

Participation in the shale gas development joint venture in US Barnett basin

Tokyo Gas Co., Ltd. (President: Mr. Tsuyoshi Okamoto, "Tokyo Gas") entered into a sale and purchase contract today (March 28, US local time) with Quicksilver Resources Inc. ("QRI") to acquire its working interests in the shale gas development joint venture in US Barnett basin, Texas and form a joint vent. This is the first time for Tokyo Gas to participate in the shale gas development in the US. These assets, operated by QRI, currently produce approximately 275 mmcfed of shale gas and natural gas liquids marketed in the US market.

Tokyo Gas obtains 25% working interests of the business for US\$ 485 million through TG Barnett Resources LP ("TGBR"), a wholly-owned subsidiary of Tokyo Gas America Ltd. (established on February 1, 2013). TGBR's share of gas production will be marketed in the US market, and is forecasted to be some 0.35 to 0.5 million tons per annum in terms of LNG volume.

Tokyo Gas will continue to work intensively for participation in the overseas business with a view to diversification and expansion of its upstream business as well as establishment of LNG value chain, as targeted in the "Challenge 2020 Vision".

<Outline of the sales and purchase contract >

Seller	Quicksilver Resources Inc. *1
Buyer	TG Barnett Resources LP *2
Object	25% of the working interests of the shale gas business in the US Barnett basin, Texas, owned by Quicksilver Resources Inc.
Purchase Price	US\$ 485 million

*1: Quicksilver Resources Inc.

Name	Quicksilver Resources Inc. Independent oil and natural gas producer listed on New York Stock Exchange (main assets are in US Barnett basin, US other regions and Canada)
Head Office	Fort Worth, Texas, US
Established	December 18, 1997
No. of employees	Approx. 450

*2: TG Barnett Resources LP

Name	TG Barnett Resources LP
Head Office	Houston, Texas, USA
Established	March 26, 2013
Capital	2 million USD (a wholly owned subsidiary of Tokyo Gas America Ltd. *3)

*3: Tokyo Gas America Ltd.

Name	Tokyo Gas America Ltd.
Head Office	Houston, Texas, USA
Established	February 1, 2013
Capital	1 million USD (a wholly owned subsidiary of Tokyo Gas)
Main business	Investment and operation management of business in North America *

[Outline of the Business]

Basin	US Barnett basin in Texas
Land area	Approx. 130,000 acres
Proved reserve	1.2 Tcf of Natural Gas
Current Net Production	275 mmcfed

