

Business Foundation of Osaka Gas

The Osaka Gas Group engages in the core business of supplying natural gas and a variety of other businesses in the Kansai region, Japan's second largest economic zone. Natural gas, imported in the form of liquefied natural gas (LNG), is distributed to 6.56 million customers, or about 25% of the total number of customers in Japan, and gas volume is equivalent to 7.6 billion cubic meters, or approximately 30% of the nation's gas consumption. The service area of Osaka Gas covers 69 cities and 41 towns in six prefectures (excluding the operations of Nabari Kintetsu Gas Co., Ltd.). The Company's service area is steadily growing, measuring approximately 3,200 square kilometers with gas pipelines extending about 44,700 kilometers as of March 31, 2003.

