

April 27, 2006
Tokyo Gas Co., Ltd.

**Major Questions and Answers
on the Announcement of FY2005 Financial Results**

Q. What is the current situation of LNG demand and supply?

A. There is no denying that the LNG supply and demand situation is tight in short-term. However, in medium or long term, we forecast that supply is enough to cover the demand as many new LNG projects will be introduced. With the long-term point of view, Tokyo Gas is developing LNG procurement strategies to ensure stable supply and price competitiveness by purchasing equity interest in new LNG projects and building up Tokyo Gas LNG fleets.

Q. Regarding Energy Advance, why does the net income of the company not increase while the sales will increase?

A. The subsidiary is doing energy service business. The business is expanding rapidly, and a lot of capital investment will be required for coming years. Therefore, depreciation will depress net income for a while, but the company will harvest and its profit will be greater in future.

Q. What is the impact of promotion of all electric housing by power companies?

A. The ratio of all electric housing in new houses is somewhat going up also in our service area. To compete against this trend, Tokyo Gas is developing and promoting attractive gas appliances for cooking and water heating. Residential customers choose energy source taking into account its economy, confortability, and eco-friendliness, and we believe city gas can compete with other energy sources in this sense.