

Business Plan for FY2021.3 of Daigas Group

March 12, 2020

Osaka Gas Co., Ltd.

1. Priority Issues in FY2021.3

In FY2021.3, the final year of the Medium-term Management Plan 2020, we will focus on reaching the targets set in the Plan while carrying out activities to ensure the Daigas Group's future sustainable and robust growth as the business environment has increased its uncertainty due to the highly complicated international situation and competitive domestic energy markets.

In order to achieve the targets, we will maximize our performance by providing better solutions to our customers with gas and electricity supply combined with value added services, advancing the progress of our international businesses, which have started to yield significant returns on our invested assets, promoting sustainable growth of LBS* businesses, and investing in key growth business fields. We will also enhance security and stability of our energy supply to our customers and resilience of our distribution system with speedy recovery from natural disasters, which have become increasingly intensified and frequent in recent years.

*Life and Business Solutions

2. Financial plan

In FY2021.3, we planned for consolidated Net sales of 1,493 billion yen, Operating profit of 91 billion yen, Ordinary profit of 100 billion yen, and Profit attributable to owners of parent of 73 billion yen.

	Consolidated		
	FY2020.3 Forecasts (billion yen)	FY2021.3 Plan (billion yen)	Rate of change (%)
Net sales	1,419.0	1,493.0	+5.2
Operating profit	84.0	91.0	+8.3
Ordinary profit	81.0	100.0	+23.5
Profit attributable to owners of parent	51.0	73.0	+43.1
EBITDA	173.2	200.0	+15.5
SVA	19.8	39.1	---
ROA	2.4%	3.3%	---
ROE	5.0%	7.1%	---

< FY2021.3 financial plan is based on following assumptions. >

Crude oil price (all-Japan CIF price) : 65 dollars per barrel

Exchange rate : 110 yen per dollar

3. Gas Sales Volume and Electricity Sales Volume Plan

In FY2021.3, we planned for non-consolidated gas sales volume of 7,322 million m³ (a decrease of 3.1% compared with FY2020.3 (forecasts)) and consolidated electricity sales volume of 16,567 GWh (an increase of 25.8% compared with FY2020.3 (forecasts)).

[Gas sales volume (Non-consolidated)]

calculated based on 45 MJ/m³

Residential	1,770 million m ³ (-3.0%)
Non residential	5,552 million m ³ (-3.2%)
Total gas sales volume	7,322 million m ³ (-3.1%)

(Consolidated) Gas sales volume	7,358 million m ³ (-3.2%)
---------------------------------	--------------------------------------

[Consolidated electricity sales volume (Domestic)]

Total	16,567 GWh (+25.8%)
-------	---------------------

Figures in parentheses represent the rate of change compared with FY2020.3 forecasts.

4. Investment Plan

In FY2021.3, we planned for investment of 256 billion yen on a consolidated basis.

	Investment amount
Investment for quality improvement	66.0 billion yen
Domestic Energy	85.0 billion yen
International Energy	50.0 billion yen
Life & Business Solutions	55.0 billion yen
Investment for growth	190.0 billion yen
Total investment	256.0 billion yen