

May 20, 2004

Tokyo Gas Co., Ltd.  
Shizuoka Gas Co., Ltd.  
Teikoku Oil Co., Ltd.

## **Construction starts on Minamifuji Pipeline**

Tokyo Gas Co., Ltd. ("Tokyo Gas"), Shizuoka Gas Co., Ltd. ("Shizuoka Gas"), and Teikoku Oil Co., Ltd. ("Teikoku Oil") have a pre-existing agreement to collaborate on the construction and operation of a natural gas pipeline, the 'Minamifuji Pipeline', running between the cities of Fuji and Gotemba in Shizuoka Prefecture. The project is being handled by Minamifuji Pipeline Co., Ltd., established for the project with equal investments from each of the three companies. Minamifuji Pipeline Co., Ltd., is now about to start construction, with the official start being marked by a ceremony on May 26, 2004.

The construction will enable linking of natural gas infrastructure owned by the companies in the form of LNG terminals, domestic gas fields, and pipeline, creating a network that enables supply of natural gas over wider area.

Each of the three companies is projecting growth in demand for natural gas, because of present and future factors such as the need to tackle global environment issues. The aim of constructing the network is to establish a natural gas supply setup that is both stable and economical.

### 1. Timeline

October 10, 2002: Three-company agreement on construction announced  
October 22, 2003: Minamifuji Pipeline Co., Ltd. established  
April 1, 2004: Minamifuji Pipeline Co., Ltd. submits official notice of being a 'gas pipeline operator'  
May 26, 2004: Official start of construction on Minamifuji Pipeline (planned)  
December 2006: Completion of Minamifuji pipeline (date not yet finalized)

### 2. Profile of the Minamifuji pipeline

Leg: Fuji-shi, Shizuoka Prefecture to Gotemba City, Shizuoka Prefecture  
Specifications: Design pressure: about 7 MPa  
Diameter: 20 inches (500 mm)  
Overall length: About 31 km

### 3. Profile of the operating company

Company name: MINAMIFUJI PIPELINE CO.,LTD.  
Head office: 1146-1 Tadehara, Fuji-shi, Shizuoka Prefecture, Japan  
Capital: JPY 499,500,000  
Shareholders: Tokyo Gas (33%), Shizuoka Gas (33%), Teikoku Oil (33%)  
Representative: Kazuto Morita, president (Shizuoka Gas managing director)

## Area map for Minamifuji Pipeline

