



FY2022 3Q Financial Results **ended December, 2022**

January 31, 2023



01

FY2022

Consolidated Financial Results

ended December, 2022

Note: Figures for the fiscal year ended March 31, 2022, represent figures after retroactive application and restatement following a change in accounting policies and changes in presentation, respectively.

Highlights: Sales Up, Profit Up

(+/- indicate impact on profit, billion yen)

Net sales	+ 896.9	Increase in city gas unit price due to resource costs adjustment, etc.
Operating expenses	-714.6	Impact from the increase in crude oil prices, etc.
Operating profit	+ 182.3	Increase in gross margin from the change in city gas unit prices due to the impact from economic framework assumptions, Increase in profits from Overseas business due to the impact from economic framework assumptions, etc.
Extraordinary profit/loss	+1.0	FY2022 4.6: (Extraordinary gain) Gain on sales of investment securities 3.7, increase in profits due to transfer of business 3.5 (Extraordinary loss) Loss on valuation of investment securities -2.5 FY2021 3.6: (Extraordinary gain) Gain on sales of investment securities 3.6

(Unit: billion yen)

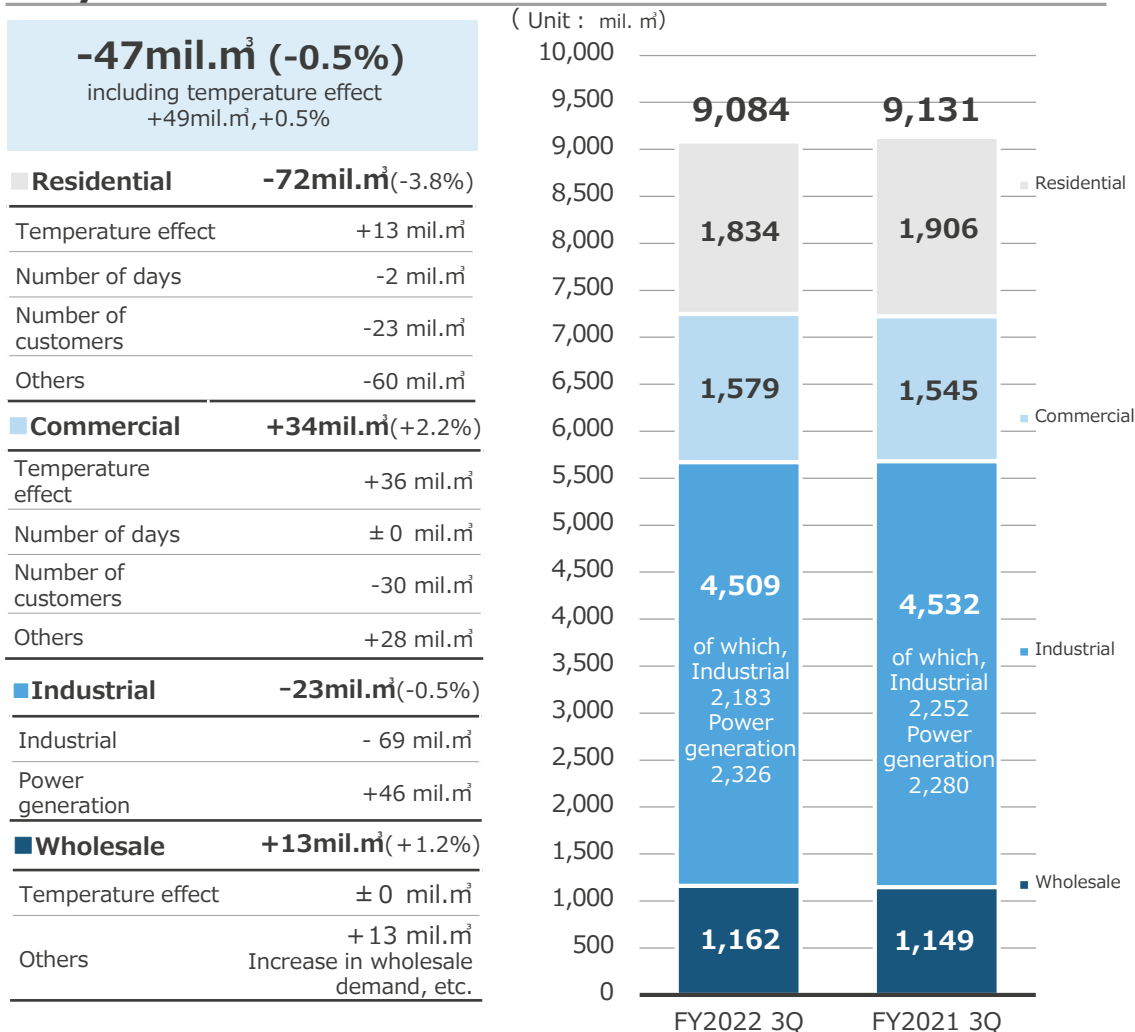
	FY2022 3Q	FY2021 3Q	Change	%
City gas sales volume (million m3, 45MJ)	9,084	9,131	-47	-0.5
Electricity sales volume (million kWh)	25,404	20,025	5,379	26.9
(Breakdown)				
Retail (million kWh, user end)	8,202	7,687	515	6.7
Wholesale, etc. (million kWh)	17,202	12,339	4,863	39.4
Net sales	2,300.1	1,403.2	896.9	63.9
Operating expenses	2,064.5	1,349.9	714.6	52.9
Operating profit	235.6	53.3	182.3	341.5
Segment profit (operating profit + equity income of subsidiaries)	241.8	57.8	184.0	317.9
Ordinary profit ⁽¹⁾	238.2	62.1	176.1	283.6
Extraordinary profit/loss	4.6	3.6	1.0	27.2
Profit attributable to owners of parent	168.0	46.0	122.0	264.7
(Adjustment items)				
Temperature effect ⁽²⁾	-2.8	-4.0	1.2	—
Sliding effect ⁽³⁾ (city gas + LNG sales)	92.4 (82.4+10.0)	-27.2 (-24.0+-3.2)	119.6 (106.4+13.2)	—
Amortization of actuarial differences ⁽⁴⁾	-3.2	8.2	-11.4	—
Adjusted ordinary profit (1)-((2)+(3)+(4))	151.8	85.1	66.7	78.4

Economic framework	FY2022 3Q	FY2021 3Q
Exchange rate (¥/\$)	136.50 (+25.36)	111.14
Crude oil price (\$/bbl)	107.87 (+33.90)	73.97
Avg. air temp (°C)	19.50 (+0.30)	19.20

Pension assets	FY2022 3Q
Investment yield (costs deducted)	-3.12%
Year-end assets (billion yen)	242.0

<Expected annual rate of return: 2%>

City Gas sales volume:



Number of customers(City Gas), LNG sales volume, Average temperature

	FY2022 3Q	FY2021 3Q	Change
Number of customers for city gas retail sales (10 thousands) *1	868.8	873.3	-4.5 (-0.5%)
Number of customers (meters) (10 thousands, meter) *2	1,228.9	1,216.2	+12.7 (+1.0%)
LNG sales volume (thousands t)	1,121	687	+434 (+63.3%)
Average temperature (°C)	19.5	19.2	+0.3

*1. Number of billed customers for city gas retail sales

*2. Number of meters installed for gas supply

Gas Sales Volume , Gas volume used in-house (Unit : million m³)

	FY2022 3Q	FY2021 3Q	Change
City gas sales volume (financial accounting basis)	9,084	9,131	-47 (-0.5%)
Gas volume used in-house under tolling arrangement	2,015	1,672	+343 (+20.6%)
LNG sales volume (m ³ basis)	1,402	859	543 (+63.3%)
Total	12,501	11,661	840 (+7.2%)

*Each value is rounded.

