March 29, 2004

Company Name: Tokyo Gas Co., Ltd.
Code No.: 9531 Tokyo Stock Exchange (1st section)
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Revisions to Results Forecasts

In view of recent trends in business results, we are revising our results forecasts, released at the announcement of our third quarter results on February 4, 2004, as shown below.

Consolidated

1. Revisions to forecast consolidated results figures for FY2003 starting April 1, 2003 and ending March 31, 2004

Units: JPY million, %

	Sales	Ordinary income	Net income
Previously released forecast (A) (Released on February 4, 2004)	1,153,000	122,000	76,000
Revised forecast (B)	1,150,000	128,000	46,000
Amount of change (B - A)	△ 3,000	6,000	△ 30,000
Rate of change	△ 0.3	4.9	△ 39.5
Actual results for last fiscal year ended March 31, 2003	1,127,633	91,955	59,201

Non-consolidated

2. Revisions to forecast non-consolidated results figures for FY2003 starting April 1, 2003 and ending March 31, 2004

Units: JPY million, %

	Sales	Ordinary income	Net income
Previously released forecast (A) (Released on February 4, 2004)	1,014,000	110,000	71,000
Revised forecast (B)	1,012,000	115,000	41,000
Amount of change (B - A)	△ 2,000	5,000	△ 30,000
Rate of change	△ 0.2	4.5	△ 42.3
Actual results for last fiscal year ended March 31, 2003	992,236	79,680	53,633

3. Reasons

As a result of making forecasts of results for FY2003 based on current business trends, we are revising our expectations as significant changes have taken place.

(1) Despite a decline in residential demand and commercial demand for heating due to mild winter, we expect gas sales to increase due to factors including an increase in industrial demand, particularly for power generation. We expect a 74 million m^3 increase compared with our previous forecast on both the consolidated and non-consolidated basis to 11,164 million m^3 and 11,157 million m^3 respectively.

(2) We expect sales to decline by 0.3% on the consolidated basis and 0.2% on the non-consolidated appliance sales have leveled off somewhat compared with our previous forecast.

(3) We expect ordinary income to increase by 4.9% on the consolidated basis and 4.5% on the non-basis compared with our previous forecasts because reductions in salaries are expected to acccompany the reform of the pension system.

(4) We expect net income to decline by 39.5% on the consolidated basis and 42.3% on the non-

basis compared with our previous forecasts because the company will record an extraordinary loss as the result of the reform of the pension system and the early application of fixed asset impairment accounting this financial year.

<Breakdown of Main Extraordinary Profit and Loss>

Pension system: JPY 7 billion extraordinary profit from introduction of cash balance plan
Pension system: JPY 59 billion extraordinary loss from change to number of years over which expenses for unrecognized actuarial differences are written off
Fixed asset impairment accounting: JPY 3.3 billion consolidated extraordinary loss, JPY 1.6 billion non-consolidated extraordinary loss

Comments

1. Reform of Pension System
   With the enforcement of the Defined-Benefit Corporate Pension Law, we have decided to carry out reforms to the pension system making the shift from the tax qualified pension system to the contract type corporate pension system and introducing a cash balance plan this fiscal year. This will result in a reduction of the benefit rate, and we will record an extraordinary profit of JPY 7 billion as a gain from breaking down the retirement benefit reserve. In addition, on the reform of the pension system, we will change the number of years over which unrecognized actuarial differences are written off from the previous ten years to one year. This fiscal year we will record a one-off expense of JPY 59 billion in unrecognized actuarial differences as an extraordinary loss. As a result, the status of our retirement benefit liabilities will be reflected in our financial statements in a timely manner, and we will promote greater soundness in our financial structure.

● Cash Balance Plan
Under the new system recognized by the Defined-Benefit Corporate Pension Law, which came into April 2002, the cash balance plan is a type of benefit design that combines the features of both the defined contribution and the defined benefit models.
But the benefit rate, which had previously been inflexible, may be linked to an indicator such as the government bond yield, increasing the flexibility of the system in response to changes in the asset management environment and economic fluctuations.

2. Early Application of Accounting Standards on Impairment of Fixed Assets
   Accounting standards on the impairment of fixed assets will be applied to all companies from FY but the Tokyo Gas group has decided to apply the accounting standards early with the aim of improving its financial soundness. We will record an extraordinary loss of JPY 3.3 billion on the consolidated basis and JPY 1.6 billion on the non-consolidated basis relating to impairment losses on land and facilities.

Note: The above forecasts have been prepared on the basis of information available at the time of the release of this document. Due to various factors, actual results may vary from the forecasts above.