

Consolidated Financial Results Bulletin for 2nd Quarter Ended September 30, 2011**(J-GAAP)****Tokyo Gas Co., Ltd.**

Securities code: 9531

(URL http://www.tokyo-gas.co.jp/index_e.html)

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Consolidated Settlements Group**Stock listings:**Tokyo Stock Exchange, Osaka Securities Exchange,
Nagoya Stock Exchange

Location of head office: Tokyo

Scheduled date of the filing of quarterly report: November 14, 2011

Scheduled date of the start of dividend payments: November 24, 2011

Preparation of 2Q earnings presentation material (yes/no): **Yes**Holding of 2Q earnings announcement (yes/no): **Yes** (for institutional investors)

(Amounts are rounded down to the nearest million yen)

1. Consolidated Performance for 2nd Quarter (from April 1, 2011 to September 30, 2011)

(Unit: million yen)

(1) Consolidated Business Performance

(% of change from the corresponding period of previous year)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|--------------------------------|-----------|-------|------------------|--------|-----------------|--------|------------|--------|
| Six months ended Sep. 30, 2011 | 748,378 | 6.7% | 1,739 | -96.4% | 1,931 | -95.8% | (4,959) | — |
| Six months ended Sep. 30, 2010 | 701,322 | 11.0% | 48,059 | 3.5% | 45,869 | -9.3% | 25,569 | -21.9% |

Note: Total comprehensive income

Six months ended September 30, 2011: (7,792) million yen (—%)

Six months ended September 30, 2010: 12,513 million yen (—%)

| | Net income per share | Diluted net income per share |
|--------------------------------|----------------------|------------------------------|
| Six months ended Sep. 30, 2011 | (1.89)yen | — |
| Six months ended Sep. 30, 2010 | 9.54 yen | — |

(2) Consolidated Financial Position

(Unit: million yen)

| | Total assets | Net assets | Equity ratio |
|---------------------|--------------|------------|--------------|
| As of Sep. 30, 2011 | 1,779,018 | 819,795 | 45.2% |
| As of Mar. 31, 2011 | 1,829,661 | 874,094 | 46.9% |

Reference: Shareholders' equity

As of September 30, 2011: 804,374 million yen

As of March 31, 2011: 858,920 million yen

2. Dividend

| | Dividend per Share (Unit: yen) | | | | |
|---|--------------------------------|-----------|-----------|-----------|------------|
| | End of 1Q | End of 2Q | End of 3Q | End of 4Q | Full- year |
| FY2010 ended Mar. 31, 2011 | — | 4.50 | — | 4.50 | 9.00 |
| FY2011 ending Mar. 31, 2012 | — | 4.50 | | | |
| FY2011 ending Mar. 31, 2012 (Forecast) | | | — | 4.50 | 9.00 |

Note: Revision to the dividend forecast that has been disclosed lastly: *No*

3. Consolidated Results Forecast for FY2011 ending March 31, 2012 (April 1, 2011 - March 31, 2012)

(Unit: million yen)

(% of change from the corresponding period of previous year)

| | Net sales | | Operating income | | Ordinary income | | Net income | | Net income per share |
|-----------|-----------|-------|------------------|--------|-----------------|--------|------------|--------|----------------------|
| Full-year | 1,714,000 | 11.6% | 61,000 | -50.2% | 58,000 | -52.3% | 32,000 | -66.5% | 12.29 yen |

Note: Revision to the consolidated results forecast that has been disclosed lastly: *Yes*

4. Notes

(1) Significant changes in consolidated subsidiaries (changes in specified subsidiaries resulting in change of scope of consolidation during the quarter) (yes/no): *No*

(2) Application of special accounting treatments in preparing quarterly consolidated financial statements (yes/no): *Yes*

Note: Please see page 5 of the Attachment, "2. Summary Information (Others): (1) Accounting treatment peculiar to quarterly consolidated financial statement preparation" for details.

