

Preparing for the full deregulation of gas retail market

Supporting you *Always* and bettering every day.



Monday, December 26, 2016
Tokyo Gas Co., Ltd.

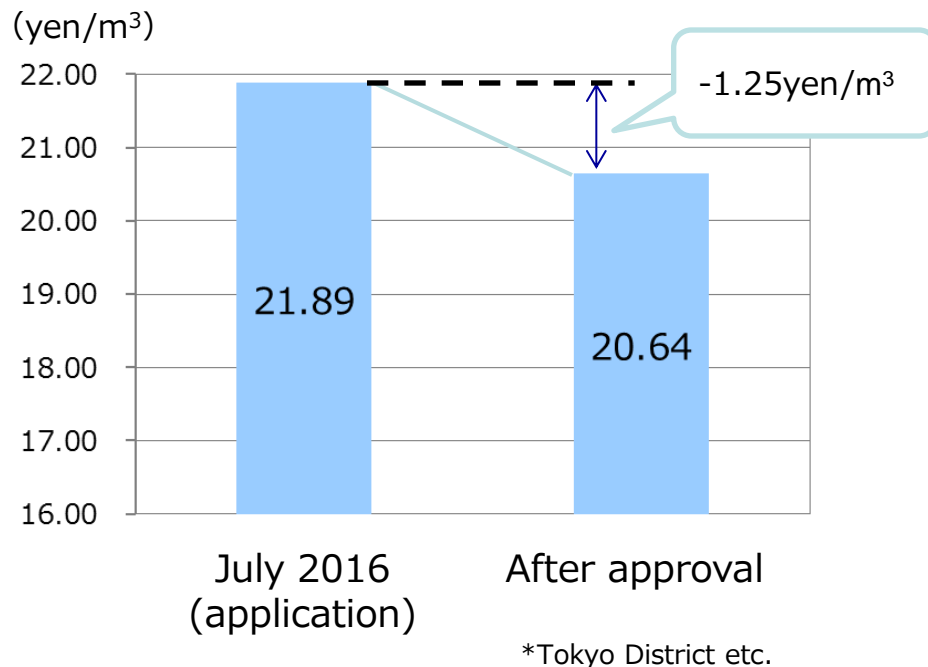
1. Approval of transmission service agreement

<Approval of transmission service agreement>

- We have offered transmission service agreement in July 2016 and received Ministry approval today.

Decrease in average unit price for transmission charge by the assessment

Total transmission costs were reduced by ¥8.2 billion through the committee and average unit price was decreased by ¥1.25/m³ (Tokyo district etc.).



Main tariff table

Standard transmission service tariff Type 1 (Tokyo District etc.) [tax-exclusive]			
Table	Volume/month	Fixed tariff(¥/month)	Unit tariff (¥/m ³)
A	0m ³ ~20m ³	345.00	47.88
B	21m ³ ~80m ³	395.00	45.38
C	81m ³ ~200m ³	801.40	40.30
D	201m ³ ~500m ³	1,459.40	37.01
E	501m ³ ~800m ³	2,329.40	35.27
F	801m ³ ~	6,953.40	29.49

