

July 30, 2009  
Tokyo Gas Co., Ltd.

**Major Questions and Answers  
concerning Fiscal Results for the First Quarter of FY 2009 ending March 2010**

Q1: What is the effect from changing the economic framework?

A1: Reflecting the recent actual market conditions, we have changed the economic framework from the second quarter through the end of the fiscal year, setting the projected crude oil price at \$70/bbl and the projected foreign exchange rate at ¥95/\$. This will result in an increase in the gas sales revenues by adjusting the gas tariff based on the gas rate adjustment system, but gas resource costs are expected to rise by approximately the same amount. Consequently for the full fiscal year we still project ordinary income of ¥64 billion and net income of ¥42 billion, with no changes from the prior forecast.

Q2: The first quarter residential gas sales volume declined from the previous year. Were there any reasons for this aside from the warm weather?

A2: In addition to temperature factors, we think that heightened energy conservation efforts also had some effect. While we expect the influence from energy conservation will continue over the medium to long term, we are examining and implementing various policies for the more effective use of gas.

Q3: In the industrial use gas sales volume, the projections for general industrial use aside from electric power generation have recovered from the third quarter forward compared with the original estimates. What is this based on?

A3: The monthly industrial gas sales volume recorded year-on-year declines from last October through this June, but the amount of those declines has recently been narrowing. While the continuation of this improvement trend requires careful monitoring, we now project a slight recovery based on the most recent estimates of our individual industrial gas customers.

Q4: The ENE-FARM related expenses are increasing. Why are these expenses rising at this time?

A4: As explained in the July 16<sup>th</sup> press release, we revised our annual ENE-FARM sales target for Fiscal 2009 from 1,500 to 2,100 systems. ENE-FARM orders have been strong since we initiated sales this May, as these residential fuel cells are receiving subsidies and other support from the central government. Consequently, the related sales expenses are also increasing.