(3) Change in accounting policies or estimates and retrospective restatements

1) Change in accounting policies in accordance with revision of accounting standards: *No*

2) Change in accounting policies other than item 1) above: *No*

3) Change in accounting estimates: *No*

4) Retrospective restatements: *No*

(4) Number of issued shares (common stock)

(Unit: share)

| | | | | |
|---|------------------|---------------|------------------|---------------|
| 1) Number of issued shares at end of period (including treasury stock): | Sep. 30, 2011 | 2,590,715,295 | Mar. 31, 2011 | 2,684,193,295 |
| 2) Number of shares of treasury stock at end of period: | Sep. 30, 2011 | 5,956,057 | Mar. 31, 2011 | 5,899,491 |
| 3) Average number of shares during period: | Apr. – Sep. 2011 | 2,621,295,203 | Apr. – Sep. 2010 | 2,680,011,748 |

* Presentation of implementation status for quarterly review procedures

The quarterly review procedure based on the Financial Instruments and Exchange Act does not apply to this Consolidated Results Bulletin, and the quarterly review procedure based on the Financial Instruments and Exchange Act had not been completed as of the release of this Consolidated Financial Results Bulletin.

* Explanation related to appropriate use of results forecasts and other items warranting special mention

1. The forecast above was prepared on the basis of information available at the time of the release of this document. Due to various factors, the actual result may vary from these forecast data. Please see page 3 of the Attachment, "1. Qualitative Information on 2nd Quarter Results: (3) Qualitative information on consolidated results forecast" for details.

2. The information related to this Financial Results will be posted on TDnet on the same date of this disclosure, and subsequently on the Web site of the Company.

Non-Consolidated Results Forecast for FY2011 ending March 2012 (April 1, 2011 - March 31, 2012)

(Unit: million yen)

| | Net sales | Operating income | Ordinary income | Net income | Net income per share |
|-----------|-----------|------------------|-----------------|------------|----------------------|
| Full-year | 1,503,000 | 35,000 | 43,000 | 25,000 | 9.60 yen |

Figures above have reflected the latest revision of the non-consolidated results forecast.

Contents of Attachment

| | |
|---|-----------|
| 1. Qualitative Information on 2nd Quarter Results | 2 |
| (1) Qualitative information on consolidated business performance | 2 |
| (2) Qualitative information on consolidated financial position..... | 2 |
| (3) Qualitative information on consolidated results forecast | 3 |
| 2. Summary Information (Others)..... | 5 |
| (1) Accounting treatment peculiar to quarterly consolidated financial statement preparation..... | 5 |
| 3. Consolidated Financial Statements..... | 6 |
| (1) Consolidated Balance Sheets | 6 |
| (2) Consolidated Statements of Income and Comprehensive Income..... | 8 |
| (3) Note on going concerns' premise | 10 |
| (4) Segment information | 10 |
| (5) Significant changes in shareholders' equity | 11 |
| 4. Supplementary Information..... | 12 |
| (1) Non-Consolidated 2nd Quarter Business Performance | 12 |

1. Qualitative Information on 2nd Quarter Results

(1) Qualitative information on consolidated business performance

Gas sales volume in the first half of FY2011 (April 1 – September 30, 2011) increased 0.1% compared with the first half of FY2010 (April 1 – September 30, 2010; “year-on-year”), to 6,940 million m³. Despite an increase in industrial demand from growth in demand for power generation, higher average temperatures year-on-year during early spring led to lower demand for water heating and space heating, resulting in a decline in residential demand, and commercial demand also declined on lower utilization rates at existing facilities from the effect of the earthquake and energy conservation efforts. At the same time, unit sales prices increased under the gas rate adjustment system, in line with higher crude oil prices, resulting in a 6.2% increase in city gas sales, to ¥554.4 billion.

