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# **FY2013 Consolidated Financial Results ended March 31, 2014 (vs. Initial Plan)**

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## Highlights: Sales Decrease and Profit Increase ( + - , +/- indicates profit impact, billion yen)

<b>Net sales</b>	-3.9	:	<b>-</b>	Increase in city gas sales (-14.6: increase in sales volume -5.5, tariff revisions -6.2, etc.)
			<b>+</b>	Increase in gas appliances and installation sales (+12.7: increase in TES,GHP unit sales, increase in number of installation work ordered)
<b>Operating expenses</b>	+9.0	:	<b>+</b>	Decrease in city gas operating expense (+8.3: increase in city gas resource costs +2.2, decrease in fixed costs, etc.)
			<b>-</b>	Increase in electricity expenses (-5.2: increase in resource costs)
			<b>-</b>	Decrease in city gas profit (-6.3: gas gross margin -12.8 (incl. temperature effect -4.3, tariff revisions -6.2), decrease in fixed costs +6.5, etc.)
<b>Operating income</b>	+5.0	:	<b>+</b>	Increase in gas appliances and installation profit (+4.1: increase in TES and GHP unit sales, increase in number of installation work ordered)
			<b>+</b>	Increase in electricity profit (+4.3: increase in unit sales prices)

(Unit: billion yen)

	FY 2013	Initial plan	Change	%
Gas sales volume (mil. m <sup>3</sup> , 45MJ)	1,473.5	1,478.1	-4.6	-0.3%
Net sales	2,112.1	2,116.0	-3.9	-0.2%
Operating expenses	1,946.0	1,955.0	-9.0	-0.5%
Operating income	166.0	161.0	+5.0	+3.1%
Ordinary income — (a)	159.6	155.0	+4.6	+3.0%
Net income	108.4	101.0	+7.4	+7.4%
<i>Temperature effect — (b)</i>	-2.5	1.8	-4.3	—
<i>Sliding time lag effect — (c)</i>	16.4	20.9	-4.5	—
<i>Amortization of actuarial differences — (d)</i>	-2.2	-2.2	0	—
<b>Adjusted ordinary income: (a) - ( (b)+(c)+(d) )</b>	<b>147.9</b>	<b>134.5</b>	<b>+13.4*</b>	<b>+10.0%</b>
<b>Adjusted net income</b>	<b>100.7</b>	<b>87.4</b>	<b>+13.3</b>	<b>+15.2%</b>

\*+13.4: increase in gas sales volume +0.7 (excl. temperature effect -4.3), electric power +4.3, gas appliances and installation +4.1, other segment profit, etc. 4.3

Economic Frame	Exchange Rate (¥/\$)	JCC (\$/bbl)	Avg. Temperature (°C)
FY2013	100.17	109.99	17.0
Initial plan	100.00 (+0.17)	110.00 (-0.01)	16.6 (+0.4)

Pension Asset	Investment yield (Cost Deducted)	Discount Rate	Year-end Assets (Billion yen)
FY2012	6.10%	1.4%	276.0

