

Reference Materials (FY2017)

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Results

<Consolidated>Financial Results (FY2017 vs. FY2016)

100 million yen

	FY17	FY16	Change		Reference
Net sales	17,773	15,870	1,903	12.0%	City gas +1,088, Electric power +729, Energy-related +213 (LNG sales +176, Engineering solution +65, Gas appliances -52), Overseas +96, Others +37, Real estate +9
Operating profit	1,163	583	580	99.3%	City gas +401, Electric power +52, Overseas +44, Others +18, Real estate +1
Ordinary profit	1,115	556	559	100.3%	Equity income of subsidiaries -11 (24 ← 35)
Profit attributable to owners of parent	749	531	218	41.1%	[FY17] Gain on sales of noncurrent assets +34, Gain on sales of investment securities +30, Impairment loss -32 [FY16] Gain on sales of noncurrent assets +66, Gain on sales of investment securities +91, Impairment loss -24

Total assets(*1)	23,347	22,302	1045	4.7%	Investment securities +569, Property, plant and equipment, intangible assets +353, Notes and accounts receivable +220
Equity(*1)	11,360	11,014	346	3.1%	Profit attributable to owners of parent +749, Dividends -251, Accumulated other comprehensive profit -82, Acquisition of treasury stock -69
Equity ratio(*1) (%)	48.7%	49.4%	-0.7	-	Went down because an increase in equity (3.1%) was smaller than that in total assets (4.7%)
Total assets turnover(*2) (times)	0.78	0.71	0.07	-	
ROA(*2) (%)	3.3%	2.4%	0.9%	-	Went up due to an increase in profit attributable to owners of parent (+218)
ROE(*2) (%)	6.7%	4.8%	1.9%	-	Went up due to an increase in profit attributable to owners of parent (+218)
Interest-bearing debt(*1)	7,249	7,135	114	1.6%	Tokyo Gas +292, TG Pluto -74, TG Lease -48
D/E ratio	0.64	0.65	-0.01	-	
Profit attributable to owners of parent	749	531	218	41.1%	
Depreciation(*3·4)	1,653	1,643	10	0.6%	
Operating cash flow(*5)	2,403	2,174	229	10.5%	
Capital expenditure(*3)	2,087	2,033	54	2.6%	Tokyo Gas +122, Consolidated subsidiaries -77 (TG Eagle Ford -53, TGESAM -51)
TEP	244	-62	306	-	
(WACC) (%)	3.1%	3.0%	0.1%	-	
EPS(*6) (¥ /share)	164.12	115.09	49.03	42.6%	Went up due to an increase in profit attributable to owners of parent (+218)
BPS(*1,*6) (¥ /share)	2,487.58	2,398.70	88.88	3.7%	
Total payout ratio(*7) (%)	60.2%	60.7%	-0.5%	-	

(*1) Figures in B/S items for FY16 are the figures as of the end of FY16 (end of March 2017)

(*2) The calculation of total assets turnover, ROA, and ROE are based upon average Total assets and Shareholders' equity in each period.

(*3) Amounts for capital Expenditure and depreciation are after offsetting of internal transactions.

(*4) Depreciation includes amortization of long-term prepaid expenses.

(*5) Operating cash flow is calculated using the simplified accounting treatment of "Net profit attributable to the parent + Depreciation and amortization."

(simplified accounting treatment; differs from amount in Consolidated Statement of Cash Flows)

(*6) The figures in EPS and BPS are after the reverse stock split.