In addition to this increase in city gas sales, increased sales of other energy (electric power) led to a 6.7% year-on-year increase in consolidated net sales, to ¥748.3 billion.

Progress was made in further improving management efficiency and maximum efforts were made to control expenses. Nevertheless, gas resource costs rose in line with higher crude oil prices, and costs from actuarial differences in retirement benefit accounting grew, leading to a 14.3% increase in operating expenses, to ¥746.6 billion.

As a result, operating income declined 96.4% year-on-year, to ¥1.7 billion, and ordinary income was down 95.8%, at ¥1.9 billion. In addition, a ¥4.8 billion loss on valuation of investment securities was recorded as an extraordinary loss, and after recording income taxes and other items, a net loss of ¥4.9 billion was recorded.

Because the city gas business accounts for the majority of consolidated net sales, seasonal fluctuations at the business from factors including average temperatures may have a significant impact on net sales.

<Consolidated Gas Sales Volume for Six Months Ended September 30, 2011>

| | | Apr. – Sep. 2011 | Apr. – Sep. 2010 | Change | % change | |
|---------------------|-----------------------------|---------------------|------------------|--------|----------|-------|
| No. of customers | Thousand | 10,777 | 10,673 | 104 | 1.0 | |
| Gas sales volume | Residential | M ³ | 24.14 | 25.10 | -0.96 | -3.8 |
| | | Mil. m ³ | 1,317 | 1,359 | -42 | -3.1 |
| | Commercial | Mil. m ³ | 1,348 | 1,569 | -221 | -14.1 |
| | Industrial | Mil. m ³ | 3,358 | 3,087 | 271 | 8.8 |
| | Subtotal | Mil. m ³ | 4,707 | 4,656 | 51 | 1.1 |
| | Supplies to other utilities | Mil. m ³ | 916 | 919 | -3 | -0.3 |
| Total | Mil. m ³ | 6,940 | 6,934 | 6 | 0.1 | |
| Average temperature | °C | 22.6 | 23.0 | -0.4 | — | |

Notes:

1. The upper row of figures for residential demand indicates gas sales per meter read (m³/household, month).
2. “Commercial” indicates sales to commercial, public and medical institutions.
3. Gas sales volumes are on the basis of 45MJ/ m³.

The aforementioned notes also apply to the relevant tables.

(Crude Oil Price and Foreign Exchange Rate)

| Crude oil price (\$/bbl) | Apr. – Sep. 2011 | Apr. – Sep. 2010 | Change | | Apr. – Sep. 2011 | Apr. – Sep. 2010 | Change |
|-----------------------------|---------------------|---------------------|--------|-------|---------------------|---------------------|--------|
| | | 113.91 | 78.37 | 35.54 | ¥/\$ rate | 79.75 | 88.91 |

(2) Qualitative information on consolidated financial position

Total assets as of September 30, 2011, stood at ¥1,779.0 billion, for a decrease of ¥50.6 billion compared with those as of March 31, 2011. Although raw materials and supplies grew, decreases in other current assets (accounts receivable), cash and deposits, and in property, plant and equipment as a result of depreciation, resulted in an overall decline.

Net assets declined to ¥819.7 billion, primarily from purchases of treasury stock in the market (¥33.9 billion) and the payment of dividends from surplus (¥12.0 billion).

The margin of decline in shareholders’ equity (calculated as the total of shareholders’ equity and accumulated amount of other comprehensive income) was greater than the margin of decline in total assets, and as a result the equity ratio declined 1.7 percentage points, to 45.2%.

(3) Qualitative information on consolidated results forecast

We have left the economic assumptions framing our consolidated results forecast for FY2011, included with the Consolidated Financial Results Bulletin for the First Quarter Ended June 30, 2011, released on July 29, 2011, unchanged (an average crude oil price of \$110/bbl and a foreign exchange rate of ¥80/\$ from October). Accordingly, our full-year assumptions are for a crude oil price of \$111.96/bbl, and an exchange rate of ¥79.88 /\$.

