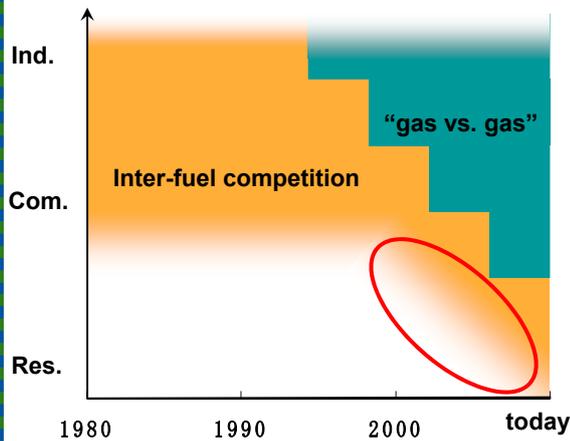




Two new technologies favoring electricity have brought about severe competition between gas and electricity.



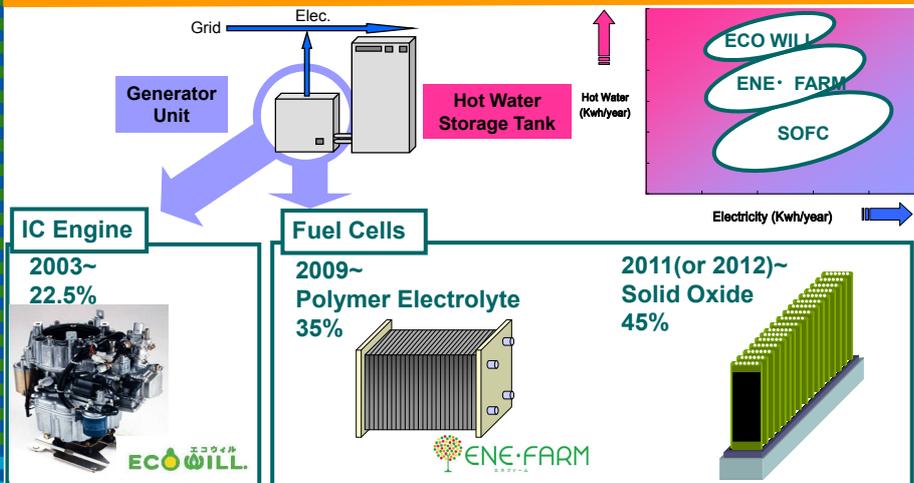
Induction Heating

Electric Heat Pump

Houses without gas
6% → 16%
(’08) (’15)

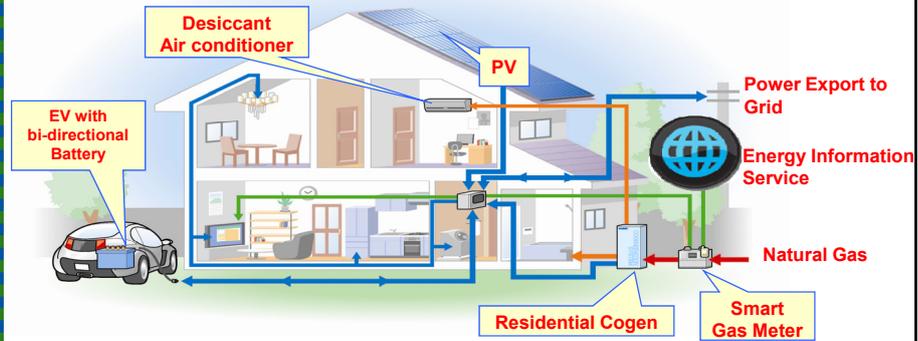


To enhance gas competitiveness, technological innovation is in progress for higher power generation efficiency of residential gas co-generation.





Competition with electricity must be the one for the future based on the gas industry's strategic architecture.



A deep and creative understanding is necessary of

- *the company's core competencies,*
- *potential new customers' needs, and*
- *industry's discontinuities.*

(Hamel & Prahalad)