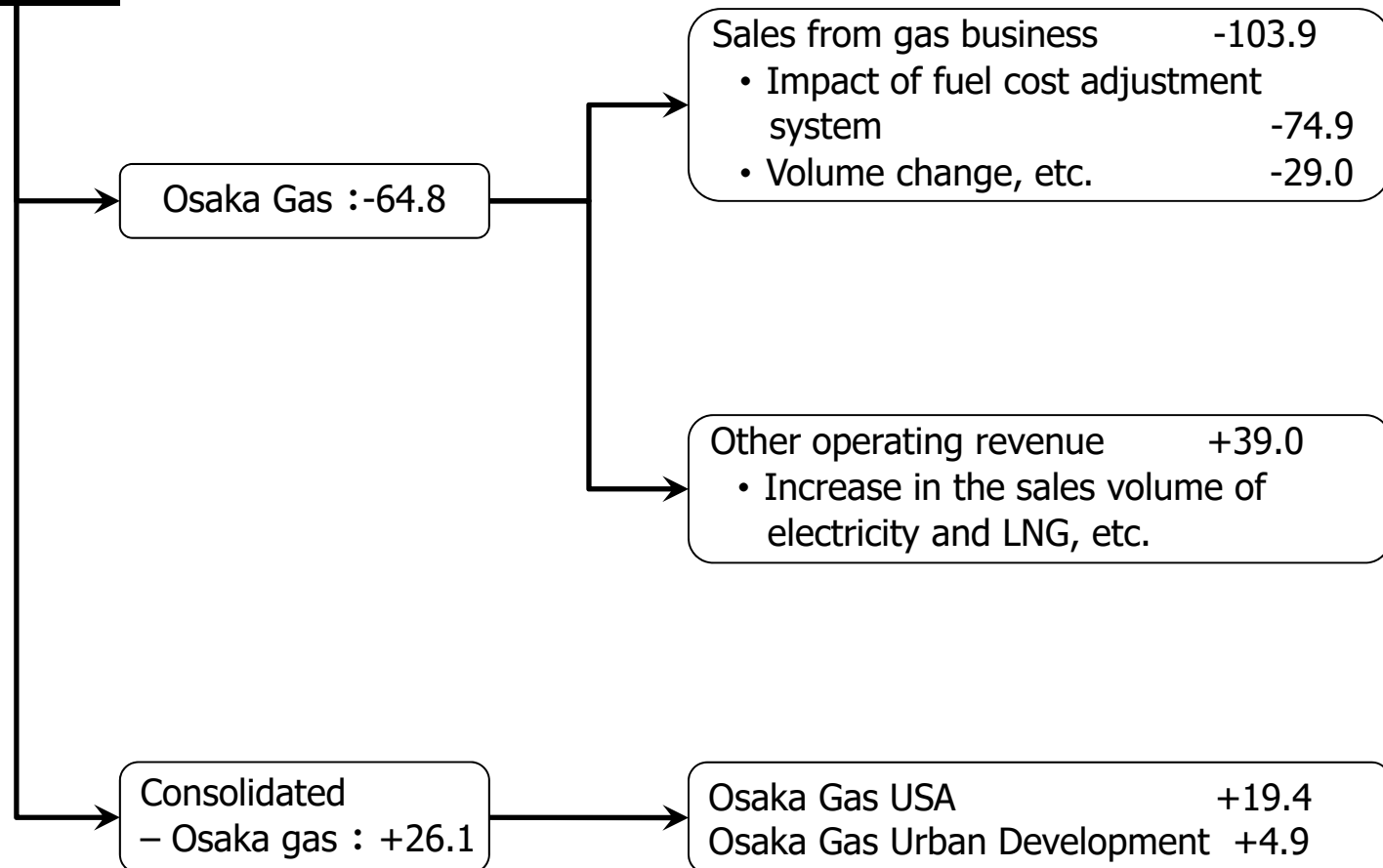


## Sales variance for FY2021.3 Forecasts (Year-on-Year)

FY20.3 → FY21.3 forecasts (differences)

1,368.6    1,330.0 **(-38.6)**

(billion yen)



