



Tuesday, June 16, 2026

Osaka Gas Co., Ltd.

Sumitomo Mitsui Auto Service Company, Limited

**Daigas Group and Sumitomo Mitsui Auto Service Launch a Co-creation Initiative
to Create New Value Through EV Utilization**

**— Partnership Agreed upon to Realize New Services Aiming for Smarter EV
Operations and Higher Reuse Value by Optimizing both EV Operations and
Electricity Costs and Visualizing the Battery Condition —**

Osaka Gas Co., Ltd. (head office: Osaka City, Osaka Prefecture; Representative Director, President, and CEO: Masataka Fujiwara; hereinafter, "Osaka Gas") and S M A S (Sumitomo Mitsui Auto Service Company, Limited; head office: Shinjuku-ku, Tokyo; Representative Director, President and CEO: Koji Aso; hereinafter, "S M A S") have signed a memorandum of understanding toward creating new value through utilization of electric vehicles (hereinafter, "EVs") and have initiated a full-scale study in June 2026. The two companies aim to enable the provision of services to optimize both EV operations and electricity costs and to increase the value of EVs through application of battery degradation diagnostics,^{*1} which is provided by Osaka Gas and K R I , Inc. (hereinafter, "K R I"), a wholly owned subsidiary of Osaka Gas, to vehicle leasing.

In Japan, efforts are underway to spread the use of EVs to achieve carbon neutrality by 2050.^{*2} The used EVs market is also expected to expand in the future. Meanwhile, in line with increased adoption of renewable energy, period-based electricity supply-demand balancing has emerged as an important social issue. Against this backdrop, EVs, which serve as a means of transportation and energy storage, are expected to create new value from the viewpoint of mobility and energy through charging optimization and appropriate battery assessment and utilization.

In the course of developing technologies and services that contribute to a low-carbon and decarbonized society, the Daigas Group has been focusing on EV utilization initiatives, including field tests and provision of services through a combination of EV chargers and energy management and development of EV battery degradation diagnostics technologies. S M A S, which has one of the largest leased vehicle fleets in the industry, has been promoting the spread of EVs to become a business operator known as "The Power Behind EV Fleets." The company has also been expanding initiatives to encourage long-term use and increase the value of used EVs in cooperation with local governments across Japan.



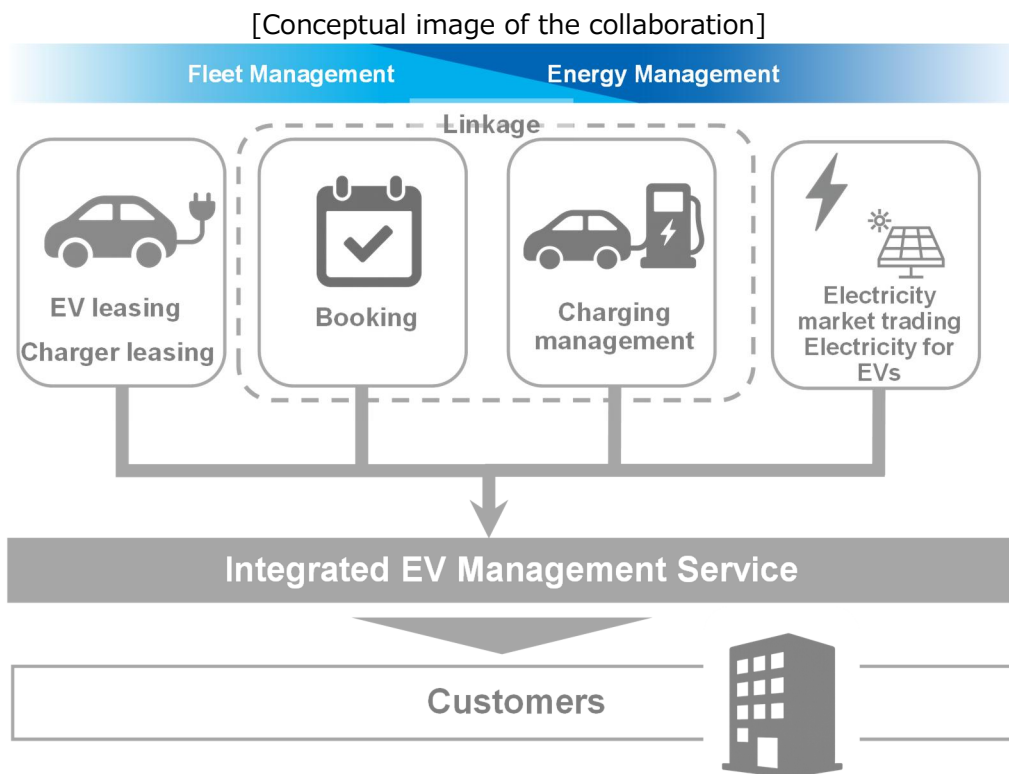
The two companies have initiated a full-scale study on new services that help optimize the operations and increase the reuse value of EVs by combining Daigas Group's energy management expertise and battery diagnostics technologies and S M A S's expertise in EV-related services for companies and local governments and its track record in operations. The two companies will contribute to the realization of a sustainable society by creating new value of EVs.