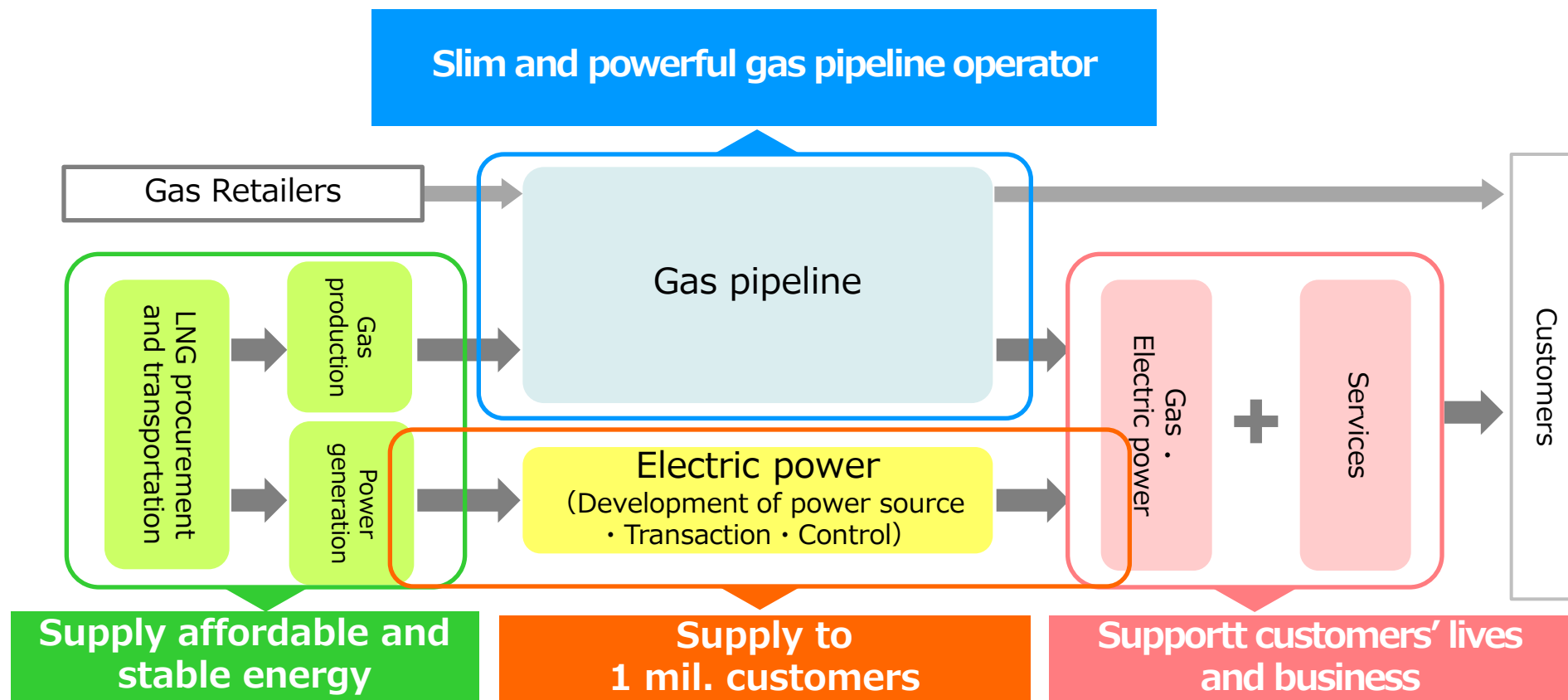
Transmission charge for standard residential usage(32m³/month)

	July 2016 (applied)	After approval	change
Tax-exclusive	¥1,909	¥1,847	¥-62
Tax-included	¥2,061	¥1,994	¥-67