(*7) FYn Gross payout ratio = ((FYn total annual dividend) + (FYn +1 stock repurchases)) / (FYn profit attributable to owners of the parent)

<Consolidated>

Breakdown of Energy-related Segment/Other Segment (FY2017 vs. FY2016)

Breakdown of Energy-related Segment

100 million yen

Results	Net sales				Operating profit			
	FY17	FY16	Change		FY17	FY16	Change	
Engineering solution	1,181	1,116	65	5.8%	35	49	-14	-27.6%
LPG	305	289	16	5.4%	7	12	-5	-40.2%
Industrial gas	214	195	19	9.7%	9	10	-1	-4.4%
LNG sales	1,088	912	176	19.3%	6	33	-27	-80.3%
Gas appliances	1,274	1,326	-52	-3.9%	61	17	44	244.7%
Gas pipe Installation work	416	423	-7	-1.6%	11	8	3	31.2%
Construction etc.	663	662	1	0.2%	11	10	1	7.6%

(Major change factors)

- Engineering solution : Increase in sales due to increase in orders for energy service projects/cogeneration system(CGS);
Decrease in profit due to increase in repair costs for energy service facilities
- LNG sales : Increase in sales due to increase in sales volume of ocean-going ships; Decrease in profit due to sliding time lag
- Gas appliances : Decrease in sales due to decrease in the number of sales of commercial air-conditioning appliances;
Improvement in profitability in appliance sales; Increase in profit due to decrease in maintenance costs etc.

Breakdown of Other Segment

100 million yen

Results	Net sales				Operating profit			
	FY17	FY16	Change		FY17	FY16	Change	
IT services	344	344	0	0.2%	4	5	-1	-16.5%
Shipping	219	184	35	18.5%	28	10	18	169.7%
Credit and leasing	128	136	-8	-5.5%	10	9	1	15.5%

(Major change factors)

- Shipping : Increase in sales and profit due to increase in operating rates; Increase in profit due to decrease in depreciation

<Consolidated>Main Consolidated Subsidiaries (FY2017 vs. FY2016)

100 million yen

		Net sales			Operating profit			Reference
		FY17	FY16	Change	FY17	FY16	Change	
Consolidated		17,773	15,870	1,903	1,163	583	580	
City Gas etc.(*1)	Tokyo Gas Co.,Ltd.	15,988	14,084	1,904	824	294	530	
Electric Power seg.	Nijio Co.,Ltd	1,109	983	126	29	30	-1	Increase in sales due to higher unit sales prices
Overseas seg.	TG Australia Group (*2)	344	280	64	66	34	32	(TG Gorgon) Increase in sales and profit due to the commencement of sales during the term
Energy-related seg.	Tokyo Gas Engineering Solutions Co.,Ltd.	1,169	1,072	97	29	52	-23	Increase in sales due to increase in energy service business and the acceptance of CGS orders Decrease in profit due to increase in repair costs for energy service facilities
Real Estate seg.	Tokyo Gas Urban Development Co.,Ltd.	243	238	5	66	57	9	Increase in sales and profit due to increase in income of rental rates for owned buildings Increase in profit due to decrease in depreciation etc.
Others	Tokyo LNG Tanker Co., Ltd.	219	184	35	28	10	18	Increase in sales and profit due to increase in operating rates Increase in profit due to decrease in depreciation
Other		3,020	2,832	188	149	88	61	(TG Bajio) Increase in sales and profit due to increase in interest income (New upstream projects) Increase in sales and profit due to new equity method affiliates
Consolidated subsidiaries total		6,106	5,591	515	370	273	97	

(*1) In addition to "City Gas," Tokyo Gas is engaged in "Electric Power", "Energy-related", "Real-Estate", and "Others" segments.

(*2) Consolidated figures are simple sums before elimination of intra-company transactions.

<Consolidated>

Balance Sheet (as of March 31, 2018 vs. as of March 31, 2017)