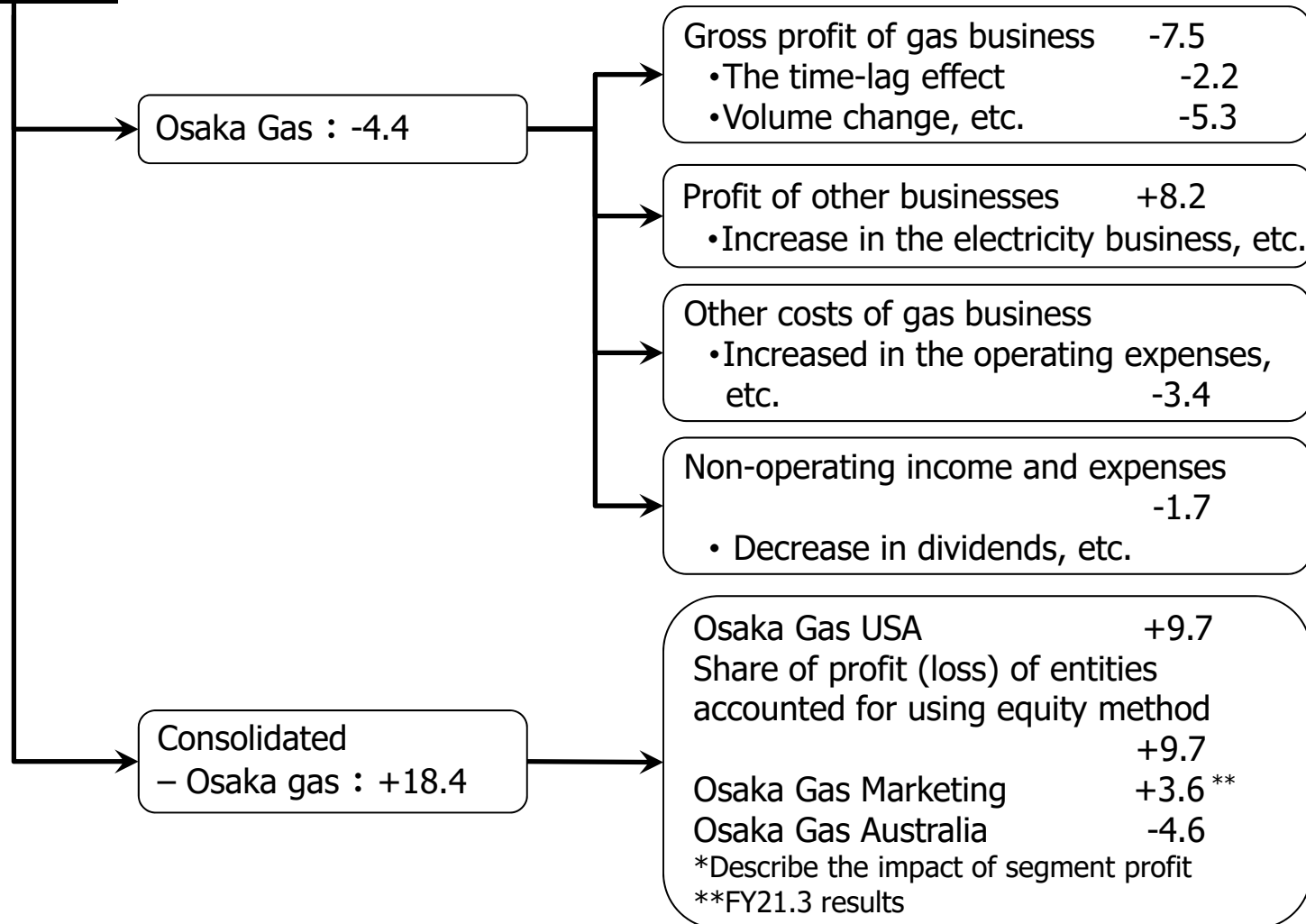


# Ordinary profit variance for FY2021.3 Forecasts (Year-on-Year)

FY20.3 → FY21.3 forecasts (differences)

86.0      100.0 **(+13.9)**  
(billion yen)

+/- signs indicate impact on profit.



## Risk Factors for Annual Earnings Results Forecasts

- Atmospheric and water temperatures
  - A +1 degree Celsius change in atmospheric and water temperatures will affect the residential gas sales volume: increase/decrease of approx. -7% in spring and autumn, approx. -8% in summer, and approx. -6% in winter.
- Crude oil prices
  - LNG prices are linked to crude oil prices. A +1USD/bbl. change in crude oil prices will have an effect of approx. -0.0 billion yen on ordinary profit since the 4<sup>th</sup> quarter (Jan. thru. Mar.) of this fiscal year.
- Foreign exchange rate
  - LNG prices are affected by fluctuations in the USD/JPY exchange rate. A +1 yen fluctuation in the USD/JPY exchange rate will have an effect of approx. -0.5 billion yen on ordinary profit since the 4<sup>th</sup> quarter (Jan. thru. Mar.) of this fiscal year.
- Materials costs
  - Although the fuel cost adjustment system allows us to reflect changes in fuel costs in gas rates in the medium- and long-term, an increase in fuel costs is likely to affect the business results due to a time lag in reflecting cost fluctuations, and also depends on the composition of fuel suppliers.
- Interest rate
  - A +1% change in the interest rate will have an effect of approx. +1.9 billion yen on annual consolidated non-operating expenses.

Thank you