Number of customers for city gas retail sales (Tokyo gas consolidated, 10thousands)

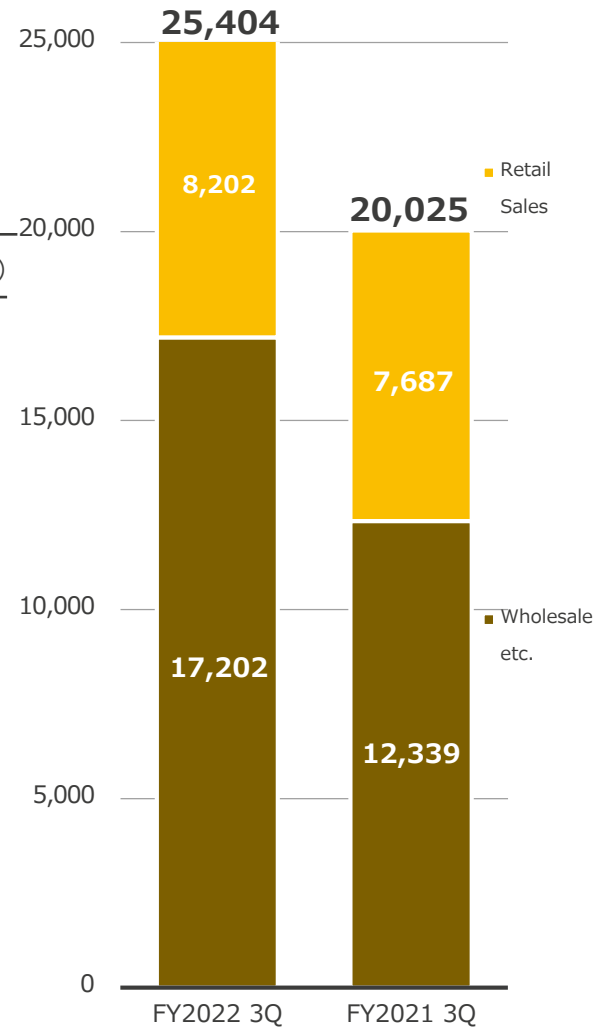
	2017.3	2018.3	2019.3	2020.3	2021.3	2021.6	2021.9	2021.12	2022.3	2022.6	2022.9	2022.12
Number (Change)	1,026.9 (-)	1,020.9 (-6.0)	982.1 (-38.8)	912.9 (-69.2)	886.3 (-26.2)	881.8 (-4.5)	876.2 (-5.6)	873.3 (-2.9)	868.8 (-4.5)	868.9 (+0.1)	867.2 (-1.7)	868.8 (+1.6)

Electricity sales volume :

(Unit : mil. kWh)

+5,379mil. kWh
(+26.9%)

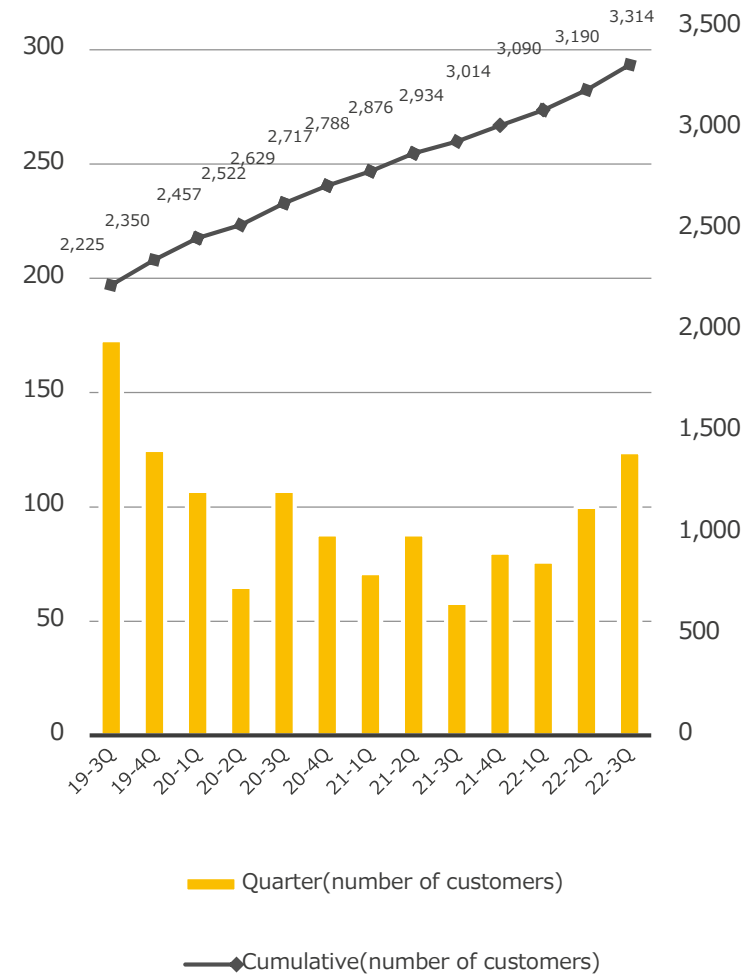
Retailing sales +515 mil. kWh(+6.7%)
Wholesale etc. +4,863 mil. kWh(+39.4%)



New electricity retail customers won by Tokyo Gas

Quarter (thousands)

Cumulative (thousands)



*Each value is rounded.

	Net sales ※5				Segment Profit(Operating profit + Equity income/loss of subsidiaries)			
	FY2022 3Q Results	FY2021 3Q Results	Change	%	FY2022 3Q Results	FY2021 3Q Results	Change	%
Energy solution*1 (including equity income of subsidiaries)	2,111.4	—	—	—	206.6	—	—	—
City gas (excluding Network)*2	1,275.9	—	—	—	172.1	—	—	—
Electric Power	599.3	308.3	291.0	94.3	16.7	11.7	5.0	42.1
Network	244.2	—	—	—	-19.1	—	—	—
Estimated value Energy Solution and Network	2,355.6	1,344.8	1,010.8	75.2	187.5	※3 56.3	131.2	232.9
Overseas business	128.1	62.4	65.7	105.3	63.9	20.4	43.5	212.7
(equity income of subsidiaries)	—	—	—	—	5.5	3.7	1.8	49.6
Urban Development (including equity income of subsidiaries)	46.2	43.3	2.9	6.7	12.9	12.7	0.2	2.3
Adjustment*4	-229.9	-47.2	-182.7	—	-22.6	-31.6	9.0	—
Consolidated	2,300.1	1,403.2	896.9	63.9	241.8	57.8	184.0	317.9
(equity income of subsidiaries)	—	—	—	—	6.2	4.5	1.7	37.8

*1 Includes city gas (excl. Network), LPG, industrial gas, LNG sales, trading, electric power, engineering solutions, gas equipment, construction, credit, information processing service, and shipping, among others.

