

**FY2003 (March 31, 2004)
Presentation of 3Q financial results**

**February 4, 2004
Tokyo Gas Co., Ltd.**

Key features of today's presentation

- (1) Main features of 3Q closing
Results for April-December 2003
- (2) Outlook for full year to March 31, 2004

Disclaimer concerning “forward-looking statements” and “insider dealing regulations”

The current plans, outlooks, strategies, and other non-historical items displayed in this presentation constitute forward-looking statements about our future performance that reflect the judgments of Tokyo Gas executives and are based on information available to them at the time. Please bear in mind that our actual performance may differ substantially from these statements owing to the operation of a diversity of significant factors. More specifically, the factors capable of affecting the actual performance include the trend of the Japanese economy, sharp exchange rate fluctuation, the movement of crude oil prices, and climatic change.

Summary of financial results (consolidated)

(Figures rounded down to nearest ¥0.1 billion)

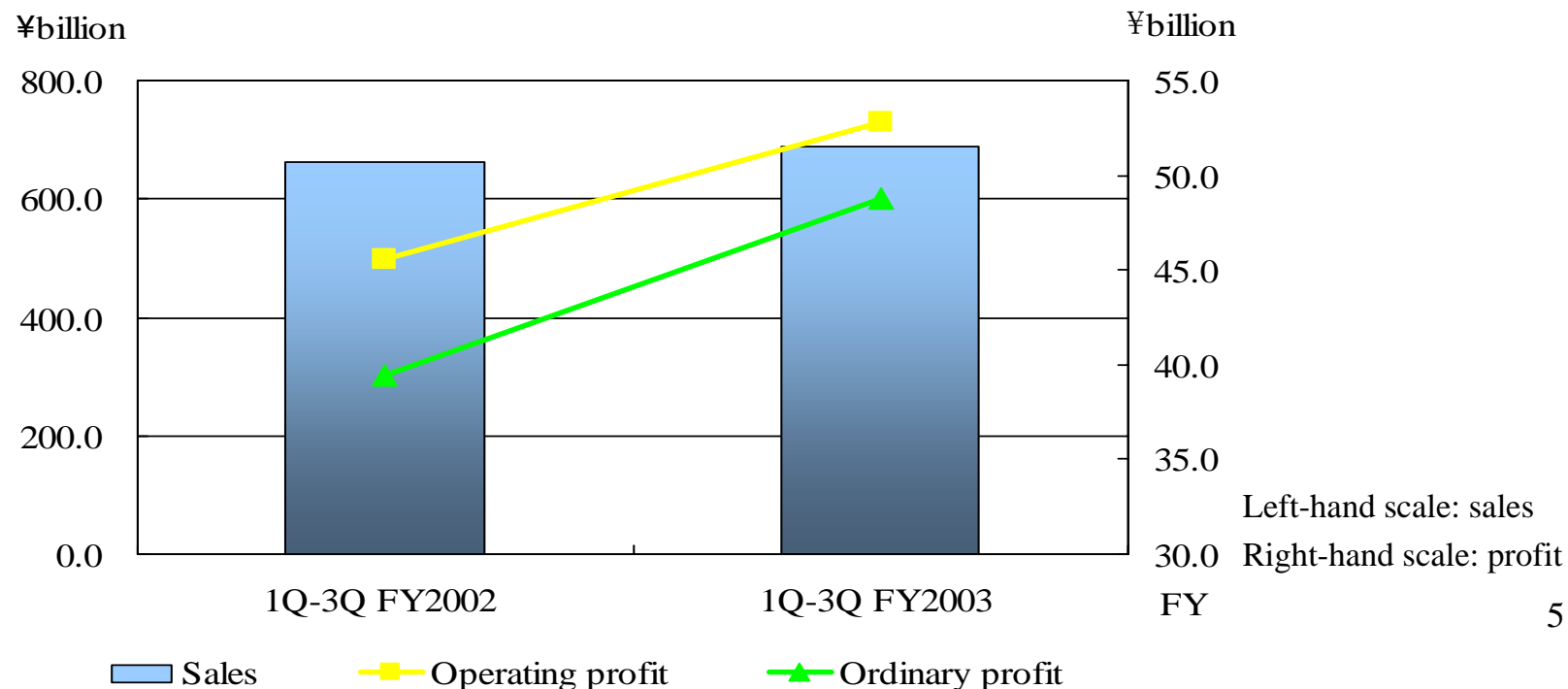
	1Q-3Q FY2002	1Q-3Q FY2003
Sales	-	¥779.0 billion
Operating profit	-	¥70.5 billion
Ordinary profit	-	¥59.5 billion
Current net profit	-	¥36.1 billion