2. Our initiatives toward the full deregulation of gas retail market

<Our initiatives toward the full deregulation of gas retail market>

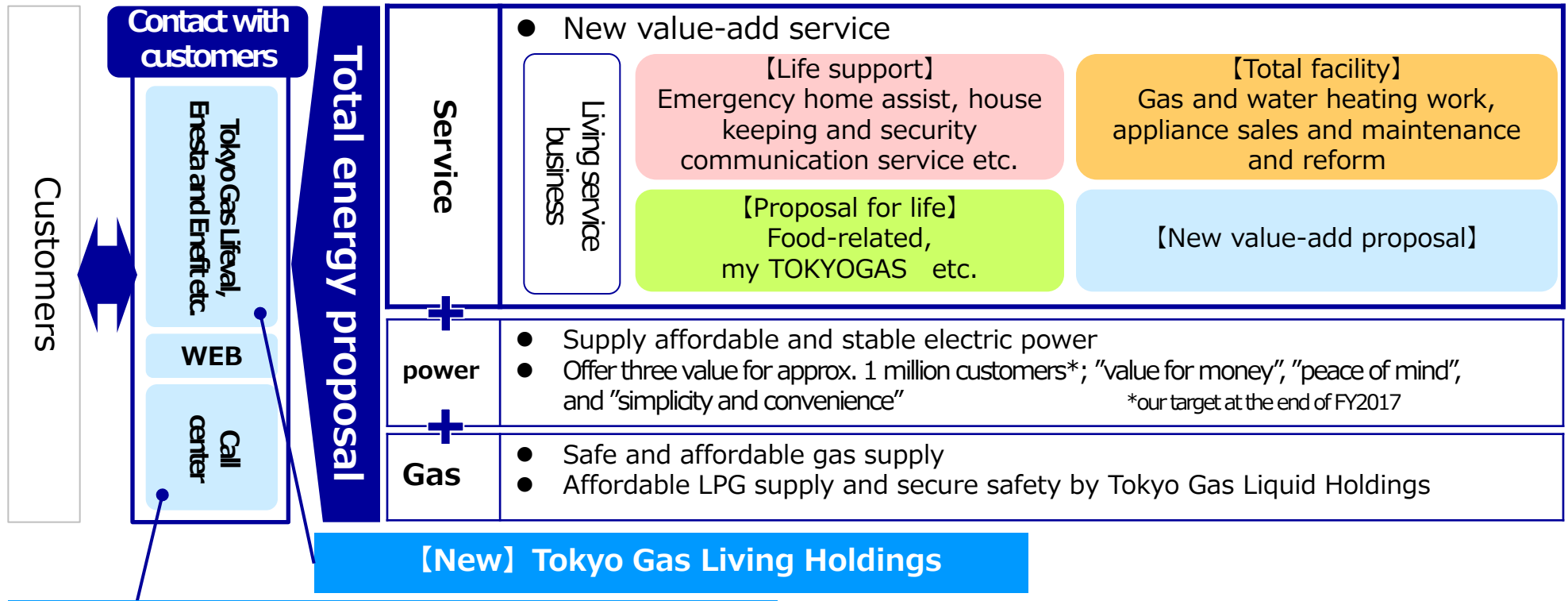
■ We will achieve The Gas System Reform aims; 1) stable supply and expansion of gas use, 2) lower gas prices and higher customer satisfaction, 3) more options of suppliers for customers and enhanced customer safety.



3. Our initiatives to support customers' lives and business

<For residential customers>

- We will offer not only gas and electric power but also **new value-add services**.
- And we will establish “ **Tokyo Gas Living Holdings**” in April 2017 in total facility business.



[Name change] Tokyo Gas Customer Support

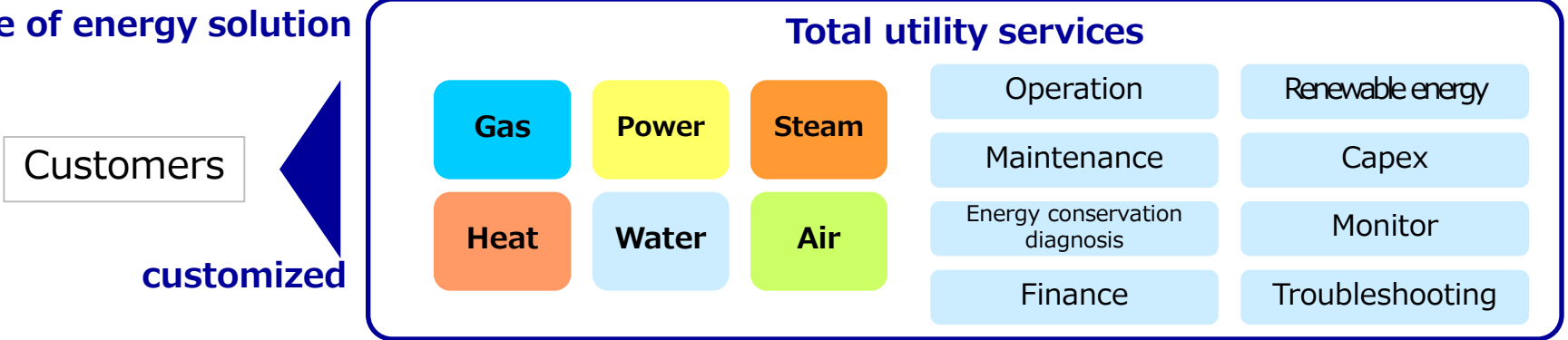
Telephone information service, contracts and payment service consolidated (Current name : Tokyo Gas Telemarketing)

3. Our initiatives to support customers' lives and business

<For commercial and industrial customers>

- We are collaborate with Tokyo Gas Engineering Solutions to meet each customers need.