*2 Includes city gas (excl. Network), LNG sales, and trading.

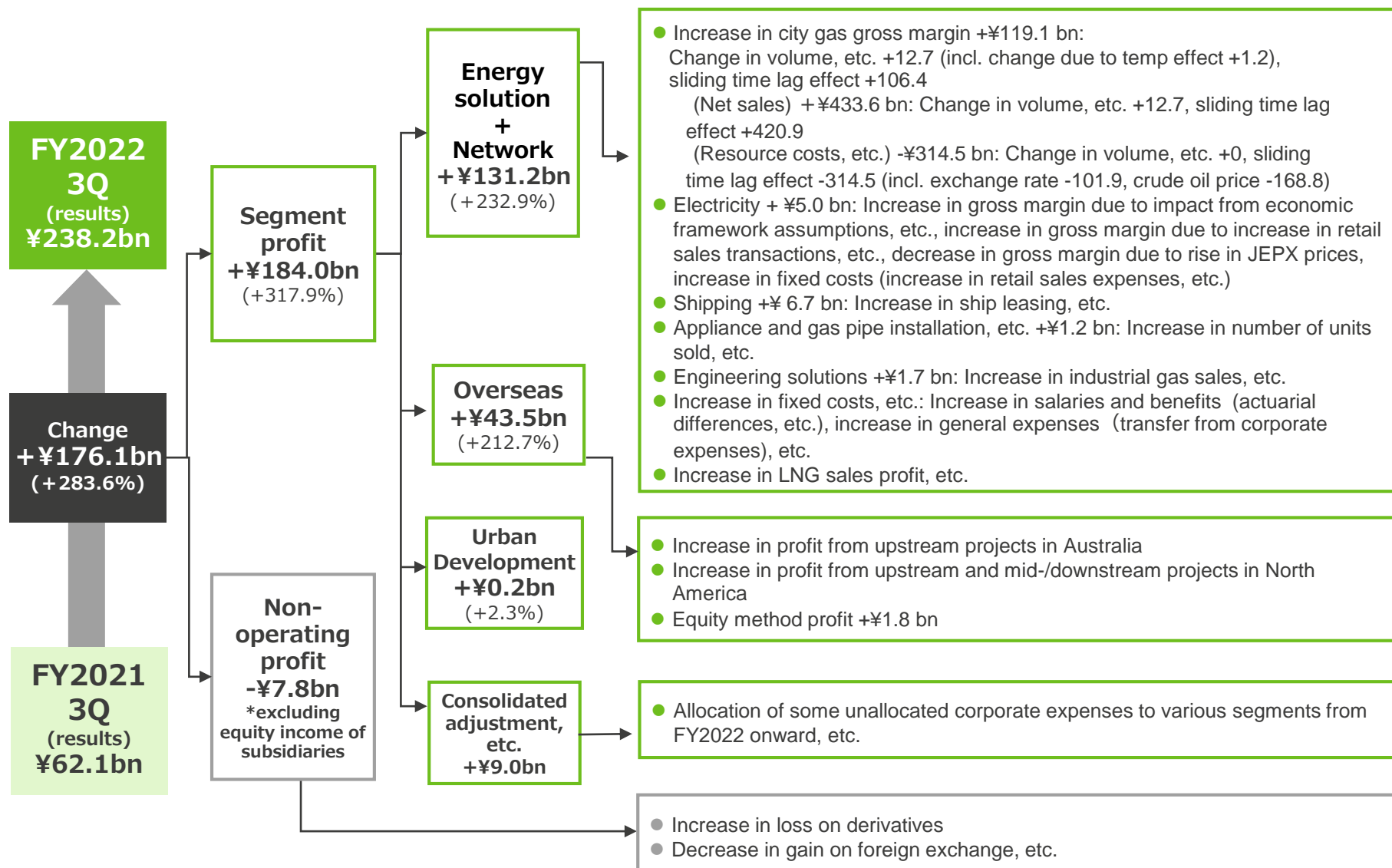
*3 Since the FY2021 results for Energy Solutions and Network cannot be calculated, the total profit for these two segments has been estimated and is presented for reference purposes.

*4 Adjustments in segment profits include mainly corporate expenses not allocated to the segments. In the case of FY2022 segment results that are adjusted, the portions of corporate expenses pertaining to the segment in question have been directly allocated to the segment. However, in the FY2021 segment results, only allocable portions have been allocated.

*5 Segment sales include internal transactions made between business units.

[New Segments] FY2022 3Q Results : Ordinary Profit Analysis

vs. FY2021 3Q



*+/- indicate contributions to profit.

【Former Segments】
FY2022 3Q Results : Sales and Operating Profit/Loss by Business Segments

vs. FY2021 3Q

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(unit : billion yen)

	Net sales				Segment Profit(Operating profit + Equity income/loss of subsidiaries)			
	FY2022 3Q Results	FY2021 3Q Results	Change	%	FY2022 3Q Results	FY2021 3Q Results	Change	%
Gas	1,548.3	907.8	640.5	70.6	151.9	32.2	119.7	371.5
Electric Power	599.6	308.6	291.0	94.3	16.8	11.6	5.2	44.9
Overseas business	128.2	62.4	65.8	105.4	65.4	21.7	43.7	201.5
(equity income of subsidiaries)	—	—	—	—	5.5	3.7	1.8	49.6
Energy-related	260.0	227.5	32.5	14.3	14.4	10.9	3.5	32.0
Real estate (including equity income of subsidiaries)	46.2	43.3	2.9	6.7	13.1	12.8	0.3	2.7
Others (including equity income of subsidiaries)	73.8	73.7	0.1	0.0	7.9	1.4	6.5	459.3
Adjustment	-356.1	-220.2	-135.9	—	-27.8	-32.8	5.0	—
Consolidated	2,300.1	1,403.2	896.9	63.9	241.8	57.8	184.0	317.9
(equity income of subsidiaries)	—	—	—	—	6.2	4.5	1.7	37.8

Notes

- Net sales by business segments include internal transactions.
- “Gas” includes businesses in city gas, liquefied petroleum gas, industrial gas, LNG sales , trading, etc.. “Energy-related” includes businesses in engineering solutions, gas appliances sales, gas pipe installation, construction and credit, etc. “Others” includes businesses in information processing service and shipping, etc.
- The “Adjustment” to operating profit is primarily companywide expenses not allocated to individual segments.



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FY2022 Full Year Forecast

Note: Figures for the fiscal year ended March 31, 2022, represent figures after retroactive application and restatement following a change in accounting policies and changes in presentation, respectively.

