

Osaka Gas Co., Ltd. (9532)

Presentation script at the Analysts' Meeting held on July 29, 2024, on the financial results for the 1<sup>st</sup> quarter of fiscal year ended March 31, 2025 (FY2025.3)

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Speaker: Hiroki Matsui, General Manager of IR Department of Osaka Gas.

I am Hiroki Matsui, General Manager of the IR Department at Osaka Gas.

Thank you for taking the time today to participate in this meeting on the financial results for the first quarter of the year ending March 31, 2025 (1Q FY2025.3).

On behalf of the company, I would like to express our gratitude for your continued support and understanding as we pursue our goals in our businesses.

I will refer to the slides of Financial Report for 1st Quarter of FY2025.3, which are available on our website.

Please look at page 3.

### **P3. Summary of FY2025.3 1Q Results**

- First, I will provide the overview of the financial results for 1Q FY25.3.
- In 1Q, net sales were 470.9 billion yen, down 41.6 billion yen from the same period last year, mainly due to lower gas selling price in the Domestic Energy segment.
- Ordinary profit was 43.6 billion yen, down 38.9 billion yen from the same period last year, mainly due to the reduced time-lag profit and the lower LNG sales in the Domestic Energy segment.
- Profit attributable to owners of the parent was 30.7 billion yen, down 29.7 billion yen from the same period last year.

### **P4 YoY Comparison of 1Q Results**

- Page 4 summarizes the year-on-year comparison of consolidated ordinary profit.
- In the Domestic Energy segment, profit decreased by 45.1 billion yen from last year, mainly due to the reduced time-lag profit and lower LNG sales.
- In the International Energy segment, profit increased by 3.6 billion yen, mainly due to the profit increase in electricity business in the USA.
- In the Life & Business Solutions segment, profit remained at a level similar to that of the same period last year.
- In Others, the total of segment adjustments and non-operating profit increased by 2.1 billion yen.

### **P5 Summary of FY2025.3 Forecasts**

- Page 5 provides a summary of FY25.3 forecasts.
- Despite the decrease in both sales and profits from last year, the current fiscal year's first quarter results are largely in line with our forecasts. Therefore, we have maintained the forecasts for FY25.3.
- In FY25.3, net sales are expected to decrease by 97.0 billion yen from FY24.3 to 1,986.0 billion yen, mainly due to the lower gas and LNG selling prices in the Domestic Energy segment.
- Ordinary profit is expected to decrease by 73.5 from FY24.3 to 153.0 billion yen, mainly due to the absence of the temporary profit increase we had in FY24.3, such as the foreign exchange gains on LNG procurement, and a decrease in the time-lag profit.
- Profit attributable to owners of the parent is expected to decrease by 20.6 billion yen from FY24.3 to 112.0

billion yen.

#### **P6 Comparison between FY2024.3 Results and FY2025.3 Forecasts**

- Page 6 shows an ordinary profit comparison between the FY24.3 results and FY25.3 forecasts.
- We have maintained the segment forecasts unchanged from those announced in May.
- In the Domestic Energy segment, profit is expected to decrease by 39.7 billion yen, mainly due to a decrease in the time-lag profit.
- In the International Energy segment, profit is expected to decrease by 7.1 billion yen, mainly due to the absence of profit from selling a gas-fired power plant, which we had in FY24.3, and a profit decrease in the upstream businesses attributed to the lower oil price.
- In the Life & Business Solutions segment, profit is expected to remain at almost the same level as FY24.3.
- In Others, profit is expected to decrease by 25.6 billion yen, mainly due to the absence of the increased non-operating income from foreign exchange gains on LNG purchases, which we had in FY24.3.

#### **P7 Results and Forecasts for Investment for Growth**

- Page 7 shows the investments for business growth and the financial soundness indicators.
- In 1Q of FY25.3, we invested 82.3 billion yen for business growth, mainly in power generation in the Domestic Energy segment, upstream business development in the USA in the International Energy segment, and real estate property development in the Life & Business Solutions segment.
- The financial soundness indicators met the target levels, a shareholders' equity ratio of 45% or higher and a D/E ratio of 0.8 or lower, as set in the Medium-Term Management Plan 2026.

Please refer to:

pages 8 to 13 for the financial results for 1Q of FY25.3 and

pages 14 to 19 for the FY25.3 forecasts.

This concludes my presentation. Thank you.

#### **Disclaimer:**

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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.