Summary of financial results (non-consolidated)

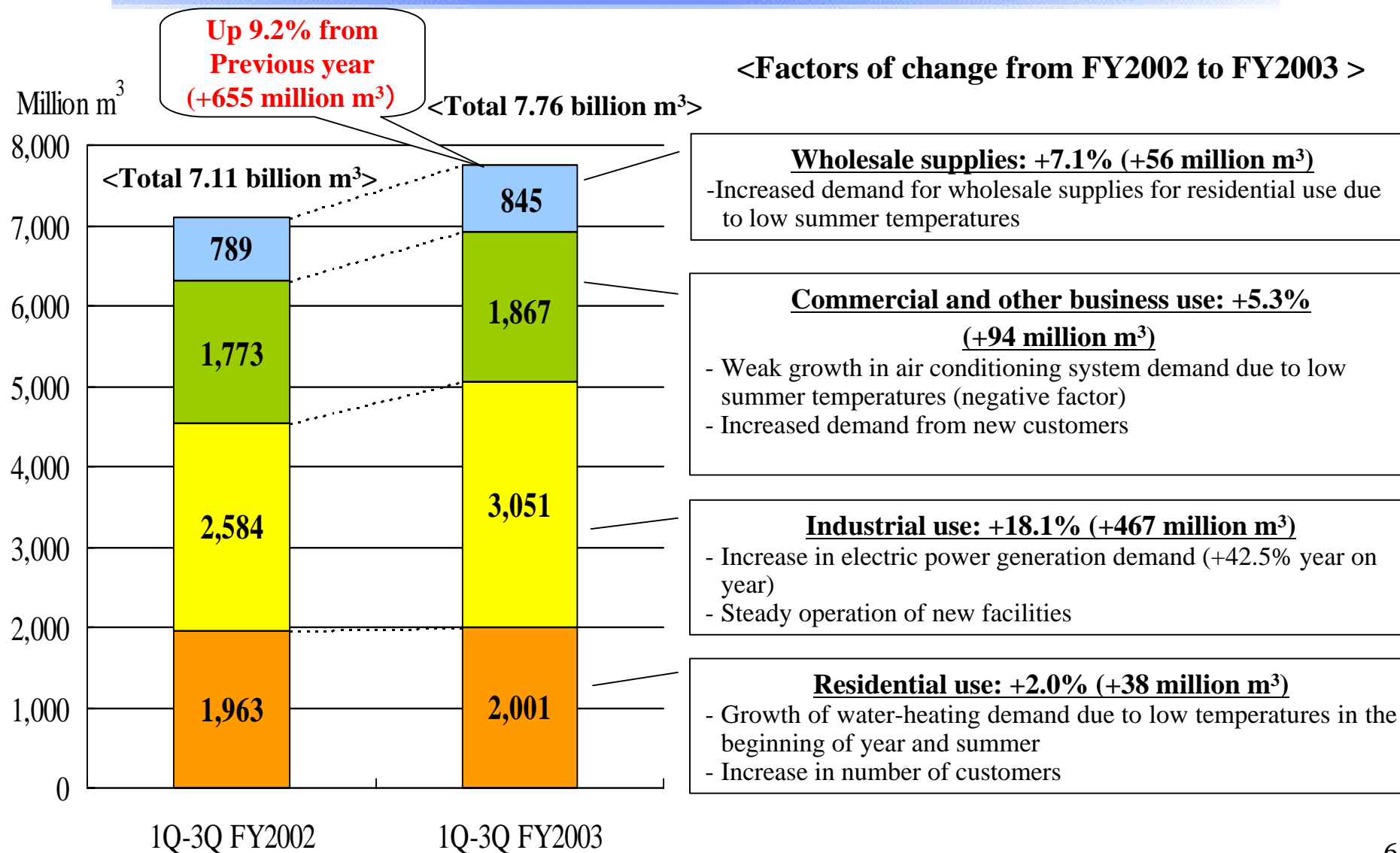
(Figures rounded down to nearest ¥0.1 billion)

