

Media release

April 28, 2009

Osaka Gas to implement organizational restructuring of its energy businesses

As part of its efforts to achieve the targets of the new long-term vision and the medium-term business plans (Field of Dreams), Osaka Gas has decided to implement its organizational restructuring effective July 1, 2009. The restructuring is being intended to integrate managerial resources to enhance business efficiency of the Osaka Gas Group. Also, to further its capabilities of risk management, a specialized department will be established. Major features of the restructuring related to energy business include the following;

(1) Integration of international energy business activities

International activities along the energy value chain will be integrated into the Energy Resources and International Business Unit. The new business unit will be covering international investment activities ranging from upstream to downstream sectors of the entire Osaka Gas Group in addition to the conventional LNG purchasing and trading businesses. The international division of Gas & Power Investment Co., Ltd., responsible for asset management and support services, will be affiliated to the new business unit as Osaka Gas Energy International.

(2) Domestic electricity business

Following the commercial launch of the Senboku Power Plant, the domestic power generation assets will be integrated into the LNG Terminal and Power Generation Business Unit so that the whole generation plants will be managed in an integrated manner. On this basis, power generation businesses of Gas and Power Investment Co., Ltd. and Gas and Power Co., Ltd. will be integrated under the same business unit.

(3) Integration of energy services businesses

To strengthen the activities of Osaka Gas and its affiliates in energy service provider businesses, the activities of ESCO, cogeneration systems, energy conservation systems, district heating/cooling services will be integrated into a new company, Creative Techno Solution (CTS).

(4) Strengthening risk management functions

In order to bolster the risk management capabilities of the entire Osaka Gas Group, the Investment Risk Management Department will be established.

Business units and companies relevant to restructuring

Organization chart after restructuring (effective 1 July, 2009)