Highlights: Sales UP, Profit Up (vs. Previous Forecast)

	vs. Previous Forecast	
Net sales	+104.0	Increase in city gas unit price due to resource costs adjustment, etc.
Operating expenses	+77.0	Decrease in city gas resource costs due to decrease in city gas sales volume and city gas unit price, etc.
Operating profit	+181.0	Increase in gross margin from the change in the city gas unit price due to economic framework assumptions, etc.
Extraordinary profit/loss	+1.9	Forecast 4.6: (Extraordinary profit) Profit on sales of investment securities 3.7, increase in profits due to transfer of business 3.5, (Extraordinary loss) loss on valuation of investment securities -2.5 Previous forecast 2.7: (Extraordinary profit) Profit on sales of investment securities 2.7

(Unit: billion yen)

		Forecast	Previous Forecast	Change	%	FY2021 Result	Change	%	Economic framework	Forecast	Previous forecast	FY2021 Results	
City gas sales volume (million m3, 45MJ)		12,704	12,797	-93	-0.7	13,146	-442	-3.4	Exchange rate (¥/\$)	137.38 (+ 0.36)	137.02	112.39	
Electricity sales volume (million kWh)		34,849	34,442	407	1.2	28,288	6,561	23.2	Crude oil price (\$/bbl)	103.40 (-2.56)	105.96	77.15	
Net sales		3,377.0	3,273.0	104.0	3.2	2,154.8	1,222.2	56.7	Avg. air temp (℃)	16.5 (+0.2)	16.3	16.2	
Operating expenses		3,046.0	3,123.0	-77.0	-2.5	2,027.3	1,018.7	50.2	*4Q~\$90.00/bbl , ¥140/\$				
Operating profit		331.0	150.0	181.0	120.7	127.5	203.5	159.6	Pension assets	FY2021	FY2020	FY2019	
Segment profit (operating profit + equity income of subsidiaries)		338.0	155.6	182.4	117.2	131.1	206.9	157.7	Investment yield (costs deducted)	0.37%	4.94%	0.33%	
Ordinary profit ⁽¹⁾		325.0	160.0	165.0	103.1	136.4	188.6	138.1	Discount rate	Annuity portion	0.318%	0.264%	
Extraordinary profit/loss		4.6	2.7	1.9	73.5	0.1	4.5	—		Lump-sum portion	0.192%	0.075%	0.012%
Profit attributable to owners of parent		236.0	118.0	118.0	100.0	95.7	140.3	146.6	Year-end assets (billion yen)		256.0	263.0	259.0
(Adjustment items)	Temperature effect ⁽²⁾	-2.8	-1.6	-1.2	—	-2.3	-0.5	—	<Expected annual rate of return: 2%>				
	Sliding effect ⁽³⁾ (city gas + LNG sales)	159.8 (137.0+22.8)	37.2 (23.5+13.7)	122.6 (113.5+9.1)	—	-0.6 (1.1+-1.7)	160.4 (135.9+24.5)	—					
	Amortization of actuarial differences ⁽⁴⁾	-4.3	-4.3	0	—	10.9	-15.2	—					
Adjusted ordinary profit (1)-((2)+(3)+(4))		172.3	128.7	43.6	33.9	128.4	43.9	34.2					

(+/- indicate impact on profit, billion yen)

City Gas sales volume:

VS. Previous Forecast

-93mil.m³ (-0.7%)including temperature effect
-27mil.m³, -0.2%Residential -74mil.m³ (-2.4%)Others -19mil.m³ (-0.2%)

VS. FY2021 Results

-442mil.m³ (-3.4%)including temperature effect
+5mil.m³, +0.0%Residential -147mil.m³ (-4.8%)Others -295mil.m³ (-2.9%)

*Each value is rounded.

(Unit : mil. m³)

15,000

10,000

5,000

0

12,704 12,797 13,146

2,936

3,010

3,083

Residential

Commercial

10,063

9,768

9,787

6,198

Industrial

of which,
Industrial 3,019
Power generation 3,179

Wholesale

1,609

FY2022
forecastPrevious
ForecastFY2021
results

Number of customers(City Gas), LNG sales volume, Average temperature

	Forecast	Previous Forecast	Change	FY2021 Results	Change
Number of customers (meters) (10 thousands, meter) *1	1,233.3	1,235.1	-1.8 (-0.1%)	1,220.2	+13.1 (+1.1%)
LNG sales volume (thousands t)	1,565	1,450	+115 (+7.9%)	1,155	+410 (+35.5%)
Average temperature (°C)	16.5	16.3	+0.2	16.2	+0.3

*1. Number of meters installed for gas supply

Gas Sales Volume , Gas volume used in-house

(Unit : million m³)

	Forecast	Previous Forecast	Change	FY2021 Results	Change
City gas sales volume (financial accounting basis)	12,704	12,797	-93 (-0.7%)	13,146	-442 (-3.4%)
Gas volume used in-house under tolling arrangement	2,761	2,699	+62 (+2.3%)	2,513	+248 (+9.9%)
LNG sales volume (m ³ basis)	1,956	1,812	+144 (+7.9%)	1,443	+513 (+35.5%)
Total	17,422	17,308	+114 (+0.7%)	17,102	+320 (+1.9%)

Electricity sales volume :

VS. Previous Forecast

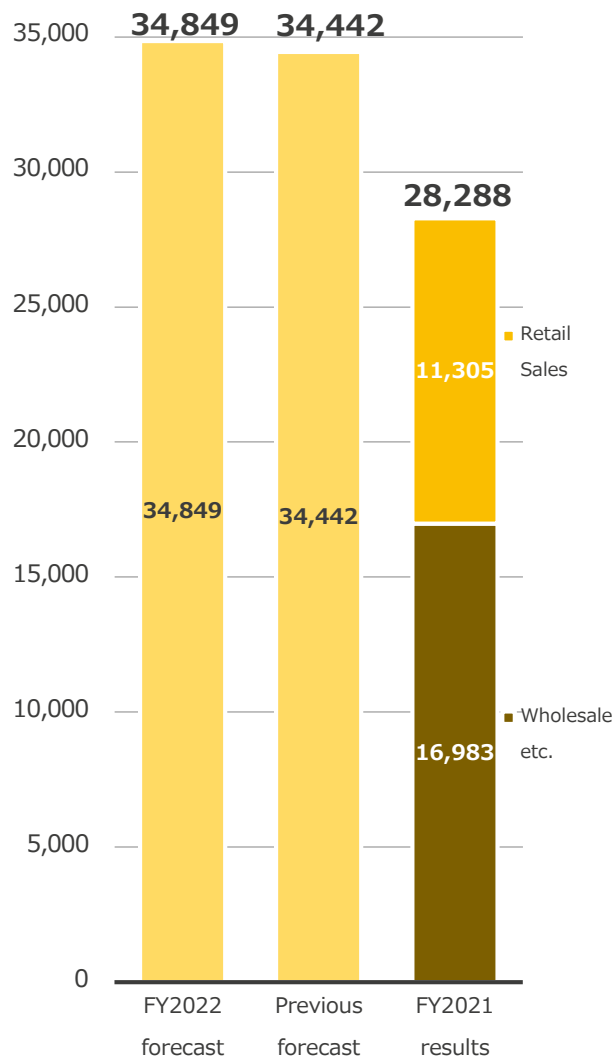
+407mil. kWh
(+1.2%)

