First Quarter of the Fiscal Year Ending March 31, 2025
Brief Report of Consolidated Financial Statements (Japanese GAAP)

** This document is an English translation of materials originally disclosed in Japanese and is provided for reference purpose only.*

July 29, 2024

Name of Listed Company : Osaka Gas Co., Ltd. Listed Exchanges: Prime Market of Tokyo
Code No. : 9532 URL: https://www.osakagas.co.jp/en/
Representative Officer : Title: President Name: Masataka Fujiwara
Contact : Title: Manager, Finance Dept. Name: Shinji Konno
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)

(Amounts less than one million yen are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 - June 30, 2024)

(1) Consolidated Operating Results (% of change from the same period in the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2024	470,928	-8.1	28,750	-61.0	43,673	-47.2	30,789	-49.2
Three months ended June 30, 2023	512,611	9.7	73,664	900.0	82,672	516.3	60,560	440.7

(Note) Comprehensive income: Three months ended June 30, 2024 99,297 million yen (10.0% YoY)
Three months ended June 30, 2023 90,239 million yen (213.6% YoY)

	Earnings per share	Diluted earnings per share
	yen	yen
Three months ended June 30, 2024	75.51	-
Three months ended June 30, 2023	145.69	-

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity / Total assets
	million yen	million yen	%
As of June 30, 2024	3,214,326	1,694,201	51.2
As of March 31, 2024	2,980,127	1,604,992	52.9

<Reference> Shareholders' equity: As of June 30, 2024 1,645,115 million yen
As of March 31, 2024 1,577,512 million yen

2. Dividends

	Dividends per share				
	End of First Quarter	End of Second Quarter	End of Third Quarter	End of Fiscal Year	Annual
	yen	yen	yen	yen	yen
Year ended March 31, 2024	-	32.50	-	50.00	82.50
Year ending March 31, 2025	-				
Year ending March 31, 2025 (Forecast)		47.50	-	47.50	95.00

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

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(% of change from the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	1,986,000	-4.7	123,500	-28.4	153,000	-32.5	112,000	-15.6	273.87

(Note) Revision of the financial results forecasts from previously announced figures: None

(Note) The Company resolved to repurchase its treasury shares at the Board of Directors meeting held on May 8, 2024. However, the impact of repurchase of its treasury shares is not taken into account in regards to “Earnings per share” in the forecasts of consolidated financial results.

*Notes

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: Yes
Newly included: 1 company (Michigan Power MB, LLC)
Excluded : -

(2) Adoption of special accounting treatments for quarterly consolidated financial statements: Adopted
(Note) For detailed information, please refer to "2. (3) Adoption of Special Accounting Treatments for Quarterly Consolidated Financial Statements" on Page 7 of the Attachment to this Summary of Consolidated Financial Statements.

(3) Changes in accounting policies, changes in accounting estimates, and restatements
(i) Changes in accounting policies due to revisions to accounting standards, etc.: None
(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 issued shares at the end of each period (including treasury shares):

	As of June 30, 2024	409,912,100 shares
	As of March 31, 2024	409,912,100 shares
(ii) Number of treasury shares at the end of each period:	As of June 30, 2024	4,054,277 shares
	As of March 31, 2024	966,125 shares
(iii) Average number of shares during each period:	Three months ended June 30, 2024	407,778,382 shares
	Three months ended June 30, 2023	415,678,250 shares

*Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

*Notes on proper use of forecasts and other matters

1. Forward-looking statements contained in this document, including financial results forecasts, are based on information currently available to Osaka Gas Co., Ltd. (the "Company") and certain assumptions that the Company regards as reasonable. Actual results may differ significantly from these forecasts, due to various factors. As for notes regarding assumptions used for and the use of the financial results forecasts, please refer to "1. (3) Forecasts of Consolidated Financial Results" on Page 2 of the Attachment to this Brief Report of Consolidated Financial Statements.

2. The Company plans to hold a results briefing for institutional investors and analysts on July 29, 2024.
Immediately after the briefing, the presentation materials will be made available on the Company's website.