100 million yen

	Mar 31, 2018		Mar. 31 2017		Change		Reference
		%		%			
【Assets】							
Noncurrent assets	18,411	78.9%	17,608	79.0%	803	4.6%	Property, plant and equipment, intangible assets: Capex 2,087, Depreciation -1,653, Foreign exchange -53 Investments and other assets: Investment securities 569, Deferred tax assets -93, Other investments and other assets -25
Current assets	4,935	21.1%	4,694	21.0%	241	5.1%	Notes and accounts receivable - trade 220, Raw materials and supplies 47, Cash and deposits -43
Total Assets	23,347	100.0%	22,302	100.0%	1,045	4.7%	
【Liabilities】							
Interest-bearing debt	7,249	31.1%	7,135	32.0%	114	1.6%	Bonds payable: Issuance 200; Long-term loans payable: New borrowings 604, Payments -620, Short-term loans payable -25, Foreign exchange -49
Provision for retirement benefits	731	3.1%	735	3.3%	-4	-0.5%	
Notes and accounts payable-trade	808	3.5%	964	4.3%	-156	-16.2%	
Other liabilities	3,073	13.2%	2,339	10.5%	734	31.4%	
Total Liabilities	11,862	50.8%	11,174	50.1%	688	6.2%	
【Net Assets】							
Shareholders' equity	10,767	46.1%	10,340	46.4%	427	4.1%	Profit attributable to the parent company 749, Dividends -251, Acquisition of treasury stock -69
Total other comprehensive income	592	2.5%	674	3.0%	-82	-12.1%	Remeasurements of defined benefit plans -87
Minority interests	124	0.5%	113	0.5%	11	9.7%	
Total Net Assets	11,484	49.2%	11,128	49.9%	356	3.2%	Equity ratio 49.4% (Mar. 31, 2017) → 48.7% (Mar. 31, 2018)
Total (Liabilities and Net Assets)	23,347	100.0%	22,302	100.0%	1,045	4.7%	

<Non-consolidated>Financial Results (FY2017 vs. FY2016)

The Gas Business Accounting Rules have been revised, and titles of accounts are changed. Aggregation of FY2016 results are based on standards before the change.
(Refer to p.15 for details of the change in system)

	100 million yen			
	FY17	FY16	Change	
Net Sales	15,988	14,084	1,904	13.5%
Operating profit	824	294	530	179.7%
Ordinary Profit	958	370	588	158.9%
Net profit	759	687	72	10.4%

Impact of Sliding Time Lag				100 million yen			
	FY17	FY16	Change				
Revenue from sliding system	-1,147	-2,218	1,071				
Increase in gas cost	-944	-2,018	1,074				
Change	-203	-200	-3				

Economic Frame			
	FY17	FY16	Change
JCC \$/bbl	57.03	47.53	9.50
Ex. rate ¥/\$	110.85	108.38	2.47

		100 million yen				
		FY17	FY16	Change		
Gas sales	11,086	Gas sales (*)	10,119	1,065	10.5%	Volume/composition -31, Unit prices +1,096
Transmission service income	26					
Intercompany adjustment income	71					
LNG regasification and calorie adjustment income	0					
Gas Business Sales(*)	11,184					
Raw materials and supplies	6,144	Raw materials and supplies	5,171	973	18.8%	Volume/composition -70, Unit prices +1,043 (Foreign exchange +88, Oil price +872, etc.)
(Gross profit)	(5,040)	(Gross profit)	(4,948)	(92)	(1.9%)	Volume/composition +39, Unit prices +53
Personnel expenses	748	Personnel expenses	1,100	-352	-32.0%	Expenses from actuarial differences -315, Decrease due to changes in accounts reflecting the transfer of operations (Personnel expenses → General expenses), etc.
General expenses	2,568	General expenses	2,521	47	1.9%	Intercompany adjustment cost (included in Raw materials and supplies in FY16) +31, Increase due to changes in accounts reflecting the transfer of operations (Personnel expenses → General expenses), Other General expenses(See below)
Depreciation	1,205	Depreciation	1,224	-19	-1.6%	Decrease due to progress of depreciation
LNG regasification	-39	LNG regasification	-42	3	-	
Operating costs	10,627	Operating cost	9,977	650	6.5%	
Installation work	11	Installation work	8	3	34.1%	Increase in the number of new installations etc.
Others	173	Gas appliances, etc. (*)	107	66	61.0%	Appliance profit +45 (Increase in profit from hot water heating system and decrease in provision for maintenance expenses) etc.
Miscellaneous operating profit	184	Miscellaneous operating profit	116	68	59.0%	
Expenses for incidental businesses	83	Expenses for incidental	36	47	130.1%	Electricity sales +73, LNG sales -27, etc.
Operating profit	824	Operating profit	294	530	179.7%	
Non operating profit	134	Non operating profit	75	59	77.6%	Dividends received from affiliates +71, etc.
Ordinary profit	958	Ordinary profit	370	588	158.9%	
Extraordinary income	61	Extraordinary income	445	-384	-86.1%	Gain on extinguishment of tie-in shares -154, Gain on sale of affiliates' investment securities -148, Gain on sales of non-current assets -33, etc.
Extraordinary loss	24	Extraordinary loss	0	24	-	Impairment loss +24
Taxes	237	Taxes	128	109	84.8%	
Net profit	759	Net profit	687	72	10.4%	