	1Q-3Q FY2002	1Q-3Q FY2003	Change from previous year	
Sales	¥660.9 billion	¥689.4 billion	+¥28.5 billion	(+4.3%)
Operating profit	¥45.6 billion	¥52.8 billion	+¥7.2 billion	(+15.8%)
Ordinary profit	¥39.4 billion	¥48.8 billion	+¥9.4 billion	(+23.8%)
Net profit	¥33.0 billion	¥31.8 billion	-¥1.2 billion	(-3.8%)

Note: Despite the year-on-year increase in ordinary profit, the corporation was obliged to post a reduced current net profit to reflect the charging of ¥6.8 billion in corporation and other taxes in 1Q-3Q of this year compared with nothing in FY2002.



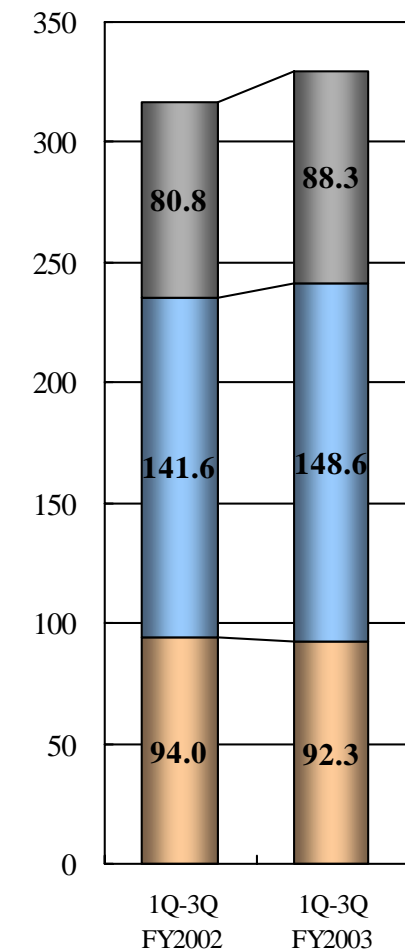
Results of gas sales volume (1Q-3Q, non-consolidated)



(Figures are rounded to the nearest million m³)

Breakdown of sales and costs (non-consolidated)

¥ billion **Increase in fixed costs**



Depreciation expenses
 Overheads
 Remuneration

(Unit: billion yen)		1Q-3Q FY2002	1Q-3Q FY2003	Change	Main factors of change
Gas sales		519.8	558.4	38.6	-Increased gas sales volume: +26.7 billion yen (incl. temperature-related increase: +0.2 billion yen) -Delay of sliding scheme: +16.0 billion yen -Decrease in unit price for large-volume supply: -4.1 billion yen
Feedstock cost		169.5	188.4	18.9	-Increased gas consumption volume: +14.0 billion yen (incl. temperature-related decline: -1.0 billion yen) -Unit price increase: +6.0 billion yen due to strong yen (-7.83 yen) and crude oil price (+US\$2.50/bbl)
Gross profit		350.2	369.9	19.7	-Volume difference: +12.7 billion yen -Delay of sliding scheme: +10.0 billion yen (from -1.5 billion to 8.5 billion yen)
(Unit: billion yen)		1Q-3Q FY2002	1Q-3Q FY2003	Change	Main factors of change
Fixed costs	Remuneration	94.0	92.3	-1.7	-Decline in number of employees -9.0 billion yen (incl. increase in number of employees transferred to new service company: -6.0 billion yen) -Increase in retirement allowance: +6.1 billion yen (incl. calculation difference: +2.5 billion yen, and increase in retirement allowance due to increased number of inter-company transfers: +3.4 billion yen)
	Overheads	141.6	148.6	7.0	-New service company outsourcing costs: +8.3 billion yen
	Depreciation expenses	80.8	88.3	7.5	-Special depreciation of Ohgishima LNG tank: 7.6 billion yen
	Total	312.0	325.6	13.6	

* Sum of each cost differs from total as the costs of contracted LNG processing, is not included.