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1. Overview of Quarterly Consolidated Financial Results

(1) Consolidated Operating Results

(Overview of Quarterly Operating Results)

Consolidated net sales for the three months ended June 30, 2024 decreased by ¥41.6 billion year-on-year to ¥470.9 billion. This was primarily due to the lower unit selling price of city gas under the fuel cost adjustment system in the Domestic Energy Business. Consolidated ordinary profit decreased by ¥38.9 billion year-on-year to ¥43.6 billion. This was primarily due to the reduced positive impact of a time lag between fluctuations in raw material costs, etc. and their reflection in the unit selling prices(*) in the Domestic Energy Business. Profit attributable to owners of parent decreased by ¥29.7 billion year-on-year to ¥30.7 billion.

(*)There is a time lag between fluctuations in raw material costs and fuel costs and their reflection in the unit selling prices under the raw material and fuel costs adjustment system, which causes a temporary increase/decrease in profit.

(billion yen)

	Consolidated results	Compared with previous fiscal year	
		increase/decrease	increase/decrease rate (%)
Net sales	470.9	-41.6	-8.1
Cost of sales	386.6	+1.4	+0.4
Selling, general and administrative expenses	55.4	+1.7	+3.2
Operating profit	28.7	-44.9	-61.0
Ordinary profit	43.6	-38.9	-47.2
Profit attributable to owners of parent	30.7	-29.7	-49.2

(Quarterly Domestic Gas Sales Breakdown)

		Three months ended June 30, 2024	YoY Changes rate (%)
Gas sales volume (million m^3)	Residential	344	-8.5
	Non-residential, etc.	1,119	-3.5
	Total	1,463	-4.7
Number of gas supply (thousands)		5,084	+1.2

[45MJ/m^3]

(Quarterly Domestic Electricity Sales Breakdown)

		Three months ended June 30, 2024	YoY Changes rate (%)
Electricity sales volume (GWh)	Retail	1,343	+5.6
	Wholesale, etc.	1,788	+12.6
	Total	3,131	+9.5
Number of low-voltage electricity supply (thousands)		1,848	+6.0

(2) Consolidated Financial Position

Total assets as of June 30, 2024 increased by ¥234.1 billion compared with March 31, 2024 to ¥3,214.3 billion. This was primarily due to an increase in cash and deposits resulting from the issuance of bonds and an increase in non-current assets resulting from progress of investment activities.

Net assets totaled ¥1,694.2 billion and the ratio of shareholders' equity to total assets was 51.2%.

(3) Forecasts of Consolidated Financial Results

No revisions have been made to the previous forecasts stated in Brief Report of Consolidated Financial Statements for the Fiscal Year ended March 31, 2024 announced on May 8, 2024.

Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

(million yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	77,668	154,995
Notes and accounts receivable - trade, and contract assets	270,527	229,551
Inventories	211,828	236,678
Other	203,604	222,409
Allowance for doubtful accounts	(1,148)	(1,094)
Total current assets	762,479	842,541
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	195,216	193,566
Machinery, equipment and vehicles, net	660,691	684,116
Land	242,068	253,302
Construction in progress	179,896	188,196
Other, net	27,071	27,241
Total property, plant and equipment	1,304,945	1,346,422
Intangible assets	109,243	110,236
Investments and other assets		
Investment securities	538,803	622,514
Other	265,466	293,467
Allowance for doubtful accounts	(811)	(856)
Total investments and other assets	803,458	915,125
Total non-current assets	2,217,647	2,371,784
Total assets	2,980,127	3,214,326

(million yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	82,907	75,460
Other	311,029	391,073
Total current liabilities	393,936	466,534
Non-current liabilities		
Bonds payable	459,999	500,999
Long-term borrowings	354,588	374,778
Retirement benefit liability	19,611	19,699
Other	146,999	158,113
Total non-current liabilities	981,198	1,053,590
Total liabilities	1,375,135	1,520,124
Net assets		
Shareholders' equity		
Share capital	132,166	132,166
Capital surplus	19,056	19,056
Retained earnings	1,097,883	1,108,226
Treasury shares	(2,746)	(13,544)
Total shareholders' equity	1,246,360	1,245,904
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	87,899	92,106
Deferred gains or losses on hedges	61,656	85,337
Revaluation reserve for land	(2,395)	(2,395)
Foreign currency translation adjustment	140,583	182,199
Remeasurements of defined benefit plans	43,407	41,962
Total accumulated other comprehensive income	331,152	399,211
Non-controlling interests	27,479	49,085
Total net assets	1,604,992	1,694,201
Total liabilities and net assets	2,980,127	3,214,326