(*) Gas business sales (FY17) consist of Gas sales (FY16), Transmission service income (included in Miscellaneous operating income in FY16), Intercompany adjustment revenue (new), and Consigned income for LNG regasification and calorie adjustment (new).

Breakdown of General Expenses

100 million yen				
	FY17	FY16	Change	
Repair costs	366	414	-48 -11.7%	Decrease due to the provision for gas cock valve security measures in FY2016 -44, etc.
Expendable costs	155	155	0 0.2%	
Rent	186	185	1 0.7%	
Consignment costs	721	700	21 3.0%	Increase in IT operation outsourcing costs etc.
Taxes	430	415	15 3.6%	Increase in enterprise tax due to increase in sales etc.
Marketing costs	173	182	-9 -5.0%	Measures to cope with the liberalization of gas business (deferral to FY18)
Others	537	470	67 14.3%	Intercompany adjustment cost (included in Raw materials and supplies in FY16) +31, Miscellaneous expenses +19 (Research costs etc.), etc.

<Non-consolidated>

Breakdown of Gas Business Sales & Gross Profit Analysis (FY2017 vs. FY2016)

Breakdown of Gas Business Sales

100 million yen

	FY17 Results	FY16 Results	Change				
					100 million yen	Mil. m3	
Residential	4,759	4,474	285	6.4%	Volume	124	107
					Temp. effect	152	133
					Sliding	161	-
					Other differences	0	-
Others (Commercial • Industrial • Wholesale)	6,425	5,645	780	13.8%	Volume	-155	-262
					Temp. effect	43	55
					Sliding	910	-
					Other differences	25	-
Total	11,184	10,119	1,065	10.5%	Volume	-31	-155
					Temp. effect	195	188
					Sliding	1,071	-
					Other differences	25	-

Gross Profit Analysis

100 million yen

	Volume		Unit price		Total
	Temp. effect		Sliding		
Gas sales		195	Other	1,071	1,065
		-31		25	
				1,096	
Raw materials and supplies	Temp. effect	81	Sliding	1,074	973
		-70	Other	-31	
				1,043	
Gross profit	Temp. effect	114	Sliding	-3	92
		39	Other	56	
				53	

Sales Data

①<Non-consolidated>Power Generation Stock Volume

Unit : thousands kW

	FY17 March 2018 Results(a)	FY16 March 2017 Results(b)	Change (c)=(a)-(b)
Commercial-use cogeneration system	600	588	12
Industrial-use cogeneration system	1,474	1,432	42
Power gen.	4,036	3,934	102
Total	6,110	5,953	156

<Reference> Commercial-use cogeneration system (small gas engine in operation for 3,000 hours); about 1,000m³/kW
 Industrial-use cogeneration system (large gas engine in operation for 6,000 hours); about 1,300m³/kW

②<Non-consolidated>Sales of ENE-FARM (Completion Basis)

(Year on Year)

Unit : sales

	FY17 Results	FY16 Results	Change	Change ratio
ENE-FARM	18,606	18,144	462	2.5%

(Achievement of plan for FY17)