Full-year forecast (consolidated)

(Figures rounded down to nearest ¥0.1 billion)

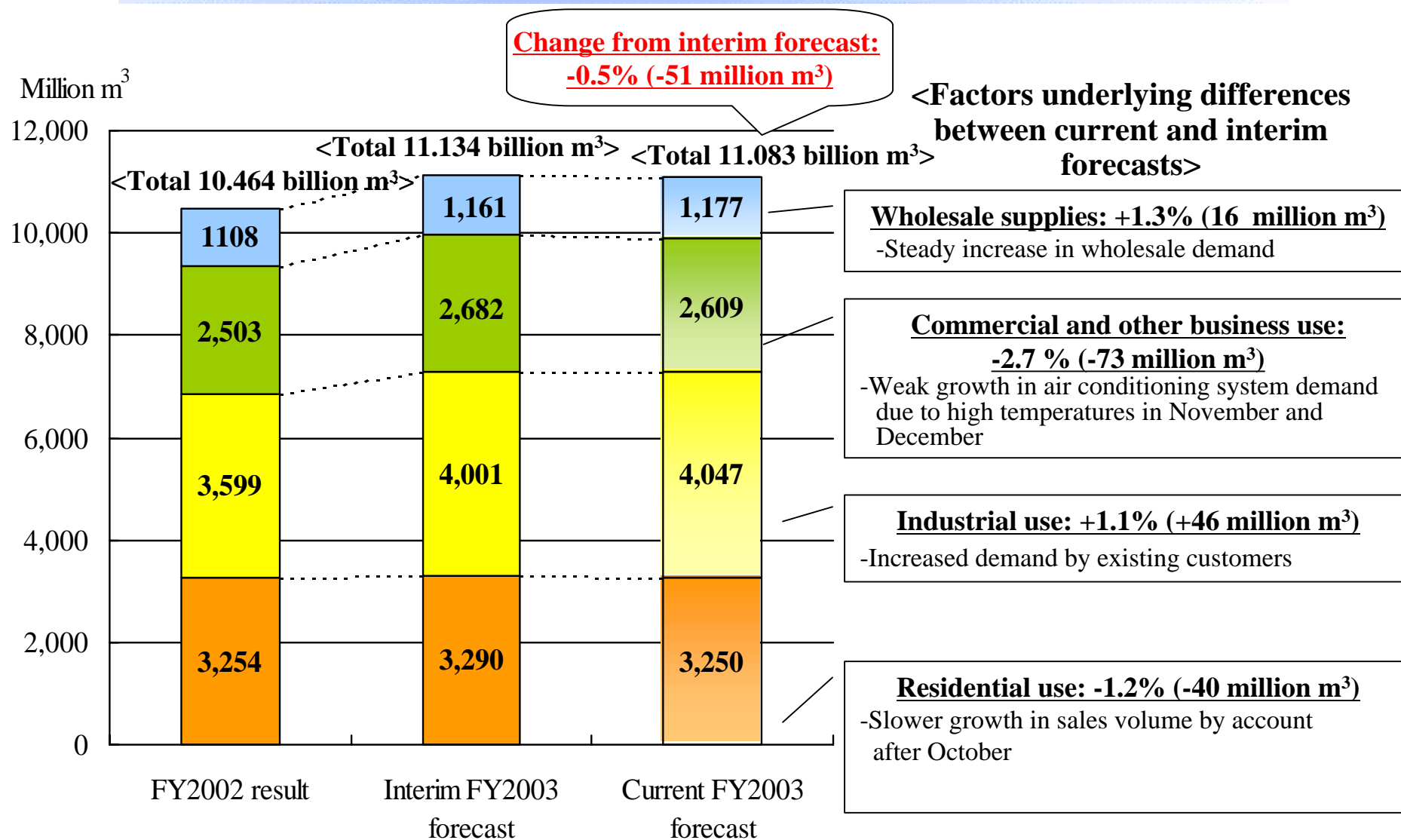
	FY2002 Result	FY2003		Change	
		Previous Forecast (as of October 30)	Revised Forecast	Change from FY2002	Change from previous forecast
Total sales	¥1,127.6 billion	¥1,162.0 billion	¥1,153.0 billion	+¥25.4 billion +2.2%	-¥9.0 billion -0.8%
Gas sales	¥792.4 billion	¥833.7 billion	¥828.7 billion	+¥36.3 billion +4.5%	-¥5.0 billion -0.6%
Other sales	¥335.2 billion	¥328.3 billion	¥324.3 billion	-¥10.9 billion -3.2%	-¥4.0 billion -1.2%
Operating profit	¥123.2 billion	¥143.0 billion	¥143.0 billion	¥19.8 billion +16.0%	-
Ordinary profit	¥91.9 billion	¥122.0 billion	¥122.0 billion	¥30.1 billion +32.7%	-
Current net profit	¥59.2 billion	¥76.0 billion	¥76.0 billion	¥16.8 billion +28.4%	-