We have adjusted our forecasts for consolidated business results, raising our net sales forecast by ¥9.0 billion, to ¥1,714.0 billion, but left our forecasts for operating income and ordinary income unchanged at ¥61.0 billion and ¥58.0 billion, respectively. We have lowered our forecast for net income by ¥5.0 billion, to ¥32.0 billion.

We have similarly revised our non-consolidated results forecast included with the Consolidated Financial Results Bulletin for the First Quarter Ended June 30, 2011. We have raised our forecast for gas sales volume to reflect factors including higher capacity utilization than initially anticipated at existing facilities in the commercial and industrial sectors. On the other hand, we expect unit sales prices under the gas rate adjustment system to be less than previously anticipated, as resource costs decline as a result of the yen's appreciation, and have lowered our forecast for gas sales. Nevertheless, we expect sales at supplementary businesses, including electricity and LNG sales, to grow, and have raised our net sales forecast by ¥11.0 billion, to ¥1,503.0 billion. On the other hand, we have lowered our operating income forecast by ¥2.0 billion, to ¥35.0 billion, with a decline in gas gross margin from a decline in gas sales expected to outpace the effect of increased supplementary sales. We continue to see improvement in non-operating items, and have left our ordinary income forecast unchanged at ¥43.0 billion. However, we have lowered our forecast for net income by ¥5.0 billion, to ¥25.0 billion, to reflect the loss on valuation of investment securities recorded as an extraordinary loss in the second quarter.

1) Consolidated Business Results

a. Gas sales volume forecast for FY2011

| | | | FY2011 (Forecast) | FY2010 (Results) | Change | % change |
|---------------------|-----------------------------|---------------------|----------------------|---------------------|--------|----------|
| Gas sales volume | Residential | Mil. m ³ | 3,451 | 3,520 | -69 | -2.0 |
| | Commercial | Mil. m ³ | 2,705 | 3,042 | -337 | -11.1 |
| | Industrial | Mil. m ³ | 6,641 | 6,237 | 404 | 6.5 |
| | Subtotal | Mil. m ³ | 9,346 | 9,278 | 68 | 0.7 |
| | Supplies to other utilities | Mil. m ³ | 1,929 | 1,947 | -18 | -0.9 |
| | Total | Mil. m ³ | 14,727 | 14,745 | -18 | -0.1 |
| Average temperature | | °C | 16.7 | 16.7 | — | — |

b. Forecast for FY2011

(Unit: hundred million yen)

| | Net sales | | Operating income | Ordinary income | Net income |
|-------------------|-----------|-------------|------------------|-----------------|------------|
| | Gas sales | Other sales | | | |
| FY2011 (forecast) | 17,140 | 12,742 | 610 | 580 | 320 |
| FY2010 (results) | 15,352 | 11,370 | 1,224 | 1,215 | 954 |
| Change | 1,788 | 1,372 | -614 | -635 | -634 |
| % change | 11.6% | 12.1% | -50.2% | -52.3% | -66.5% |

Note: Internal sales between segments are adjusted in the "Other sales" column.

2) Non-consolidated Business Results

a. Gas sales volume forecast for FY2011

| | | | FY2011 (Forecast) | FY2010 (Results) | Change | % change |
|------------------|-----------------------------|---------------------|----------------------|---------------------|--------|----------|
| Gas sales volume | Residential | Mil. m ³ | 3,346 | 3,412 | -66 | -1.9 |
| | Commercial | Mil. m ³ | 2,553 | 2,875 | -322 | -11.2 |
| | Industrial | Mil. m ³ | 5,297 | 4,963 | 334 | 6.7 |
| | Subtotal | Mil. m ³ | 7,850 | 7,839 | 11 | 0.1 |
| | Supplies to other utilities | Mil. m ³ | 2,163 | 2,191 | -28 | -1.3 |
| | Total | Mil. m ³ | 13,359 | 13,441 | -82 | -0.6 |