Unit : sales

	FY17 Results	Annual Plan	Achievement
ENE-FARM	18,606	19,075	97.5%

<Consolidated/Non-consolidated>

Breakdown of Operating Cash Flows/Capital Expenditure/Investments and Financing

Breakdown of Operating Cash Flows

Actual Results (FY2017 vs. FY2016)

100 million yen

Consolidated	FY17	FY16	Change	
Profit attributable to owners of parent (A)	749	531	218	41.1%
Depreciation* (B)	1,653	1,643	10	0.6%
Operating cash flows (A)+(B)	2,403	2,174	229	10.5%

Actual Results (FY2017 vs. FY2016)

100 million yen

Non-Consolidated	FY17	FY16	Change	
Net profit (A)	759	687	72	10.4%
Depreciation* (B)	1,268	1,281	-13	-1.0%
Operating cash flows (A)+(B)	2,027	1,969	58	2.9%

* Depreciation includes amortization of long-term prepaid expenses.

Breakdown of Capital Expenditure

Actual Results (FY2017 vs. FY2016)

100 million yen

	FY17	FY16	Change	
Production facilities	169	224	-55	-24.5%
Distribution facilities	907	943	-36	-3.7%
Service and maintenance facilities etc.	576	363	213	58.2%
Tokyo Gas Total	1,654	1,532	122	8.0%
Capital expenditure at consolidated subsidiaries	463	540	-77	-14.2%
Adjustment	-30	-39	9	-
Total	2,087	2,033	54	2.6%

Production facilities : Hitachi LNG receiving terminal-related, etc. -55
 Distribution facilities : Koga-Mooka Line, etc. -36
 Service and maintenance facilities etc. : Real estate, etc. +213
 Consolidated subsidiaries : Decreases at TG Eagle Ford, TGES America, etc.

Investments and Financing

Actual Results (FY2017 vs. FY2016)

100 million yen

	FY17	FY16	Change	
Investment & financing	526	163	363	221.7%
Collections	55	25	30	113.4%
After offset	470	138	332	242.0%

Forecasts

<Assumptions> Oil Price and Currency Forecasts, and Their Impacts on Gross Profit

Economic Frame

Gross Profit Sensitivity to Changes in Oil Price<Consolidated>

<Consolidated/Non-consolidated>

	FY18 Forecast		
	1st Half	2nd Half	Full-year
JCC \$/bbl	65.00	65.00	65.00
Ex. rate ¥/\$	110.00	110.00	110.00
	FY17 Results		
	1st Half	2nd Half	Full-year
JCC \$/bbl	51.35	62.46	57.03
Ex. rate ¥/\$	111.04	110.66	110.85
	Change		
	1st Half	2nd Half	Full-year
JCC \$/bbl	13.65	2.54	7.97
Ex. rate ¥/\$	-1.04	-0.66	-0.85

Gross Profit Sensitivity to Changes in Oil Price

100 million yen

	1Q	2Q	3Q	4Q	Full-year
Net sales	21	23	9	0	53
Gas resource cost	18	23	19	3	63
Gross profit	3	0	-10	-3	-10

*Impact on JCC increase by \$1

Gross Profit Sensitivity to Changes in EX Rate

100 million yen

	1Q	2Q	3Q	4Q	Full-year
Net sales	12	16	15	4	47
Gas resource cost	13	14	15	14	56
Gross profit	-1	2	0	-10	-9

* Impact on a one-yen depreciation

<Consolidated>Financial Results (FY2018 Forecast vs. FY2017 Results)

