

Intellectual Property Activities

Intellectual Property Strategy | The Osaka Gas Group positions intellectual property rights as an important management resource. At the same time, the Group takes proactive steps to secure and utilize intellectual property rights in concert with its business and technology development strategies.

▶ Strategically Acquiring Intellectual Property Rights

In order to build strong patent coverage, we use patent portfolio management* and other techniques, focusing on applying for patents for technologies in domains that are vital to our business and technology development strategies. For example, in fuel cells and other residential gas cogeneration technologies, we strategically apply for patents for key catalytic technologies, system technologies, etc. The Group submitted 437 patent applications in the fiscal year ended March 31, 2016.

* Patent portfolio management is designed to support business strategies by building strong patent coverage, filling in technological gaps by developing new technologies and acquiring patents.

▶ Effective Utilization of Intellectual Property Rights

We hold a growing number of patents in all of the technical fields in which the Osaka Gas Group operates. There has been a particular increase in the number of patents held in the fields of cogeneration and material solutions, which are of key importance in our business strategy. In gas production and transmission, we hold patents in LNG tank technologies and excavation pipelines; in residential gas appliances we hold patents for mist saunas and gas stoves; in commercial gas equipment we hold patents in gas air conditioning and industrial burners; and in materials technology we hold patents in fine materials such as fluorene, as well as carbon materials. The Osaka Gas Group utilizes intellectual property rights across all of its businesses, and actively licenses them to other companies.

As of March 31, 2016 the Osaka Gas Group holds 3,401 patents, an increase of 96 over the same time in the previous year.

Examples of registered trademarks

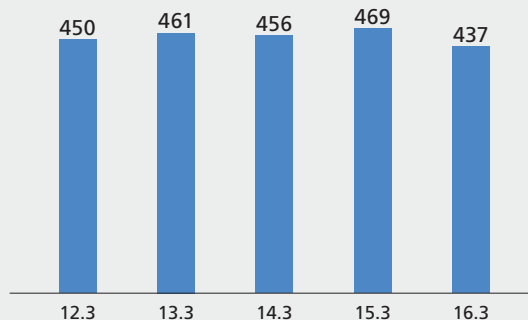


Homuten
Osaka Gas Group
"Small Light Campaign" character
Registration No. 5837064

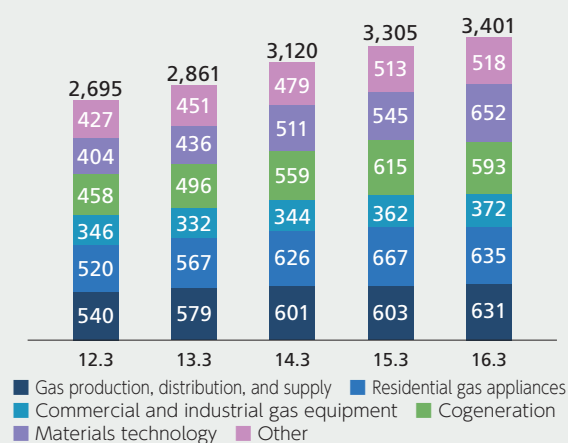


Mamorinu
Osaka Gas Customer Relations
official character
Registration No. 5808421

Patent Applications by the Group (applications)



The Group's Patent Portfolio by Business Type (number)



▶ Acquiring and Protecting Trademark Rights

The Osaka Gas Group strategically obtains trademarks for the services and products it provides in order to build its corporate brand. For the fiscal year ended March 31, 2016, the Group held 995 registered trademarks.

▶ Strengthening Intellectual Property throughout the Group

We employ a variety of educational and instructional tools to further improve 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 career level. We also publish an email magazine and distribute the latest news articles on relevant topics.

Other efforts are centered on reducing the 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.