VS. FY2021 Results

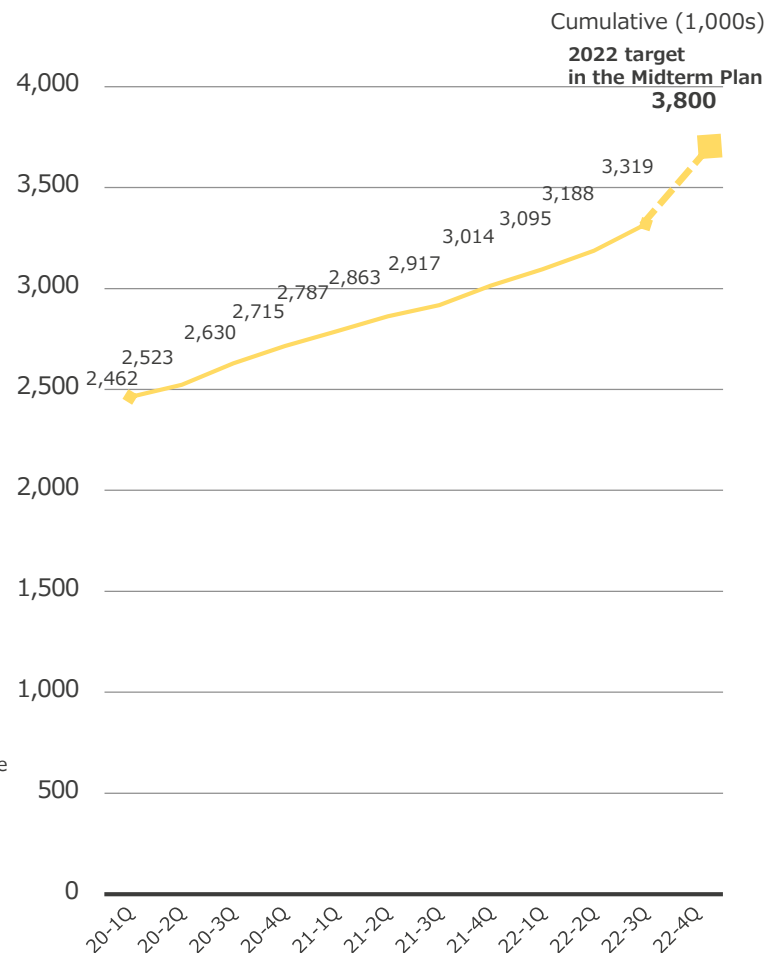
+6,561mil. kWh
(+23.2%)

*Each value is rounded.

(Unit : mil. kWh)



New electricity retail customers won by Tokyo Gas



[New Segments]
FY2022 Full Year Forecast: Sales and Operating Profit/Loss by Business Segments

vs. Previous
Forecast

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(unit : billion yen)

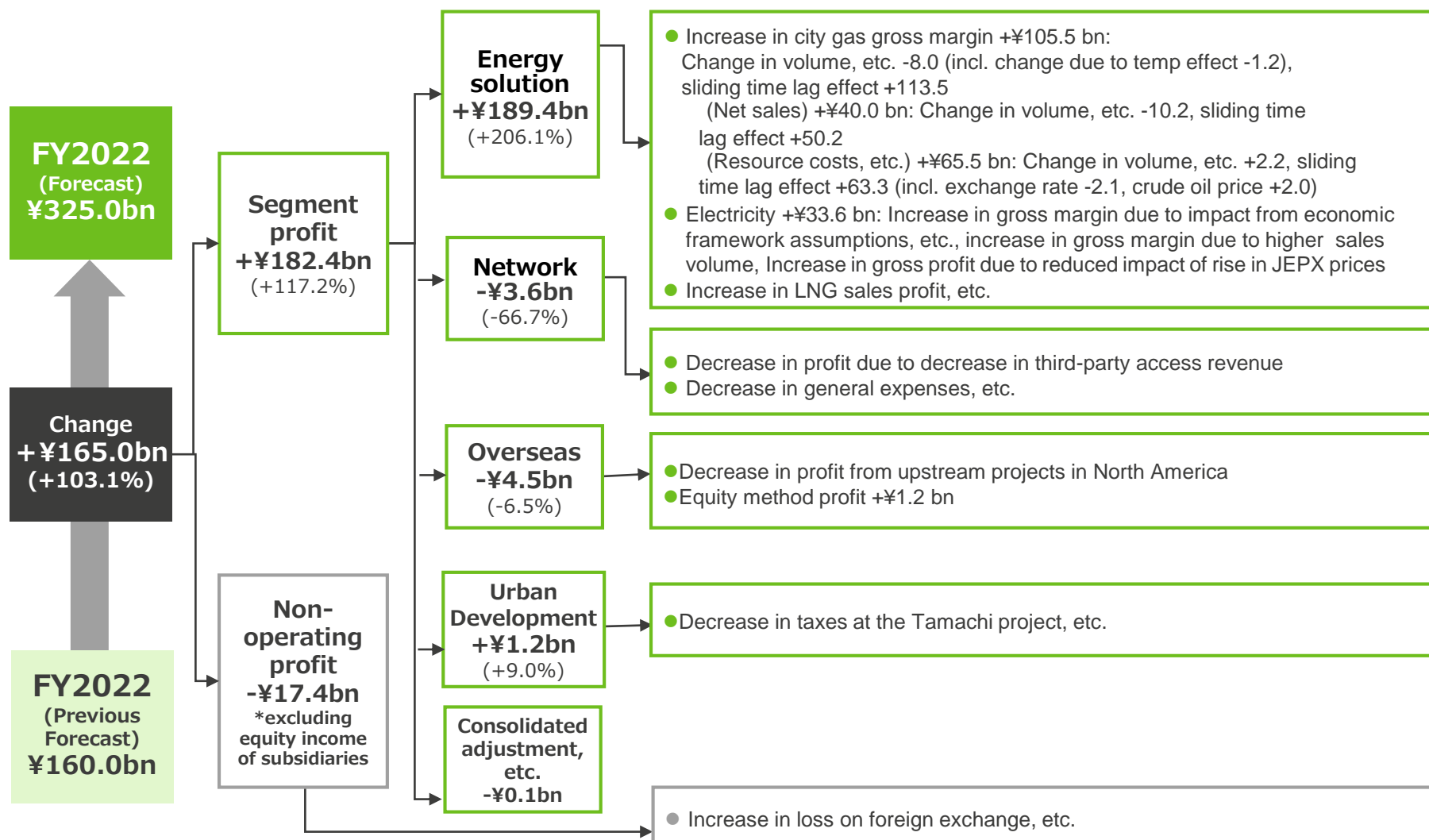
	Net sales *4				Segment Profit(Operating profit + Equity income/loss of subsidiaries)			
	FY2022 Forecast	Previous Forecast	Change	%	FY2022 Forecast	Previous Forecast	Change	%
Energy solution *1 (including equity income of subsidiaries)	3,085.8	2,984.7	101.1	3.4	281.3	91.9	189.4	206.1
City gas (excluding Network)*2	1,837.5	1,754.1	83.4	4.8	220.4	64.0	156.4	243.9
Electric Power	875.9	845.5	30.4	3.6	40.5	6.9	33.6	480.6
Network	378.2	379.7	-1.5	-0.4	1.8	5.4	-3.6	-66.7
Overseas business	159.3	159.8	-0.5	-0.3	64.9	69.4	-4.5	-6.5
(equity income of subsidiaries)	—	—	—	—	5.9	4.7	1.2	25.4
Urban Development (including equity income of subsidiaries)	62.4	61.7	0.7	1.1	14.5	13.3	1.2	9.0
Adjustment *3	-308.7	-312.9	4.2	—	-24.5	-24.4	-0.1	—
Consolidated	3,377.0	3,273.0	104.0	3.2	338.0	155.6	182.4	117.2
(equity income of subsidiaries)	—	—	—	—	6.9	5.6	1.3	21.2

*1 Includes city gas (excl. Network), LPG, industrial gas, LNG sales, trading, electric power, engineering solutions, gas equipment, construction, credit, information processing service, and shipping, among others.

