

Integration of Affiliated Companies

Tokyo Gas Co., Ltd.

Tokyo Gas Co., Ltd. (Minato-ku, Tokyo; President: Michiaki Hirose; hereinafter "Tokyo Gas") has decided today to integrate the affiliated companies listed below possibly on April 1, 2015.

Tokyo Gas is building a new group structure to evolve the total energy business and accelerate the development of global business, which are main policies for fiscal 2015-2017, in order to achieve "Challenge 2020 Vision." The integration of the affiliated companies will bring their resources such as human resources, technologies and know-how into one company, thus expanding and diversifying the resources and businesses of the Tokyo Gas Group as its main revenue sources.

Profile of companies to be integrated, and companies after the integration

(1) Tokyo Gas Engineering Co., Ltd. ("TGE") and Energy Advance Co., Ltd. ("ENAC")

- TGE, which engages in engineering businesses such as construction, management and maintenance of LNG terminals and other energy-related infrastructure, will be integrated with ENAC, which is involved in the energy service, district heating and cooling, and power-related engineering businesses.
- The integration is expected to help unify engineering and energy services through LNG value chains from upstream to downstream, as well as solidify the foundation for accelerating global business operations.
- Optimal energy solutions will be aggressively provided to customers not only at home but also overseas through the concentration of human resources, technologies and know-how currently owned separately by the two companies.

Profile of the company after integration

Paid-in capital	¥10 billion
Shareholder	Tokyo Gas 100%
Head office	1-5-20 Kaigan, Minato-ku, Tokyo
Total assets and sales	Total assets: about ¥130 billion, Sales: about ¥140 billion (as of FY 2013)
No. of employees	About 900 (as of Oct. 2014)
Businesses	Construction, management and maintenance of LNG terminals and other energy-related infrastructure, energy service, district heating and cooling, engineering for cogeneration systems, power-generation facilities, and engineering for substations and other power-related facilities

(2) Tosetz Co., Ltd. (“Tosetz”) and Tokyo Kiko Co., Ltd. (“Tokyo Kiko”)

- Tosetz, which performs inspections and repairs of ventilation systems, plumbing equipment, electric instrumentation systems and telecommunication facilities, will be integrated with Tokyo Kiko, which sells gas equipment and housing equipment, and offers maintenance services for gas equipment.
- Both companies offer services mainly to existing condominiums and apartment complexes, with service areas spreading across regions. Mutual benefits in products and services are expected following the integration.
- The integration will enable the packaged provision of products and services of the two companies to each other's customers: engineering undertaken by Tosetz for ventilation systems and plumbing work, and home renovation and maintenance offered by Tokyo Kiko. The customer base and business fields will also be broadened following the integration.

Profile of the company after integration

Paid-in capital	¥40 million
Shareholder	Tokyo Gas 100%
Head office	4-9-4 Shiba, Minato-ku, Tokyo
Total assets and sales	Total assets: about ¥5 billion, Sales: about ¥10 billion (as of FY 2013)
No. of employees	About 300 (as of Oct. 2014)
Businesses	Inspections of ventilation systems, buildings and gas facilities; maintenance and sale of gas equipment

(3) Urban Communications Inc. (“U-COM”) and Living Design Center Co., Ltd (“LDC”)

- U-COM, which undertakes advertising, publicity and showroom management for the Tokyo Gas Group, and also offers food-related information services, will be integrated with LDC, which engages in housing-related promotional activities, and operates and manages a housing center called OZONE.
- The integration will pave the way for the new company to unify promotional events and promotion-related operations in a more specialized manner as it becomes increasingly necessary to monitor market trends accurately, as well as to undertake promotional activities effectively and efficiently.

Profile of the company after integration

Paid-in capital	¥70 million
Shareholder	Tokyo Gas 100%
Head office	2-4-1 Hamamatsu-cho, Minato-ku, Tokyo
Total assets and sales	Total assets: about ¥4 billion, Sales: about ¥10 billion (as of FY 2013)
No. of employees	About 600 (as of Oct. 2014)
Businesses	Advertising, promotional activities, facility management, food- and housing-related business