

## 5 Others Segment

Each business segment acts independently to add to the overall capabilities of the Osaka Gas Group through synergies and mutually beneficial relationships.

### Information-related Service Operations: OGIS-RI Group

The OGIS-RI Group comprises four companies: the Osaka Gas Information System Research Institute Co., Ltd. ("OGIS-RI"), OGIS International, Inc., Ube Information Systems, Inc. and System Answer Inc. With its roots in the Information System Department of Osaka Gas, OGIS-RI provides companies, including those outside the Osaka Gas Group, with a wide spectrum of information-related services, including system design, consulting, development, operation and maintenance. The company's UML modeling, which is essential to the efficient development of advanced systems, is among the most advanced in Japan.

In the fiscal year ended March 2007, revenues of the OGIS-RI Group increased due to orders for information system development from outside the Osaka Gas Group. In July 2006, we formed a capital tie-up with Sakura Information Systems Co., Ltd., a subsidiary of Sumitomo Mitsui Banking Corporation, and acquired 34% of the issued shares of Sakura Information Systems.

OGIS-RI is seeking to further solidify its reputation in the market as a total solution provider by increasing sales to customers outside the Group by leveraging its strength of "model base development" which makes full use of UML modeling, by expanding business by the tie-up with Sakura Information Systems, and by increasing earnings through strategic alliances, including M&A strategies.



### Carbon Materials and Chemical Products: Osaka Gas Chemicals Group

The Osaka Gas Chemicals Group comprises eight companies, including Japan EnviroChemicals, Ltd. The Osaka Gas Group draws on the accumulated carbon-related technology of the Osaka Gas Group to promote sales of various industrial products. The Group provides a variety of chemical products derived from coal tar and crude benzene, such as protective and preservative coating materials for wood and other materials. In the carbon material field, the Group manufactures and sells activated carbon fiber cartridges and the activated carbon itself for household water purifiers. The fine materials manufactured and sold by the Group include high-performance materials such as films for liquid-crystal displays and lenses for mobile phone cameras and digital cameras.

In the fiscal year ended March 2007, the Osaka Gas Chemicals Group posted a decline in operating revenues mainly due to a decrease in the chemical products sector.

In its business strategies, the Osaka Chemicals Group will focus on its fine materials business, a growth business, and also implement business growth by expanding its activated carbon and other carbon material business.



Kumamoto Castle, the structure of which uses Xyladecor®, the high-function wood-preserving stain-type paint made by Japan EnviroChemicals, Ltd.

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### Other Operations: OG Capital Group

The OG Capital Group consists of 19 companies that engage in a wide array of service-related activities. The Group's activities include security-related services such as the home security I-rusu and condominium management services, provided by Osaka Gas Security Service Co., Ltd. and other companies, operating a fitness business, including managing sports facilities, such as the COSPA fitness centers, through OG Sports Co., Ltd., an engineering operated by Osaka Gas Engineering Co., Ltd., a leasing business operated by Osaka Gas Autoservice Co., Ltd. and OGIC Co., Ltd., a regional information business operated by L-NET Co., Ltd., a facility management business and a temporary staffing business operated by Osaka Gas Business Create Co., Ltd., and a retirement home business operated by Active Life Inc.

In May 2006, we acquired all the shares of Osaka Housing Service Co., Ltd., an Osaka municipal housing corporation that manages condominiums. In the fiscal year ended March 2007, we posted increased operating revenues mainly due to expansion of the fitness business resulting from opening new facilities, expansion of the leasing business resulting from winning new customers and expansion of the facilities management business resulting from an increased number of facilities to be managed.

For the future, the OG Capital Group intends to further reorganize its diverse businesses through a selective and concentrated investment strategy. Through this process, the group plans to increase revenues by actively investing business resources in potential growth fields, such as the fitness, security and condominium management businesses.



I-rusu enables use of a mobile phone to control or check on lighting, underfloor heating, hot water supply and other home utilities. (Osaka Gas Security Service Co., Ltd.)



OG SPORTS Co., Ltd. is aggressively developing the COSPA (Comfortable Sports Space) fitness centers.



Fee-based old people's home operated by Active Life Ltd.