

Intellectual Property Activities

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Basic Policies on Intellectual Property Activities

Osaka Gas has formulated three basic policies for intellectual property as outlined below to reap the rewards from technological development, and is actively promoting them.

● Acquiring Strategic Intellectual Property Rights

We are promoting an intellectual property strategy that complements our business and R&D strategies and working to reinforce acquisition of intellectual property rights which can help strengthen business operations in areas of strategic management importance for the Osaka Gas Group now or in the future, including residential energy systems.

● Promoting Effective Utilization of Intellectual Property

We transparently provide information on intellectual property rights that we have acquired and actively utilize them in the Osaka Gas Group's business operations. We also actively license rights to other companies so that the patents we hold are effectively utilized.

● Strengthening Intellectual Property throughout the Group

All Osaka Gas Group companies are fully committed to gaining a basic understanding of intellectual property, training in practical expertise, and reducing the risks involved with the aim of further enhancing the Group's all-around capacities in the intellectual property field.

● Acquiring Strategic Intellectual Property Rights

The Osaka Gas Group has been developing strong rights coverage centered on technologies of strategic importance to business and R&D and placing priority on filing applications for their patents, particularly in areas deemed key for acquiring intellectual property rights. To this end, we have employed a range of methods including patent portfolio management. In particular, we are strategically filing patent applications in technologies related to cogeneration systems for households such as fuel cells.

In the fiscal year ended March 31, 2012, the Group submitted 450 patent applications.

● Promoting Effective Utilization of Intellectual Property

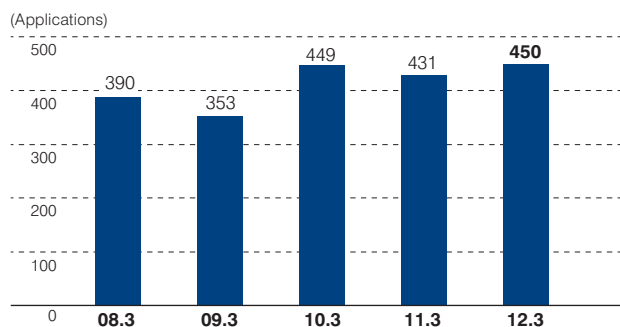
Osaka Gas holds patents in the residential energy field, including patents for cogeneration systems and for mist-sauna applications for residential use. It holds patents on cogeneration systems, gas air conditioning, and other systems in the industrial energy field and on LNG tank technology and non-excavation pipeline methods in the areas of production, transport, and supply. The Company also owns patents on fine materials and other advanced materials technologies. Its intellectual property rights are used broadly throughout the Group's businesses, and patents are actively licensed to other companies. Group patents numbered 2,695 as of March 31, 2012, an increase of 234 from March 31, 2011.

● Strengthening Intellectual Property throughout the Osaka Gas Group

A variety of educational and instructional tools are used to further improve the Osaka Gas Group employees' understanding of intellectual property rights. For example, instructors from both inside and outside the Company conduct training sessions based on both goals and employee rank. Email magazines are distributed with the latest news on intellectual property and explanations of important items to be observed when conducting business activities.

Other efforts are centered on reducing risks of infringement of intellectual property rights belonging to other companies or infringement of our own intellectual property rights, including full investigations of the Group's trademarks.

Patent Applications by the Group



The Group's Patent Portfolio by Business Type (As of March 31, 2012)