100 million yen

	FY18	FY17	Change		Reference
Net sales	19,540	17,773	1,767	9.9%	City gas +955, Electric power +497, Energy-related +227, etc.
Operating profit	930	1,163	-233	-20.0%	City gas -162, Electric power +26, Energy-related -60, etc.
Ordinary profit	930	1,115	-185	-16.6%	Overseas equity income, Gain on sale of affiliates' securities, etc.
Profit attributable to owners of parent	880	749	131	17.4%	Gain on sales of noncurrent assets, etc.
Total assets	24,660	23,347	1,313	5.6%	
Equity	11,710	11,360	350	3.1%	
Equity ratio (%)	47.5%	48.7%	-1.2%	-	
Total assets turnover(*1) (times)	0.81	0.78	0.03	-	
ROA(*1) (%)	3.7%	3.3%	0.4%	-	
ROE(*1) (%)	7.6%	6.7%	0.9%	-	
Interest-bearing debt	8,320	7,249	1,071	14.8%	
D/E ratio	0.71	0.64	0.07	-	
Profit attributable to owners of parent	880	749	131	17.4%	
Depreciation(*2·3)	1,670	1,653	17	1.0%	
Operating cash flow(*4)	2,550	2,403	147	6.1%	
Capital expenditure(*2)	2,620	2,087	533	25.5%	
TEP	114	244	-130	-	
(WACC)	3.1%	3.1%	0.0%	-	
EPS(*5) (¥ /share)	194.68	164.12	30.56	18.6%	
BPS(*5) (¥ /share)	2,598.30	2,487.58	110.72	4.5%	
Total payout ratio(*6)	(*7) -	60.2	-	-	

(*1) The calculation of total assets turnover, ROA, and ROE are based upon average Total assets and Shareholders' equity in each period.

(*2) Amounts for capital Expenditure and depreciation are after offsetting of internal transactions.

(*3) Depreciation includes amortization of long-term prepaid expenses.

(*4) Operating cash flow is calculated using the simplified accounting treatment of "Profit attributable to owners of parent + Depreciation and amortization." (simplified accounting treatment; differs from amount in Consolidated Statement of Cash Flows)

(*5) EPS and BPS are after the share consolidation.

(*6) FYn Gross payout ratio = ((FYn total annual dividend) + (FYn +1 stock repurchases)) / (FYn profit attributable to owners of the parent)

(*7) To be maintained at approximately 60% each year to FY2020

Main Consolidated Subsidiaries (FY2018 Forecast vs. FY2017 Results)

100 million yen

		Net sales			Operating profit			Reasons
		FY18	FY17	Change	FY18	FY17	Change	
Consolidated		19,540	17,773	1,767	930	1,163	-233	
Gas(*1)	Tokyo Gas Co., Ltd.	17,469	15,988	1,481	634	824	-190	
Electric Power seg.	Nijio Co.,Ltd	1,137	1,109	28	19	29	-10	Sales increased due to increased unit sales prices Profit decrease due to higher unit material cost, etc.
Overseas seg.	TG Australia Group(*2)	394	344	50	89	66	23	Sales increased due to increased production volume Profit increased due to decreased depreciation, etc.
Energy-Related seg.	Tokyo Gas Engineering Solutions Co.,Ltd.	1,364	1,169	195	22	29	-7	Sales increased due to increased LNG plant/energy service projects Profit decreased due to increased repair costs in energy service business
Real Estate seg.	Tokyo Gas Urban Development Co.,Ltd.	245	243	2	69	66	3	Sales and profit increased due to increased income from building leasing
Others	Tokyo LNG Tanker Co., Ltd.	365	219	146	30	28	2	Sales increased due to started transportation of North American LNG, Profit increased due to decreased depreciation
Other		3,742	3,020	722	93	149	-56	(TG PLUS) Sales increased as LNG sales started (TG LIQUID HD) Profit decreased due to decreased dividends received (TG Bajio) Profit decreased due to decreased interest income, etc.
Consolidated subsidiaries total		7,247	6,106	1,141	322	370	-48	

(*1) In addition to "Gas," Tokyo Gas is engaged in "Electric Power," "Energy-Related," and "Other" segments.

(*2) Consolidated figures are simple sums before elimination of intra-company transactions.

