

July 30, 2015
Tokyo Gas Co., Ltd.

Results Briefing for the First Quarter of the Fiscal Year Ended March 2016
Q&A Highlights

Q1: Your full-year profit plan remains unchanged from the initial plan. What are the reasons?

A1: In the 1st quarter, gas sales volume did not reach the initial plan mainly due to higher average temperature. The reduced gross profit, however, will be offset by a time lag recovery owing to a change in the oil price estimate for the 2nd quarter. In consideration of these, we expect our initial estimate for full-year profit from gas business can be achieved. We also expect our profit plans for other business sectors can be realized as well.

Q2: Have you invested any money in preparation for the full-scale liberalization of electric power retailing?

A2: We did not invest a significant amount of money in the first quarter. We intend to start full-scale investments in fall, when the system and other details will become more specific.

Q3: What will be the position of the electric power retailing company to be established jointly with Tohoku Electric Power, whose establishment was announced on the same day?

A3: The new company will sell electricity to customers with demand for high-voltage/extra-high-voltage and high-load services mainly in the northern Kanto area. ENNET will be engaged in high-voltage and low-load electricity supply. Tokyo Gas is thinking of starting retailing of low-voltage electricity for household and other uses, in addition to wholesale in which it is currently engaged.

End