□ Image of energy solution



<Partnership with wholesale gas suppliers>

- We are constructing a set up to share our electric power and services with wholesale suppliers.
- And we will continue to deepen coordination with wholesale gas suppliers through Gas Network Consortium 21.

<Strengthen foundations in IT, technology and environment>

- We will strengthen our IT system and establish "Technology Div.*" to support technology utilization in Tokyo Gas Group. Furthermore, we will enforce the structure in terms of environmental strategy.

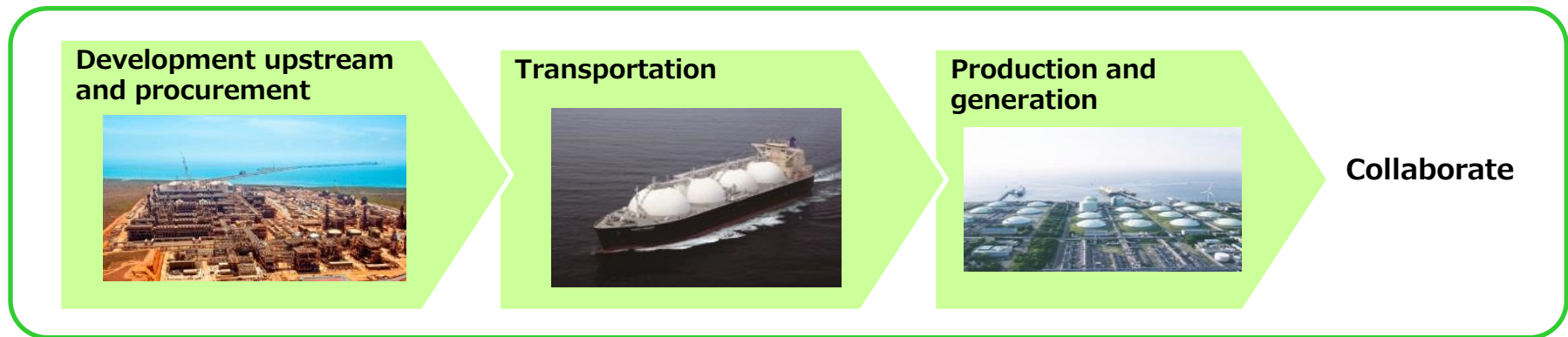
* provisional title in English

4. Our initiatives to supply affordable and stable energy

<Collaborate LNG procurement with LNG terminals>

- We will establish “Gas Resources & Energy Production Div.*” and collaborate LNG procurement with LNG terminals such as flexible procurement from LNG spot market, etc.