Expected rate of return: 2%

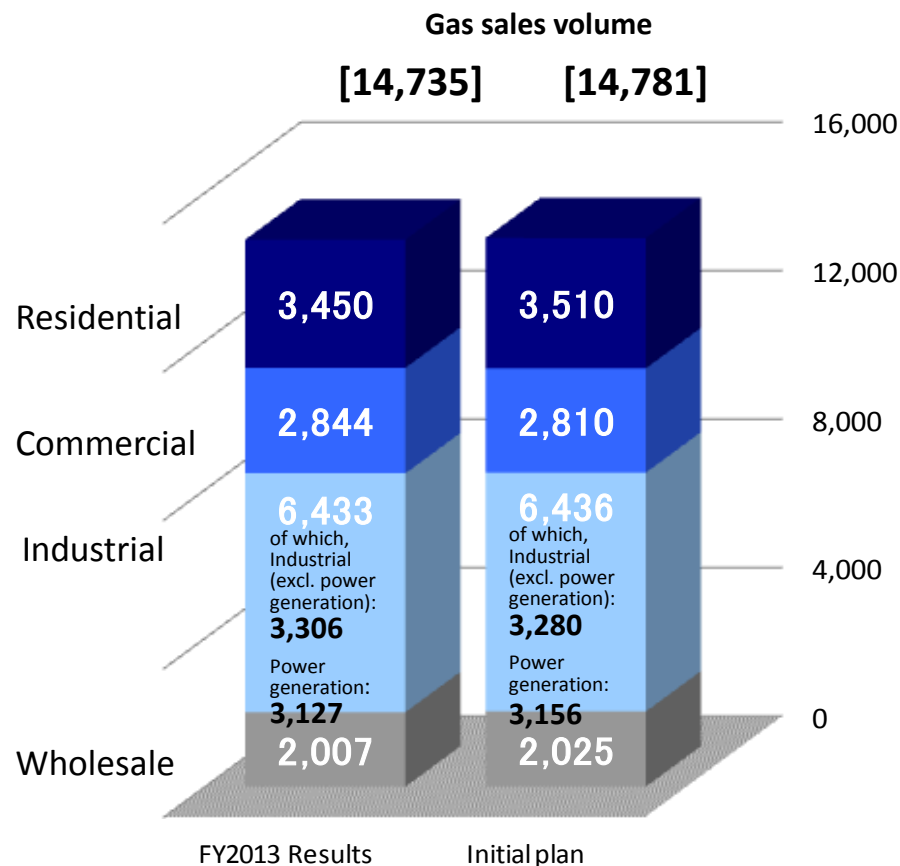
# Consolidated Gas Sales Volume

## Initial Plan → FY2013 Results

**-46 mil. m<sup>3</sup> (-0.3%)**

Including temperature effect: -53 mil. m<sup>3</sup> (-0.4%)

<b>Residential</b>	<b>-60 mil. m<sup>3</sup> (-1.7%)</b>
Temperature effect	-68 mil. m <sup>3</sup>
Number of days	-3 mil. m <sup>3</sup>
Number of customers	+4 mil. m <sup>3</sup>
Others	+8 mil. m <sup>3</sup>
<b>Commercial</b>	<b>+34 mil. m<sup>3</sup> (+1.2%)</b>
Temperature effect	+20 mil. m <sup>3</sup>
Number of days	+1 mil. m <sup>3</sup>
Number of customers	-10 mil. m <sup>3</sup>
Others	+23 mil. m <sup>3</sup>
<b>Industrial</b>	<b>-3 mil. m<sup>3</sup> (-0.0%)</b>
Industrial	+26 mil. m <sup>3</sup>
Power generation :	-29 mil. m <sup>3</sup>
<b>Wholesale</b>	<b>-18 mil. m<sup>3</sup> (-0.9%)</b>
● Temperature effect	-5 mil. m <sup>3</sup>
● Others	-13 mil. m <sup>3</sup>
Decrease in demand from wholesale suppliers, etc.	



### Number of customers (Unit: 10 thousand)

FY2013 Results	Initial plan	Change
<b>1,111.1</b>	1,110.2	+0.9 (+0.1%)

	FY2013	Initial Plan	Change
LNG liquid sales volume (thousand t)	784	795	-11
Average temperature (°C)	17.0	16.6	+0.4

