

Q. crude oil prices are currently very high. Does this make competitiveness of natural gas higher against oil?

A. Natural gas is more competitive against fuel such as heavy oil as crude oil price is more than US\$50/bbl. In addition, natural gas is becoming more advantageous as environmental conservation is more important, because natural gas is most eco-friendly in all fossil fuel.

Q. What is the reason for the increase in gas sales volume in the 1st quarter of FY05?

A. As the average temperature during the period was 1.2 degrees Celsius lower compared with the same period in the previous year, gas sales volume increased by 56 million m³ with more demand for hot water. As for the commercial sector, acquisitions of new customers increased the gas sales volume although demand for air conditioning decreased because of low temperature. In industrial sector and whole sale supply, gas sales volume increased by 50 million m³ due to acquisition of new customers and increased demand by existing customers.