Supply affordable gas and electric power



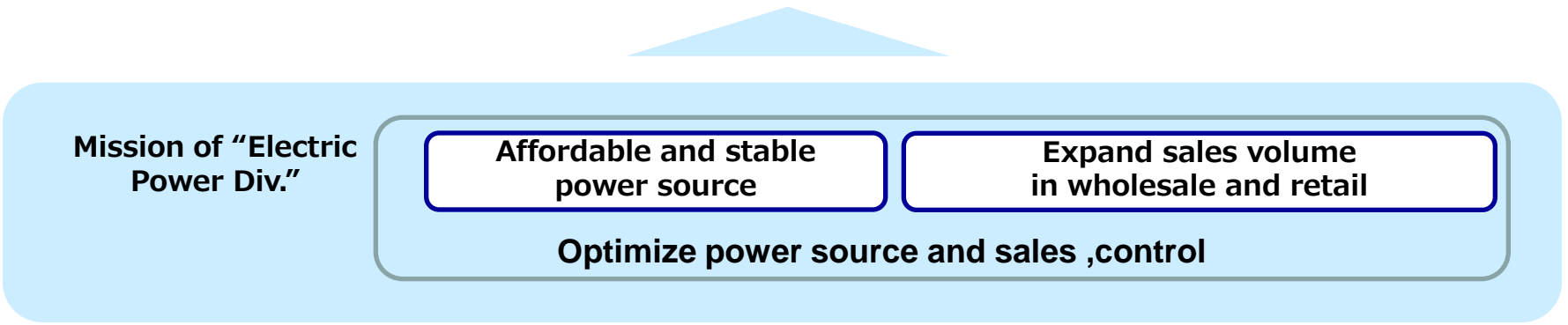
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5. Our initiatives to supply electric power to 1 mil. customers

<Establish the management structure to expand electric power business>

- We will establish “Electric Power Div.*” as a electric utility supplying power to 1 mil. customers in order to move up to the next stage.

Supply affordable and stable electric power for customers



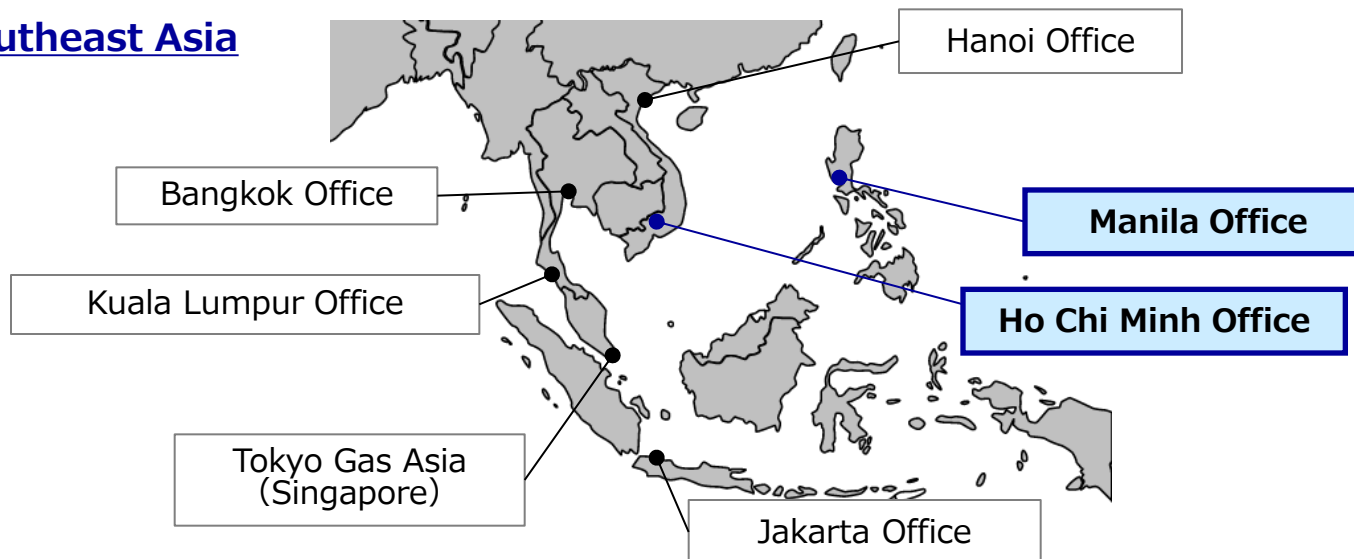
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6. Further expanding business

<Accelerating global business development>

- We are preparing for opening the Ho Chi Minh Office in Vietnam and the Manila Office in Philippines. We are going to have 11 overseas bases in 9 countries.
- And we will **establish “Global Business Div.*”** to accelerate global business development.

Bases in Southeast Asia



<Urban development service>

- We will establish **“Tokyo Gas Real Estate Holdings*”** to control real estate business.

* provisional title in English

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