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

(million yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	512,611	470,928
Cost of sales	385,190	386,680
Gross profit	127,421	84,248
Selling, general and administrative expenses	53,757	55,498
Operating profit	73,664	28,750
Non-operating income		
Interest income	1,313	2,177
Dividend income	1,383	1,744
Share of profit of entities accounted for using equity method	4,478	9,333
Other	8,598	6,423
Total non-operating income	15,774	19,678
Non-operating expenses		
Interest expenses	3,443	3,394
Other	3,322	1,360
Total non-operating expenses	6,766	4,755
Ordinary profit	82,672	43,673
Profit before income taxes	82,672	43,673
Income taxes	22,190	12,379
Profit	60,482	31,293
Profit (loss) attributable to non-controlling interests	(78)	503
Profit attributable to owners of parent	60,560	30,789

Quarterly Consolidated Statements of Comprehensive Income

(million yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	60,482	31,293
Other comprehensive income		
Valuation difference on available-for-sale securities	10,419	4,121
Deferred gains or losses on hedges	18,931	21,948
Foreign currency translation adjustment	4,914	41,038
Remeasurements of defined benefit plans	(1,745)	(1,448)
Share of other comprehensive income of entities accounted for using equity method	(2,763)	2,343
Total other comprehensive income	29,757	68,003
Comprehensive income	90,239	99,297
(Breakdown)		
Comprehensive income attributable to owners of parent	90,081	98,848
Comprehensive income attributable to non-controlling interests	157	449

(3) Notes to the Quarterly Consolidated Financial Statements

(Going Concern Assumption)

Not applicable

(Significant Changes in the Value of Shareholders' Equity)

Three months ended June 30, 2024 (April 1, 2024 - June 30, 2024)

Not applicable

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

(Calculation of tax expenses)

The effective tax rates (after applying tax effect accounting) expected to be imposed on income before income taxes applicable to the tax year in which this first quarter is included were estimated based on reasonable assumptions. Tax expenses for this first quarter were then calculated by multiplying the income before income taxes for the quarter by the estimated effective tax rates.

(Segment Information)

I. Three months ended June 30, 2023 (April 1, 2023 - June 30, 2023)

1. Net sales and profit (loss) for each reportable segment

(million yen)

	Domestic Energy	International Energy	Life & Business Solutions	Total	Adjustments (Note 1)	Consolidated (Note 2)
Net sales	444,682	22,056	59,062	525,801	(13,189)	512,611
Segment profit						
Operating profit	58,152	9,372	4,922	72,448	1,216	73,664
Share of profit (loss) of entities accounted for using equity method	-37	4,516	-	4,478	-	4,478
Total	58,114	13,889	4,922	76,926	1,216	78,143

Notes: 1. Adjustments primarily represent the elimination of intersegment transactions.
2. Segment profit (loss) is aligned with the operating profit (loss) on the quarterly consolidated statements of income by adjusting the share of profit (loss) of entities accounted for using equity method.

2. Information on impairment losses for non-current assets and goodwill, etc. for each reportable segment

Not applicable

II. Three months ended June 30, 2024 (April 1, 2024 - June 30, 2024)

1. Net sales and profit (loss) for each reportable segment

(million yen)

	Domestic Energy	International Energy	Life & Business Solutions	Total	Adjustments (Note 1)	Consolidated (Note 2)
Net sales	395,705	25,535	63,032	484,273	(13,345)	470,928
Segment profit						
Operating profit	11,452	9,780	5,163	26,396	2,353	28,750
Share of profit of entities accounted for using equity method	1,532	7,800	-	9,333	-	9,333
Total	12,985	17,580	5,163	35,729	2,353	38,083

Notes: 1. Adjustments primarily represent the elimination of intersegment transactions.
2. Segment profit (loss) is aligned with the operating profit (loss) on the quarterly consolidated statements of income by adjusting the share of profit (loss) of entities accounted for using equity method.

2. Information on impairment losses for non-current assets and goodwill, etc. for each reportable segment

Not applicable

(Notes on quarterly consolidated statements of cash flows)

No quarterly consolidated statement of cash flows for the three months ended June 30, 2024 is prepared. The following outlines depreciation (including amortization expenses of intangible assets, other than goodwill) for the three months ended June 30, 2024.

	Three months ended June 30, 2023	Three months ended June 30, 2024
Depreciation	27,934 million yen	30,061 million yen