*2 Includes city gas (excl. Network), LNG sales, and trading.

*3 Adjustments in segment profits include mainly corporate expenses not allocated to the segments.

*4 Segment sales include internal transactions made between business units.



*+/- indicate contributions to profit.

	Net sales *5				Segment Profit(Operating profit + Equity income/loss of subsidiaries)			
	FY2022 Forecast	FY2021 Results	Change	%	FY2022 Forecast	FY2021 Results	Change	%
Energy solution*1 (including equity income of subsidiaries)	3,085.8	—	—	—	281.3	—	—	—
City gas (excluding Network)*2	1,837.5	—	—	—	220.4	—	—	—
Electric Power	875.9	467.5	408.4	87.4	40.5	10.8	29.7	273.0
Network	378.2	—	—	—	1.8	—	—	—
Estimated value Energy Solution and Network	3,464.0	2,083.9	1,380.1	66.2	283.1	*3 133.8	149.3	111.5
Overseas business	159.3	85.8	73.5	85.5	64.9	26.5	38.4	144.7
(equity income of subsidiaries)	—	—	—	—	5.9	2.7	3.2	115.4
Urban Development (including equity income of subsidiaries)	62.4	57.9	4.5	7.7	14.5	13.2	1.3	9.1
Adjustment*4	-308.7	-72.8	-235.9	—	-24.5	-42.4	17.9	—
Consolidated	3,377.0	2,154.8	1,222.2	56.7	338.0	131.1	206.9	157.7
(equity income of subsidiaries)	—	—	—	—	6.9	3.7	3.2	85.3

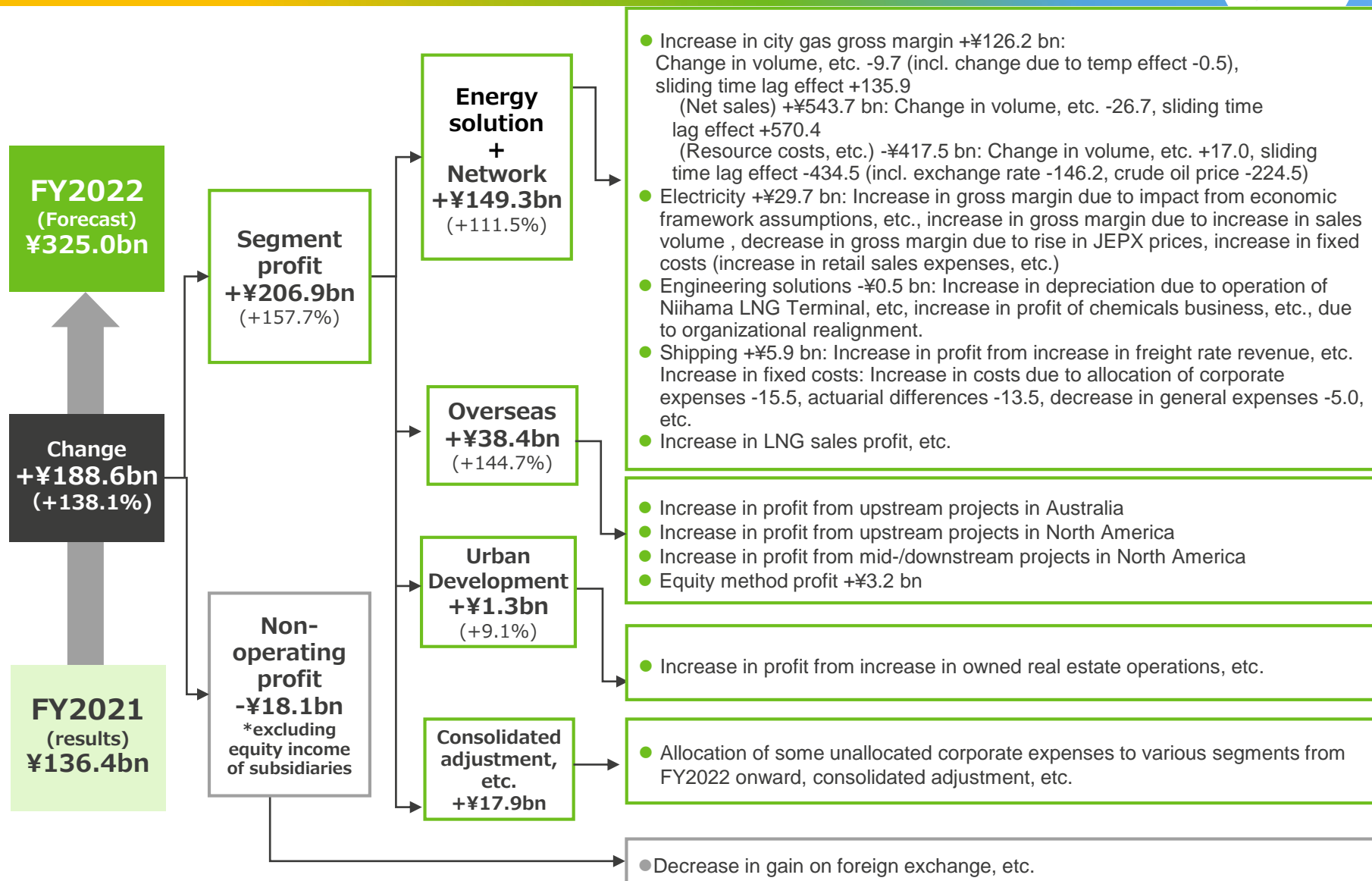
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*2 Includes city gas (excl. Network), LNG sales, and trading.