Full-year forecast (non-consolidated)

(Figures rounded down to nearest ¥0.1 billion)

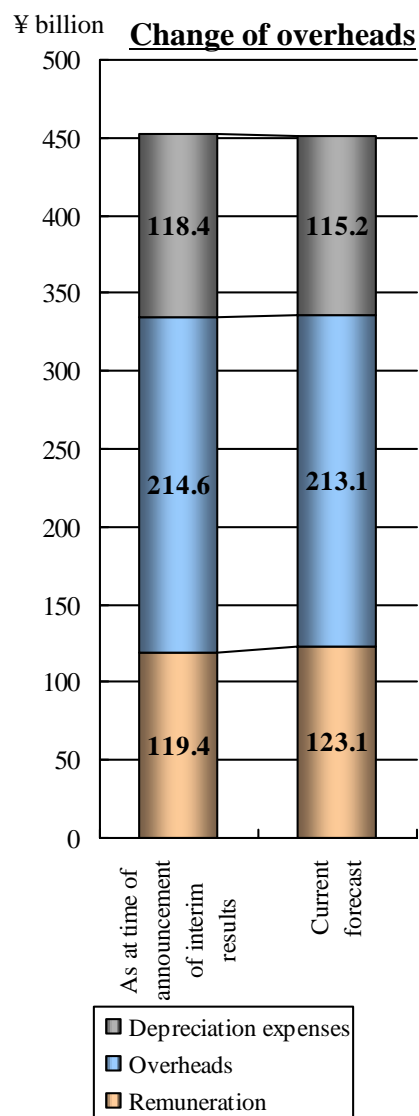
	FY2002 Result	FY2003		Change	
		Previous Forecast (as of October 30)	Revised Forecast	Change from FY2002	Change from previous forecast
Total sales	¥992.2 billion	¥1,023.0 billion	¥1,014.0 billion	+¥21.8 billion +2.2%	-¥9.0 billion -0.9%
Gas sales	¥785.0 billion	¥826.0 billion	¥821.0 billion	+¥36.0 billion +4.5%	-¥5.0 billion -0.6%
Other sales	¥207.2 billion	¥197.0 billion	¥193.0 billion	-¥14.2 billion -6.8%	-¥4.0 billion -2.0%
Operating profit	¥100.1 billion	¥122.0 billion	¥122.0 billion	¥21.9 billion +21.9%	-
Ordinary profit	¥79.6 billion	¥110.0 billion	¥110.0 billion	¥30.4 billion +38.0%	-
Current net profit	¥53.6 billion	¥71.0 billion	¥71.0 billion	¥17.4 billion +32.4%	-

Outlook for gas sales volume (non-consolidated)



(Figures are rounded to the nearest million m³)

Breakdown of sales and costs (non-consolidated outlook)