1. Collaboration toward optimizing EV operations and electricity costs

When companies adopt EVs, reduction of electricity costs is one of the important management issues. Efficient operations are required, such as charging management to reduce the electricity load during peak periods and utilization of low price electricity periods in dynamic electricity pricing.

Meanwhile, it is also essential to ensure that charging does not disrupt vehicle operations. Against this backdrop, the two companies will verify the feasibility of new services that optimize vehicle operations and electricity costs by linking the vehicle booking information acquired by S M A S and Daigas Group's energy management.

The two companies thereby aim to contribute to reducing electricity costs and maximize the benefits of EV adoption for companies.



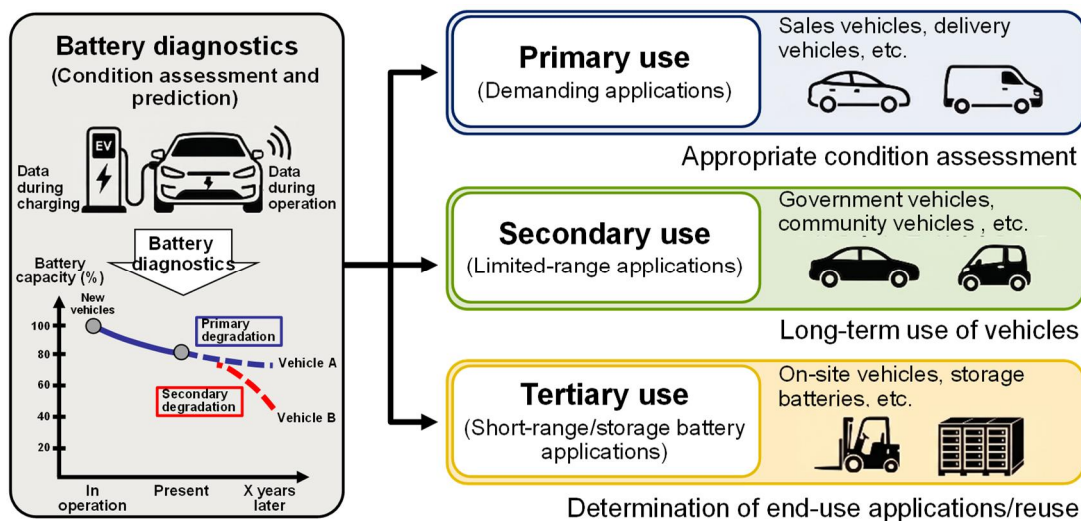
Main roles	
Osaka Gas	<ul style="list-style-type: none"> • Optimal charging management based on the vehicle booking information • Electricity market trading utilizing EV batteries • Study of electricity rate plans, including renewable energy, for companies that have adopted EVs
S M A S	<ul style="list-style-type: none"> • Linkage between the vehicle booking system and the charging scheduling system • Collection of EV charging and usage information • Study of vehicle management services that do not disrupt vehicle operations

2. Collaboration toward increasing the value of used EVs through battery degradation diagnostics

High-energy-density batteries used in EVs are known to degrade due to repeated charging and discharging cycles and the usage environment. However, the usage history of EV batteries is not fully traceable in many cases, making it difficult to properly assess their degradation state. Such limited traceability gives rise to concerns about performance degradation and reduced capacity, posing an obstacle to fair pricing and widespread adoption of used EVs.

The two companies will further increase the value and promote the widespread use of EVs through proper valuation and utilization of used EVs by utilizing battery degradation diagnostics technologies*¹ developed by the Daigas Group and assessing the battery degradation state of EVs handled by S M A S, based on short-duration charging data.

[Conceptual image of the collaboration]





	Main roles
Osaka Gas	<ul style="list-style-type: none">• Application of battery degradation diagnostics technologies to used EVs, and development and practical applications (joint development with K R I)• Analysis of battery data collected from S M A S 's EVs, and degradation diagnostics
S M A S	<ul style="list-style-type: none">• Provision of battery data for EVs leased by S M A S• Study of service adoption for used EVs

The two companies will continue to create new services that contribute to increasing the value of EVs and solving social issues by combining their respective strengths.

*1 Battery degradation diagnostics: (1) The first technology in the industry to diagnose signs of rapid capacity fade (secondary degradation) on the spot, based on limited data obtained from short-duration charging (2) A technology that enables in-depth diagnostics and prediction, including battery capacity and remaining useful life prediction, based on the vehicle usage history data

[See Details](#)

*2 The Japanese government set a goal to achieve 100% electrified vehicles in new vehicle sales by 2035 for passenger cars in Japan.

[See Details](#)