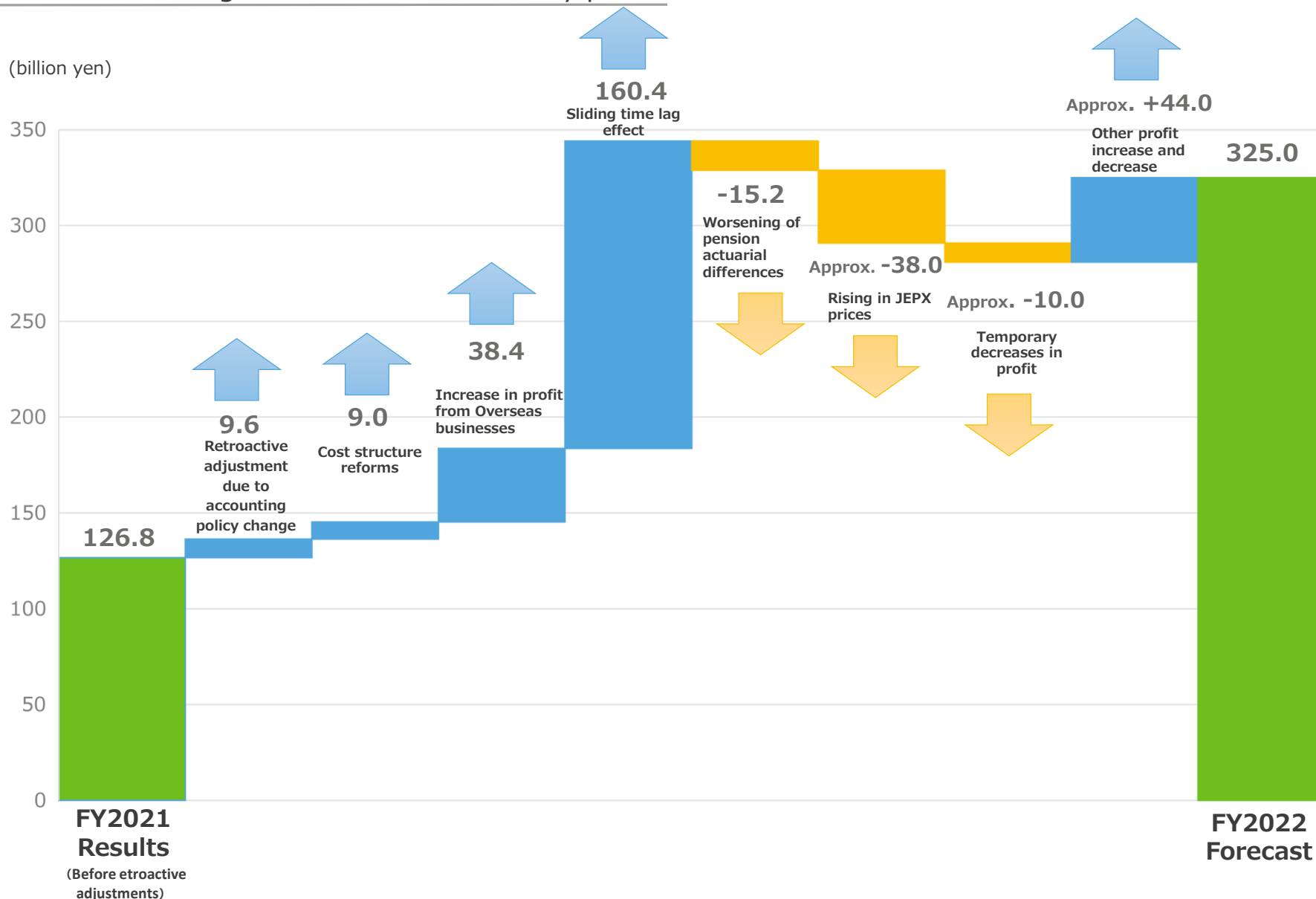
*3 Since the FY2021 results for Energy Solutions and Network cannot be calculated, the total profit for these two segments has been estimated and is presented for reference purposes.

*4 Adjustments in segment profits include mainly corporate expenses not allocated to the segments. In the case of FY2022 segment results that are adjusted, the portions of corporate expenses pertaining to the segment in question have been directly allocated to the segment. However, in the FY2021 segment results, only allocable portions have been allocated.

*5 Segment sales include internal transactions made between business units.



Factors for Changes from FY2021 Ordinary profit



FY2022 Uses of Cash Flow (Capex , Investments and financing)

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(Unit: billion yen)		Forecast	Main Items	Previous Forecast	Change	%	FY2021 Results	Change	%
Capital Expenditure									
Energy solution		85.0		108.4	-23.4	-21.5	67.9	17.1	25.1
	City gas(excluding Network)*1	31.8	Production facilities : 14.0 Other Production facilities, etc. Service and maintenance facilities : 17.8 System related, etc.	53.3	-21.5	-40.3	27.2	4.6	16.9
	Electric Power	22.6	Domestic renewable power etc.	22.7	-0.1	-0.5	9.0	13.6	150.8
Network		89.4	Distribution facilities : New demand development & stable supply-related, etc.	91.7	-2.3	-2.5	84.4	5.0	5.9
Overseas		32.3	Upstream(Australia, North America), Global renewable power etc.	54.0	-21.7	-40.2	51.9	-19.6	-37.8
Urban Development		24.8	Real estate leasing business, building renovations, etc.	18.9	5.9	30.9	10.2	14.6	141.7
Adjustment		-5.6		-6.2	0.6	—	-7.4	1.8	—
Sub Total		226.0		267.0	-41.0	-15.4	207.2	18.8	9.1
Investments and Fainacing(before offset)									
Energy solution		82.8		82.8	0	—	17.3	65.5	378.6
	City gas(excluding Network)*1	0		0	0	—	0	0	—
	Electric Power	22.7	Domestic renewable power etc.	24.2	-15.0	-6.1	14.1	8.6	60.9
Network		0		0	0	—	0	0	—
Overseas		17.9	Upstream(Australia), Mid/Downstream(Asia), Global renewable power etc.	17.9	0	—	6.0	11.9	198.3
Urban Development		0		0	0	—	3.9	-3.9	-100.0
Sub Total		100.7		100.7	0	—	27.3	73.4	268.8
Capital Expenditure +Investments and Financing (before offset)		326.7		367.7	-41.0	-11.1	234.6	92.1	39.3
Collections Total		15.1		12.9	2.2	17.0	9.1	6.0	65.5
Capital Expenditure +Investments and Financing (after offset)		311.6		354.8	-43.2	-12.2	225.4	86.2	38.2

*1: Includes city gas (excluding Network) and LNG sales/trading.

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TOKYO GAS

(Unit: billion yen)

	FY2022 Forecast	FY2021 Results	FY2020 ※2 Results
Total assets (a)	3,674.0	3,187.6	2,738.3
Shareholders' equity (b)	1,506.0	1,251.7	1,153.8
Shareholders' equity ratio (b)/(a) Factoring in hybrid bonds/loans ※3	41.0% 42.1%	39.3%	42.1%
Interest-bearing debt (c) Hybrid bond/loan component	1,260.0 83.3	1,220.5	1,065.9
D/E ratio (c)/(b) Factoring in hybrid bonds/loans ※3	0.84 0.79	0.98	0.92
Profit attributable to owners of parent (d)	236.0	95.7	49.5
Profit per share (EPS, yen per share)	543.54	217.67	112.26
Depreciation (e)	202.0	200.9	179.8
Operating cash flow (d) + (e)	438.0	296.6	229.3
Capital Expenditure	226.0	207.2	246.4
Investments and Financing (before offset)	100.7	27.3	85.3
Total	326.7	234.6	331.7
ROA (d)/(a)	6.9%	3.2%	1.9%
ROE (d)/(b)	17.1%	8.0%	4.3%
WACC	2.2%	2.3%	2.6%
Total return ratio	50%程度	※1 46.6%	60.1%

*1 The total return for FY2021 based on the profit attributable to owners of parent prior to the retrospective application (as of April earnings announcement) is 50.2%.

*2 Changes in accounting policies are applied retroactively to FY 2021 results and are not applicable to FY 2020 results.

*3 Based on expected equity credit ratio of 50% for issued hybrid bonds and hybrid loans.