<Non-consolidated> Financial Results (FY2018 Forecast vs. FY2017 Results)

100 million yen

	FY18	FY17	Change	
Net sales	17,470	15,988	1,482	9.3%
Operating profit	640	824	-184	-22.4%
Ordinary profit	660	958	-298	-31.2%
Net profit	490	759	-269	-35.4%

Impact of Sliding Time Lag

100 million yen

	FY18	FY17	Change
Revenue from sliding system	-250	-1,147	897
Increase in gas cost	-141	-944	803
Change	-109	-203	94

*Change from standard average resource cost

Economic Frame

	FY18	FY17	Change
JCC \$/bbl	65.00	57.03	7.97
Ex. rate ¥/\$	110.00	110.85	-0.85

100 million yen

	FY18	FY17	Change		
Gas Business Sales	11,990	11,184	806	7.2%	Volume/composition-91, Unit prices +897
Raw materials and supplies	6,936	6,144	792	12.9%	Volume/composition -11, Unit prices +803
(Gross profit)	(5,054)	(5,040)	(14)	(0.3%)	Volume/composition -80, Unit prices +94
Personnel expenses	814	748	66	8.7%	Expenses from actuarial differences +123, Changes in accounts reflecting the transfer of operations (Personnel expenses → General expenses) -30, Decrease in the number of personnel, etc.
General expenses	2,640	2,568	72	2.8%	Changes in accounts reflecting the transfer of operations (Personnel expenses → General expenses) +30, Increased enterprise tax due to increased net sales +10, Measures to cope with the liberalization of gas business, etc.
Depreciation	1,242	1,205	37	3.0%	Increased depreciation as a result of acquisition of new facilities, etc.
LNG regasification	-33	-39	6	-	
Operating cost	11,599	10,627	972	9.1%	
Installation work	7	11	-4	-39.9%	
Others	127	173	-46	-24.8%	Decreased appliance profit, etc.
Miscellaneous operating profit	134	184	-50	-27.5%	
Expenses for incidental businesses	115	83	32	37.8%	LNG sales +21,Electricity sales +19, etc.
Operating profit	640	824	-184	-22.4%	
Non operating profit	20	134	-114	-85.1%	Dividends received from affiliates -138, etc.
Ordinary profit	660	958	-298	-31.2%	
Extraordinary income	0	61	-61	-	Gain on sales of non-current assets -32, Gain on sales of investment securities -29
Extraordinary loss	0	24	-24	-	Impairment loss -24
Taxes	170	237	-67	-28.4%	
Net profit	490	759	-269	-35.4%	

Changes in accounts reflecting the transfer of operations to an affiliate (Personnel expenses -30, General expenses +30)

※ Revised in red on May 2nd,2018

<Non-consolidated> Breakdown of Gas Sales & Gross Profit Analysis(FY2018 Forecast vs. FY2017 Results)

Breakdown of Gas Sales

100 million yen

	FY18 Forecast	FY17 Results	Change	
Residential	4,809	4,759	50	1.1%
Others (Commercial・Industrial・Wholesale)	7,181	6,425	756	11.8%
Total	11,990	11,184	806	7.2%

Gross Profit Analysis

100 million yen

	Volume		Unit price		Total
Gas sales	Temp. effect	-69	Sliding	897	806
			Other	0	
		-91		897	
Raw materials and supplies	Temp. effect	-30	Sliding	803	792
			Other	0	
		-11		803	
Gross profit	Temp. effect	-39	Sliding	94	14
			Other	0	
		-80		94	

<Consolidated/Non-consolidated>

Breakdown of Operating Cash Flows/Capital Expenditure/Investments and Financing

Breakdown of Operating Cash Flows
[FY2018 Forecast vs. FY2017 Results]

(Consolidated) 100 million yen

	FY18	FY17	Change	
Profit attributable to owners of parent (A)	880	749	131	17.4%
Depreciation* (B)	1,670	1,653	17	1.0%
Operating cash flows (A)+(B)	2,550	2,403	147	6.1%

(Non-consolidated) 100 million yen

	FY18	FY17	Change	
Profit attributable to owners of parent (A)	490	759	-269	-35.4%
Depreciation* (B)	1,310	1,268	42	3.3%
Operating cash flows (A)+(B)	1,800	2,027	-227	-11.2%

*Depreciation includes amortization of long-term prepaid expenses.

