Others Segment

Information-related Service Operations: OGIS-RI Group

With its roots in the Information System Department of Osaka Gas, the OGIS-RI Group 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 unified modeling language (UML), which is essential to the efficient development of advanced systems, is among the most advanced in Japan.

In fiscal 2008, the revenues of the OGIS-RI Group increased due to strong orders for information system development from outside the Osaka Gas Group. In April 2008, in order to solidify the capital tie-up with Sakura Information Systems Co., Ltd. that began in July 2006, we acquired additional shares of the company from Sumitomo Mitsui Banking Corporation, making it a subsidiary. We are currently working to expand our business even further.

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

Fine Materials and Carbon Materials Products: Osaka Gas Chemicals Group

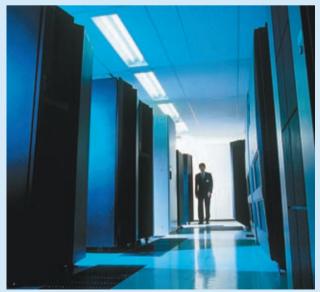
The Osaka Gas Chemicals Group draws on the accumulated carbon-related technology of the Osaka Gas Group to promote sales of various industrial products. The fine materials manufactured and sold by the Group include high-performance materials such as films for liquid-crystal displays and lenses for high-resolution mobile phone cameras. In the carbon material field, the Group manufactures and sells activated carbon fiber for use in insulation for photovoltaic cell production kilns and water purifier cartridges. In addition, Japan EnviroChemicals, Ltd. manufactures and sells protective activated carbon for a wide range of uses and preservative coating materials for wood and other materials.

In the fiscal year ended March 31, 2008, the Osaka Gas Chemicals Group enjoyed strong unit sales in the fine materials business, and sales grew. Going forward, the Osaka Chemicals Group will focus on its growth business, fine materials, and also generate business growth by expanding its carbon fiber and other carbon material business.





Fluorene derivatives (left), used for lenses and other applications in the optoelectronic field, and sectional insulation (right), an activated carbon fiber



The OGIS-RI Group provides comprehensive information-related services, from IT strategy planning to system construction and operation



Xyladecor, a decorative wood preserving stain produced by Japan EnviroChemicals Ltd., is used at a number of Japanese National Treasures and Important Cultural Properties (Photo: Kumamoto Castle)

Service-related Operations

Our service-related operations include security-related services such as home security I-rusu and condominium management services provided by Osaka Gas Security Service Co., Ltd. and other companies, as well as a fitness business, including managing sports facilities such as the COSPA fitness centers, through OG Sports Co., Ltd., an engineering business operated by Osaka Gas Engineering Co., Ltd., a leasing business operated by Osaka Gas Autoservice Co., Ltd. and OGIC Co., Ltd. We are also involved in 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 fiscal 2008, the fitness business launched four branches of the COSPA fitness centers outside the Kansai region, including the Meinohama branch in Fukuoka Prefecture in southern Japan and the Matsubara branch in Saitama Prefecture, near Tokyo. In the security and condominium management business and other areas, we are increasing sales by attracting new customers.

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.



OG Sports Co., Ltd. has expanded its COSPA fitness center locations outside of the Kansai region, starting with the Meinohama branch in Fukuoka Prefecture (top) and the Matsubara branch in Saitama Prefecture (bottom)



In addition to crime prevention and fire prevention services, 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.)



Active Life Toyonaka, a fee-based assisted living retirement home operated by Active Life Inc. in Osaka Prefecture