b. Forecast for FY2011

(Unit: hundred million yen)

| | Net sales | | Operating income | Ordinary income | Net income |
|-------------------|-----------|-------------|------------------|-----------------|------------|
| | Gas sales | Other sales | | | |
| FY2011 (forecast) | 15,030 | 3,150 | 350 | 430 | 250 |
| FY2010 (results) | 13,298 | 2,581 | 888 | 991 | 674 |
| Change | 1,732 | 569 | -538 | -561 | -424 |
| % change | 13.0% | 22.0% | -60.6% | -56.6% | -63.0% |

(Crude Oil Price and Foreign Exchange Rate)

| Crude oil price (\$/bbl) | FY2011 (Forecast) | FY2010 (Results) | Change | | FY2011 (Forecast) | FY2010 (Results) | Change |
|-----------------------------|----------------------|---------------------|--------|-------|----------------------|---------------------|--------|
| | | 111.96 | 84.15 | 27.81 | ¥/\$ rate | 79.88 | 85.74 |

2. Summary Information (Others)

(1) Accounting treatment peculiar to quarterly consolidated financial statement preparation

Computation of tax expenses

After application of tax effect accounting to income before income taxes for the fiscal year, which includes the second quarter under review, we estimate the effective tax rate rationally and multiply income before income taxes (cumulative) by that rate.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: million yen)

| Account | FY2010 (as of Mar. 31, 2011) | 2nd Quarter of FY2011 (as of Sep. 30, 2011) |
|---|---------------------------------|--|
| ASSETS | | |
| Noncurrent assets | | |
| Property, plant and equipment | | |
| Production facilities | 180,446 | 175,172 |
| Distribution facilities | 461,109 | 447,938 |
| Service and maintenance facilities | 62,149 | 64,268 |
| Other facilities | 318,239 | 312,367 |
| Inactive facilities | 447 | 439 |
| Construction in progress | 97,850 | 106,123 |
| Total property, plant and equipment | 1,120,243 | 1,106,309 |
| Intangible assets | | |
| Goodwill | 1,198 | 970 |
| Other | 39,944 | 41,289 |
| Total intangible assets | 41,143 | 42,259 |
| Investments and other assets | | |
| Investment securities | 137,456 | 125,341 |
| Long-term loans receivable | 21,340 | 24,914 |
| Deferred tax assets | 39,085 | 40,359 |
| Other | 31,928 | 30,631 |
| Allowances for doubtful accounts | (909) | (893) |
| Total investments and other assets | 228,900 | 220,352 |
| Total noncurrent assets | 1,390,286 | 1,368,922 |
| Current assets | | |
| Cash and deposits | 90,302 | 76,021 |
| Notes and accounts receivable-trade | 160,128 | 165,134 |
| Lease receivables and investment assets | 26,789 | 27,483 |
| Merchandise and finished goods | 3,591 | 4,140 |
| Work in process | 8,937 | 15,529 |
| Raw materials and supplies | 36,451 | 51,776 |
| Deferred tax assets | 15,624 | 16,462 |
| Other | 98,096 | 54,122 |
| Allowances for doubtful accounts | (546) | (575) |
| Total current assets | 439,374 | 410,095 |
| Total assets | 1,829,661 | 1,779,018 |