## Results

### ■ Gas sales volume including portion used in-house under tolling arrangement (Unit: million m<sup>3</sup>)

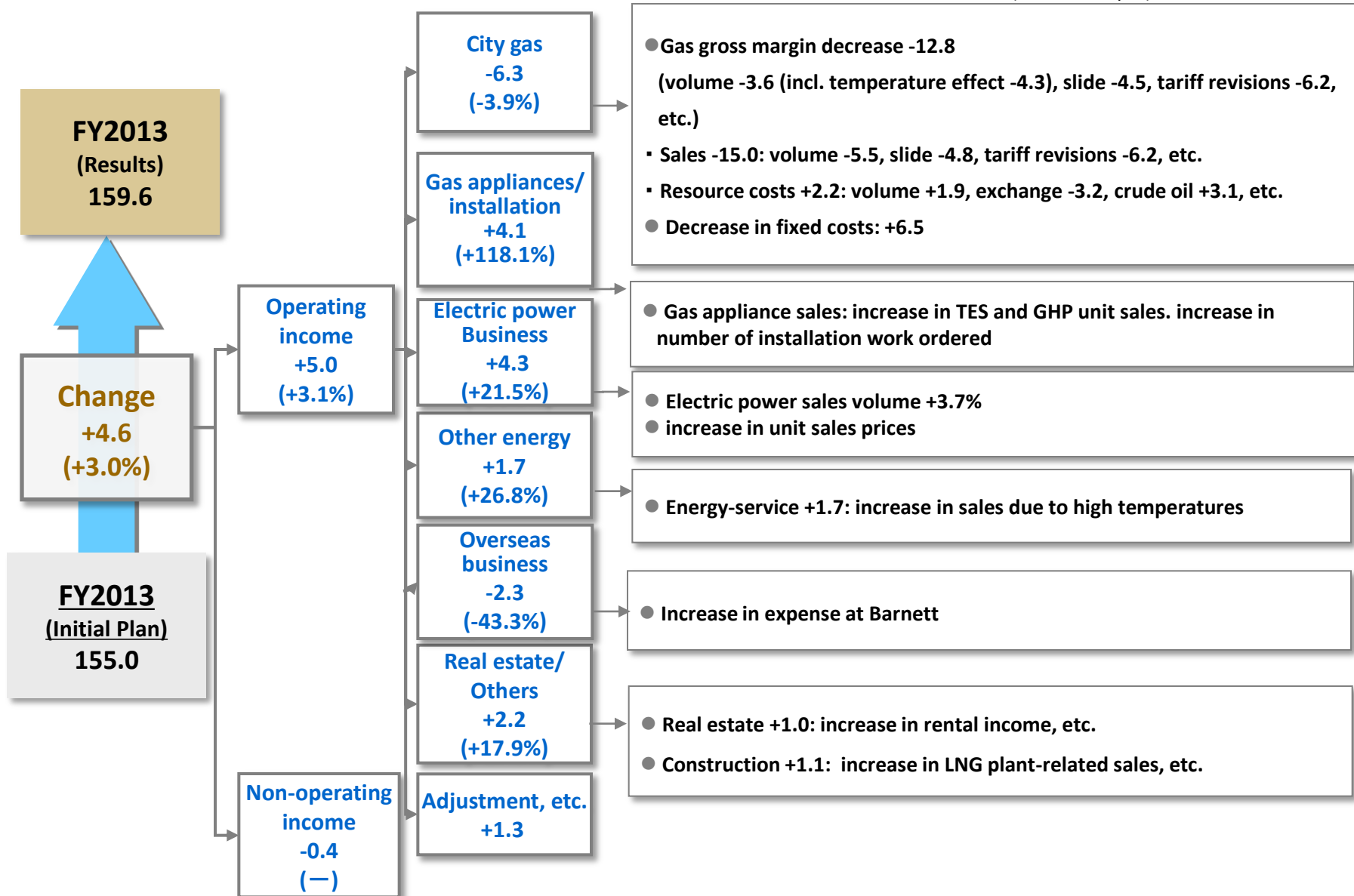
	FY2013 Results	Initial Plan	Change
Gas sales volume (financial accounting basis)	14,735	14,781	-46 -0.3%
Gas volume used in-house under tolling arrangement	1,510	1,492	+18 +1.2%
Total	16,245	16,273	-28 -0.2%

### ■ Gas sales volume for industrial-use (Unit: million m<sup>3</sup>)

	Kashima area	Other	Total
Power generation	581	2,546	3,127
vs. Initial plan	+24 (+4.4%)	-54 (-2.1%)	-29 (-0.9%)
General industrial	184	3,122	3,306
vs. Initial plan	+28 (+18.0%)	-1 (-0.0%)	+27 (+0.8%)
Total	765	5,668	6,433
vs. Initial plan	+53 (+7.4%)	-55 (-1.0%)	-2 (-0.0%)

# FY2013 Ordinary Income Analysis <vs. Initial Plan>

(Unit: billion yen)



Note: (+) & (-) refer to contributions to income.



**< Cautionary Statement regarding Forward-looking Statements >**

**Statements made in this presentation with respect to Tokyo Gas's present plans, forecasts, strategies and beliefs, and other statements herein that are not expressions of historical fact are forward-looking statements about the future performance of the Company. As such, they are based on management's assumptions and opinions stemming from currently available information and therefore involve risks and uncertainties.**

**The Company's actual performance may greatly differ from these projections, due to these risks and uncertainties which include without limitation general economic conditions in Japan, crude oil prices, the weather, changes in the foreign exchange rate of the yen, rapid technological innovations and the Company's responses to the progress of deregulation.**

**TSE:9531**