Breakdown of Capital Expenditure
[FY2018 Forecast vs. FY2017 Results]

100 million yen

	FY18	FY17	Change	
Production facilities	219	169	50	29.3%
Distribution facilities	1,025	907	118	13.0%
Service and maintenance facilities etc.	744	576	168	29.1%
Tokyo Gas Total	1,990	1,654	336	20.3%
Capital expenditure at consolidated subsidiaries	685	463	222	48.0%
Adjustment	-55	-30	-25	-
Total	2,620	2,087	533	25.5%

Production facilities : Hitachi LNG receiving terminal-related, other production facilities, etc. +50

Distribution facilities : Security-related, Marketing costs-related, etc. +118

Service and maintenance facilities etc. : IT, Real estate, Other service and maintenance facilities, etc. +168

Consolidated subsidiaries : Real estate, Overseas, etc. +222

Investments and Financing

[FY2018 Forecast vs. FY2017 Results] 100 million yen

	FY18	FY17	Change	
Investment & financing	817	526	291	55.3%
Collections	82	55	27	50.1%
After offset	734	470	264	55.9%

Reference

(Reference) Revision of Gas Business Accounting Rules

Supplement for "(Non-consolidated) Financial Results" of pages 5

The gas business system has been changed to cope with the full liberalization of retail sales of gas in FY2017. The Gas Business Accounting Rules have also been revised to reflect the change.

<New>	<Former>
(Gas business Sales) <ul style="list-style-type: none"> • Gas sales • Transmission service income • Intercompany adjustment income • LNG regasification and calorie adjustment income 	(Product sales) <ul style="list-style-type: none"> • Gas sales
<4>	
(Cost of sales) <ul style="list-style-type: none"> • Beginning inventories • Cost of products manufactured • Purchase of finished goods • Costs of gas for own use • Ending inventories 	(Cost of sales) <ul style="list-style-type: none"> • Beginning inventories • Cost of products manufactured • Purchase of finished goods • Costs of gas for own use • Ending inventories
<About 30>	
<ul style="list-style-type: none"> • Gross profit • Supply and sales expenses • General and administrative expenses • Total selling, general and administrative expenses 	<ul style="list-style-type: none"> • Gross profit • Supply and sales expenses • General and administrative expenses • Total selling, general and administrative expenses
<ul style="list-style-type: none"> • Profit on core business 	<ul style="list-style-type: none"> • Profit on core business
(Miscellaneous operating income) <ul style="list-style-type: none"> • Income from installation work 	(Miscellaneous operating income) <ul style="list-style-type: none"> • Income from installation work • Income from gas appliance sales • Transmission service income • Other miscellaneous operating income
(Omitted below)	

* Gas sales were divided into Gas sales and Intercompany adjustment income (fees for using gas pipes).

* Part of Purchase of finished goods is divided into Purchase of finished goods and Intercompany adjustment cost (fees for using gas pipes) included in Supply and sales expenses.

(Reference) Intercompany adjustment cost

It is equivalent to transmission service fees paid to other pipeline service operators in accordance with the adjustment contract between the relevant operators when gas is supplied through pipes held by more than one pipeline service operators.

If gas is supplied to a user of pipeline service operators C through gas pipes of pipeline service operators A and B, C receives transmission service fees from its retailer and then pays to B, which pays to A.

* Under the new system, transmission service income is regarded as income from core business, reflecting the idea that transmission service business is collateral to gas business.

[Note] The figures in < > in the table above show major effects of the revision of the Gas Business Accounting Rules (Figures for FY16 in 100 million yen)

Tokyo Gas Co., Ltd.

< Cautionary Statement regarding Forward-looking Statements >

Statements made in this presentation with respect to Tokyo Gas's present plans, forecasts, strategies, and other information herein that are not expressions of historical fact are forward-looking statements about the future performance of the Company. The Company's actual performance may greatly differ from these projections due to critical factors which include 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.