(Unit: million yen)

| Account | FY2010 (as of Mar. 31, 2011) | 2nd Quarter of FY2011 (as of Sep. 30, 2011) |
|---|---------------------------------|--|
| LIABILITIES | | |
| Noncurrent liabilities | | |
| Bonds payable | 311,492 | 311,493 |
| Long-term loans payable | 188,239 | 204,946 |
| Deferred tax liabilities | 17,330 | 14,790 |
| Provision for retirement benefits | 96,870 | 91,346 |
| Provision for gas holders repairs | 3,565 | 3,256 |
| Asset retirement obligations | 3,679 | 3,763 |
| Other | 25,535 | 25,549 |
| Total noncurrent liabilities | 646,713 | 655,146 |
| Current liabilities | | |
| Current portion of noncurrent liabilities | 48,765 | 75,198 |
| Notes and accounts payable-trade | 76,180 | 76,546 |
| Short-term loans payable | 17,825 | 18,420 |
| Income taxes payable | 32,795 | 13,020 |
| Deferred tax liabilities | 6 | 5 |
| Other | 133,281 | 120,884 |
| Total current liabilities | 308,853 | 304,075 |
| Total liabilities | 955,567 | 959,222 |
| NET ASSETS | | |
| Shareholders' equity | | |
| Capital stock | 141,844 | 141,844 |
| Legal capital surplus | 2,065 | 2,065 |
| Retained earnings | 718,439 | 667,231 |
| Treasury stock | (2,355) | (2,179) |
| Total shareholders' equity | 859,994 | 808,961 |
| Valuation and translation adjustments | | |
| Valuation difference on available-for-sale securities | 14,788 | 12,402 |
| Deferred gains or losses on hedges | 1,145 | (567) |
| Foreign currency translation adjustment | (17,008) | (16,421) |
| Total valuation and translation adjustments | (1,073) | (4,586) |
| Minority interests | 15,174 | 15,420 |
| Total net assets | 874,094 | 819,795 |
| Total liabilities and net assets | 1,829,661 | 1,779,018 |

(2) Consolidated Statements of Income and Comprehensive Income
(Consolidated Statement of Income)
(Six Months Ended September 30, 2011)

(Unit: million yen)

| Account | Six Months of FY2010 (Apr. - Sep., 2010) | Six Months of FY2011 (Apr. - Sep., 2011) |
|--|---|---|
| Net Sales | 701,322 | 748,378 |
| Cost of sales | 447,160 | 526,928 |
| Gross profit | 254,162 | 221,449 |
| Selling, general and administrative expenses | | |
| Supply and sales expenses | 176,786 | 188,313 |
| General and administrative expenses | 29,315 | 31,397 |
| Total selling, general and administrative expenses | 206,102 | 219,710 |
| Operating income | 48,059 | 1,739 |
| Non-operating income | | |
| Interest income | 655 | 653 |
| Dividends income | 994 | 993 |
| Equity in earnings of affiliates | 2,127 | 1,799 |
| Foreign exchange gains | 539 | 1,729 |
| Miscellaneous income | 5,633 | 3,383 |
| Total non-operating income | 9,950 | 8,559 |
| Non-operating expenses | | |
| Interest expenses | 4,872 | 4,952 |
| Miscellaneous expenses | 7,267 | 3,414 |
| Total non-operating expenses | 12,140 | 8,367 |
| Ordinary income | 45,869 | 1,931 |
| Extraordinary loss | | |
| Loss on valuation of investment securities | 2,314 | 4,835 |
| Total extraordinary losses | 2,314 | 4,835 |
| Income (loss) before income taxes | 43,555 | (2,904) |
| Total income taxes | 17,861 | 1,393 |
| Income (loss) before minority interests | 25,694 | (4,297) |
| Minority interests in income | 124 | 662 |
| Net income (loss) | 25,569 | (4,959) |

(Consolidated Statement of Comprehensive Income)
(Six Months Ended September 30, 2011)

(Unit: million yen)

| Account | Six Months of FY2010 (Apr. - Sep., 2010) | Six Months of FY2011 (Apr. - Sep., 2011) |
|--|---|---|
| Income (loss) before minority interests | 25,694 | (4,297) |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (6,943) | (2,367) |
| Deferred gains or losses on hedges | (2,312) | (1,456) |
| Foreign currency translation adjustment | (3,622) | 481 |
| Share of other comprehensive income of associates accounted for using equity method | (301) | (152) |
| Total other comprehensive income | (13,180) | (3,495) |
| Comprehensive income | 12,513 | (7,792) |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of the parent | 12,416 | (8,472) |
| Comprehensive income attributable to minority interests | 96 | 680 |