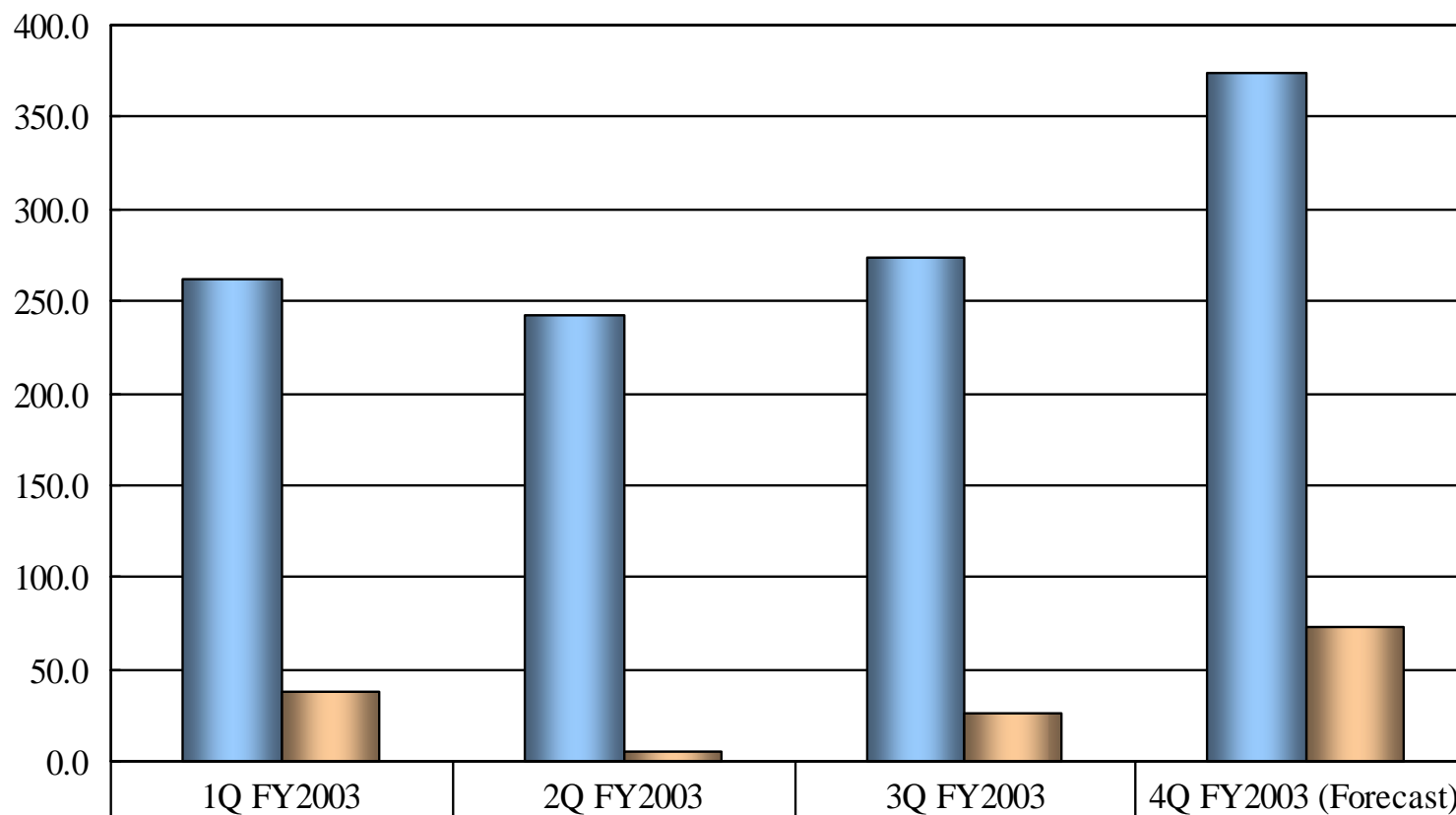
(Unit: billion yen)	As at time of announcement of interim results	Current	Change	Main factors of change
Gas sales	826.0	821.0	-5.0	·Decline in sales gas volume: -3.8 billion yen(incl. temperature-related decrease: -0.9 billion yen) ·Delay of sliding scheme: -1.2 billion yen
Feedstock cost	267.4	263.4	-4.0	-Decline in gas consumption volume: -1.9 billion yen(incl. temperature-related decline: -0.4 billion yen) -Unit price decrease: -2.1 billion yen(incl. reduction of 2.4 billion yen due to sliding scheme) due to strong yen (+1.52 yen) and crude oil price (+US\$0.81/bbl)
Gross profit	558.6	557.6	-1.0	-Volume difference: -1.9 billion yen -Delay of sliding scheme: +1.2 billion yen(from 12.7 billion to 13.9 billion yen)

(Unit: billion yen)	As at time of announcement of interim results	Current	Change	Main factors of change	
Fixed costs	Remuneration	119.4	123.1	3.7	-Increase in retirement allowance due to increased number of inter-company transfers: +3.2 billion yen)
	Overheads	214.6	213.1	-1.5	
	Depreciation expenses	118.4	115.2	-3.2	-Reduction in accelerated depreciation for IT investments: -3.2 billion yen(due to change in scope of special reduction)
	Total	447.5	446.5	-1.0	

* Sum of each cost differs from total as the costs of contracted LNG processing. is not included.

Quarterly trend (sales and operating profit)

¥ billion



■ Sales	262.2	242.8	273.9	373.9
■ Operating profit	38.3	5.5	26.6	72.4

For reference: Since a large part of the Tokyo Gas Group's business interests lie in the gas sector, which is subject to large seasonal swings, the group tends to post substantial sales over the winter period.

As a result, full-year forecasts amount to more than 4/3 of the aggregated totals of the first three quarters (April-December 2003).