(3) **Note on going concerns' premise**
Not applicable

(4) **Segment information**

(Information related to net sales and profit and loss amounts by reporting segment)

Six months ended September 30, 2010 (from Apr. 1 – Sep. 30, 2010)

(Unit: million yen)

| | Reporting segment | | | | | Others (Note 1) | Total | Adjustments (Note 2) | Amount recorded on consolidated statement of income (Note 3) |
|-----------------------------------|-------------------|--|-----------------|----------------|----------------|--------------------|----------------|-------------------------|---|
| | City gas | Gas appliances and installation work | Other energy | Real estate | Total | | | | |
| Net sales | | | | | | | | | |
| External sales | 491,816 | 69,365 | 99,341 | 6,023 | 666,547 | 34,774 | 701,322 | — | 701,322 |
| Intersegment sales & transfers | 30,014 | 5,451 | 6,118 | 10,504 | 52,089 | 36,326 | 88,415 | (88,415) | — |
| Total | 521,830 | 74,817 | 105,460 | 16,527 | 718,636 | 71,101 | 789,738 | (88,415) | 701,322 |
| Segment income | 55,006 | 807 | 5,118 | 3,932 | 64,865 | 2,776 | 67,641 | (19,581) | 48,059 |

Notes:

1. The “Others” segment indicates businesses not included in the reporting segments, including construction, information processing, shipping, and credit and leasing.
2. The ¥(19,581) million segment income adjustment includes ¥794 million in eliminations for intersegment transactions and ¥(20,376) million of companywide expenses not allocated to the respective reporting segments. Companywide expenses are primarily, general and administrative expenses that are not assignable to a reporting segment.
3. Segment income is adjusted to reflect operating income as recorded on the Consolidated Statements of Income.

Six months ended September 30, 2011 (from Apr. 1 - Sep. 30, 2011)

(Unit: million yen)

| | Reporting segment | | | | | Others (Note 1) | Total | Adjustments (Note 2) | Amount recorded on consolidated statement of income (Note 3) |
|-----------------------------------|-------------------|--|-----------------|----------------|----------------|--------------------|----------------|-------------------------|---|
| | City gas | Gas appliances and installation work | Other energy | Real estate | Total | | | | |
| Net sales | | | | | | | | | |
| External sales | 513,703 | 70,340 | 118,947 | 5,361 | 708,353 | 40,024 | 748,378 | — | 748,378 |
| Intersegment sales & transfers | 40,696 | 7,296 | 15,290 | 9,433 | 72,718 | 33,393 | 106,111 | (106,111) | — |
| Total | 554,400 | 77,637 | 134,238 | 14,795 | 781,071 | 73,418 | 854,489 | (106,111) | 748,378 |
| Segment income | 14,260 | 510 | 3,204 | 2,600 | 20,576 | 1,501 | 22,078 | (20,339) | 1,739 |

Notes:

1. The “Others” segment indicates businesses not included in the reporting segments, including construction, information processing, shipping, and credit and leasing.
2. The ¥(20,339) million segment income adjustment includes ¥1,665 million in eliminations for intersegment transactions and ¥(22,004) million of companywide expenses not allocated to the respective reporting segments. Companywide expenses are primarily, general and administrative expenses that are not assignable to a reporting segment.
3. Segment income is adjusted to reflect operating income as recorded on the Consolidated Statements of Income.

(5) Significant changes in shareholders' equity

1) Purchase of treasury stock

The Company purchased treasury stock from the market as per the provisions of Article 156 of the Companies Act that is applied in an alternative interpretation of Article 165, Section 3 of the Companies Act. The acquisition of treasury stock as per the resolution passed by the Board of Directors on April 28, 2011, was completed with the purchases made by July 21, 2011.

- Purchase period May 31-July 21, 2011 (contract basis)
- Number of shares purchased 93.478 million shares
- Total amount of purchase ¥33,999 million
- Purchase method Market purchases at the Tokyo Stock Exchange by specified fund trusts

2) Retirement of treasury stock

The Company retired treasury stock as follows, based on a resolution of the Board of directors passed on July 29, 2011, as per Article 178 of the Companies Act:

- Type of shares retired Tokyo Gas Common Stock
- Number of shares retired 93.478 million shares
- Effective date of retirement August 12, 2011

4. Supplementary Information

(1) Non-Consolidated 2nd Quarter Business Performance

<Gas Sales Volume for Six Months Ended September 30, 2011>

| | | Apr. – Sep. 2011 | Apr. – Sep. 2010 | Change | % change | |
|---------------------|-----------------------------|---------------------|------------------|--------|----------|-------|
| No. of customers | Thousand | 10,480 | 10,376 | 104 | 1.0 | |
| Gas sales volume | Residential | M ³ | 24.00 | 24.97 | -0.97 | -3.9 |
| | | Mil. m ³ | 1,273 | 1,315 | -42 | -3.1 |
| | Commercial | Mil. m ³ | 1,276 | 1,487 | -211 | -14.1 |
| | Industrial | Mil. m ³ | 2,684 | 2,503 | 181 | 7.2 |
| | Subtotal | Mil. m ³ | 3,960 | 3,990 | -30 | -0.7 |
| | Supplies to other utilities | Mil. m ³ | 1,022 | 1,032 | -10 | -1.0 |
| | Total | Mil. m ³ | 6,256 | 6,337 | -81 | -1.3 |
| Average temperature | °C | 22.6 | 23.0 | -0.4 | — | |

<Balance of Payments for Six Months Ended September 30, 2011>

(Unit: hundred million yen)

| Income | | Change from First 6M of FY2010 | Rate (%) | Expenses | | Change from First 6M of FY2010 | Rate (%) | | |
|----------------------|-----------------------|--------------------------------|----------|----------|------------------------|-----------------------------------|----------|------|-------|
| Product sales | Gas sales | 5,134 | 221 | 4.5 | Operating expenses | Cost of sales | 3,323 | 516 | 18.4 |
| | | | | | | Sales and administrative expenses | 1,973 | 121 | 6.5 |
| | | | | | | Subtotal | 5,296 | 636 | 13.7 |
| Other sales | Installation work | 143 | -11 | -7.5 | Other expenses | Installation work | 150 | -11 | -7.1 |
| | Gas appliances, etc. | 472 | 22 | 4.9 | | Gas appliances | 430 | 27 | 6.7 |
| | Incidental businesses | 726 | 209 | 40.3 | | Incidental businesses | 720 | 224 | 45.2 |
| | Subtotal | 1,342 | 219 | 19.5 | | Subtotal | 1,301 | 239 | 22.6 |
| Total net sales | | 6,476 | 439 | 7.3 | Total expenses | | 6,598 | 876 | 15.3 |
| | | | | | Operating loss | | (121) | -436 | — |
| Non-operating income | | 140 | -5 | -3.6 | Non-operating expenses | | 63 | -11 | -15.0 |
| | | | | | Ordinary loss | | (44) | -430 | — |
| Extraordinary income | | — | -36 | -100.0 | Extraordinary loss | | 48 | 25 | 108.3 |
| | | | | | Net loss | | (62) | -334 | — |

Notes:

- 1 Cost of sales includes gas resource cost of ¥319.7 billion (increased by ¥51.3 billion, or 19.1%, year on year).
- 2 Non-operating expenses include interest expenses of ¥4.2 billion (increased by ¥ 0.2 billion, or 3.4%, year on year).