Note: Shareholders' equity = Net assets - minority interests
 ROA = Net profit / Total assets (average of the amounts as of the end of the previous period and end of the current period)
 ROE = Net profit / Shareholders' equity (average of the amounts as of the end of the previous period and end of the current period)
 Balance sheet figures are as of the corresponding term-end
 Operating cash flow = Net profit + Depreciation (including depreciation of long-term prepaid expenses)
 Total payout ratio = [FY-N dividends + FY-(N+1) treasury stock purchased] / FY-N consolidated net profit

■ Items for WACC calculation (FY2022 forecast)
 • Cost of interest-bearing debt : forecast interest rate (0.63%, after tax)
 • Cost rate for shareholders' equity
 • Risk free rate : 10-year JGB yield 0.06%
 • Market Risk premium : 5.5%
 • β : 0.75



03

Reference Materials

Impact of rising JCC (Japan Crude Cocktail Prices) by \$1/bbl

(Unit: billion yen)

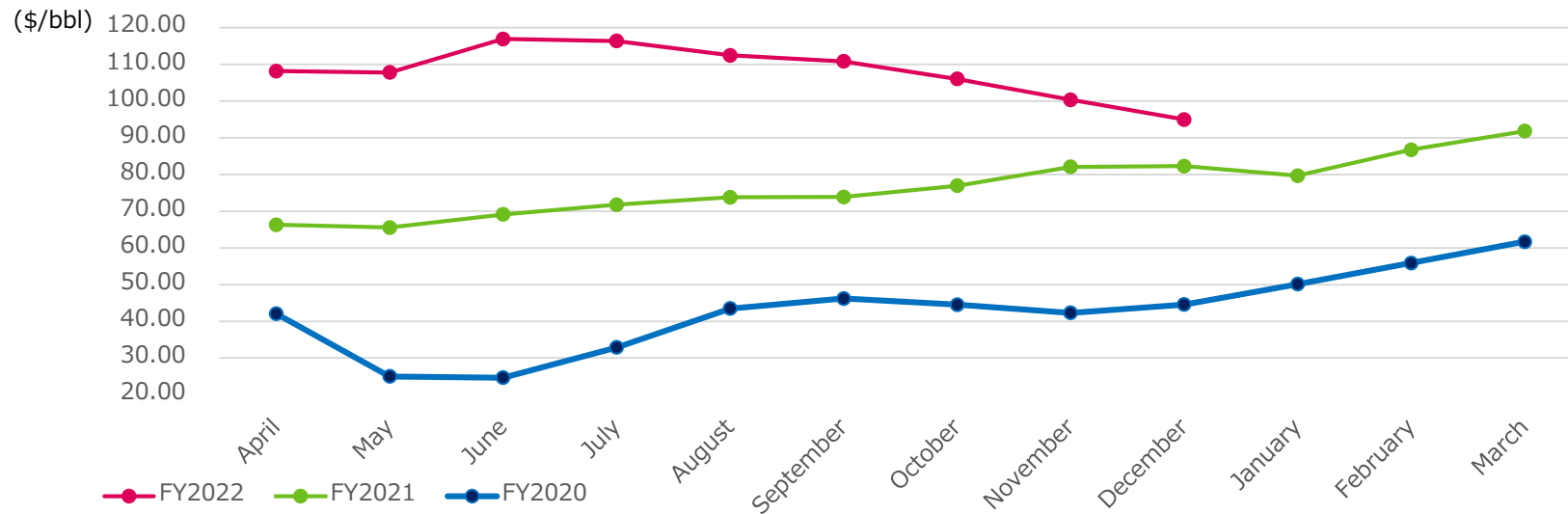
		Impact on earnings
		4Q
Period	4Q	0.0

Impact of depreciation of the yen by ¥1/\$

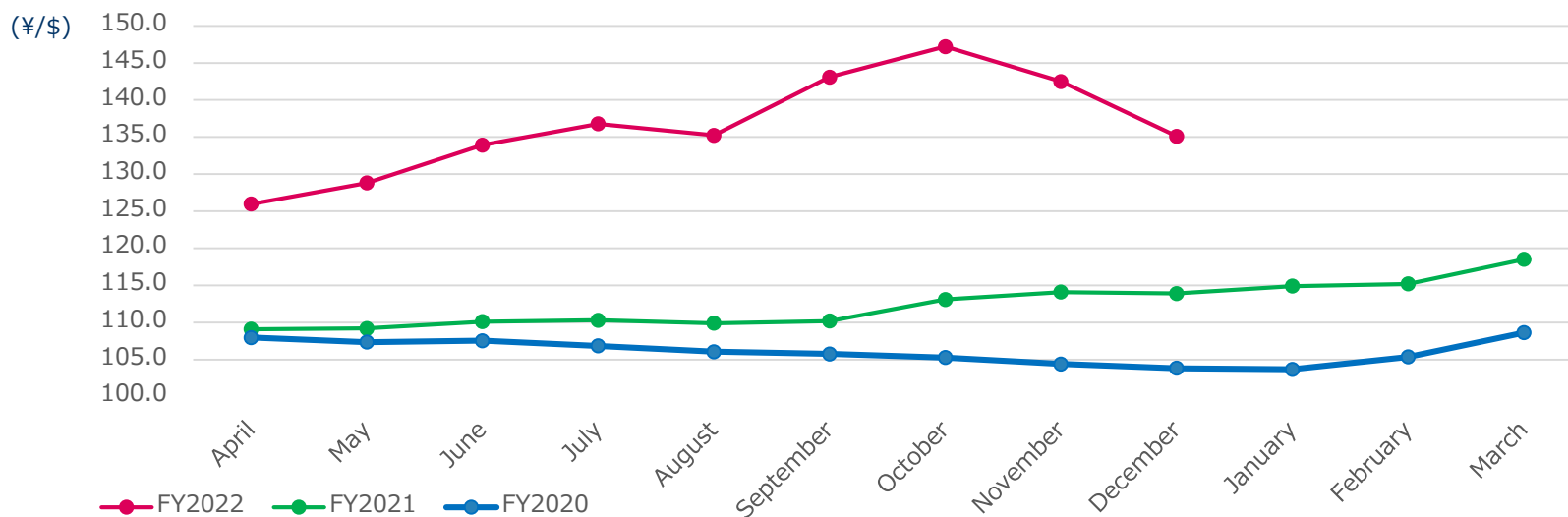
(Unit: billion yen)

		Impact on earnings
		4Q
Period	4Q	-1.1

Crude oil price (Japan Crude Cocktail Prices)



Exchange rate



(1) Business & financial topics

*1 Press releases issued by Tokyo Gas Engineering Solutions
*2 Press releases issued by Tokyo Gas Network

Gas Electric Power	<p>Launch of Non-FIT/FIP renewable energy balancing service (Apr.18)</p> <p>Number of electric power contracts reaches 3 million (Apr.22)</p> <p>Tohoku Bio Food Recycle plant begins full-scale power generation using biogas from recycled food (May 18)</p> <p>Revision of general gas supply provisions and certain optional supply provisions in the Tokyo, Gunma and Gunma South areas (Jul.21)</p> <p>Signing of Power Purchase Agreement with Renova on utilizing renewable energy balancing service (Aug.3)</p> <p>Start of collaboration between Tokyo Gas and Tokio Marine Nichido to facilitate sourcing of power supplies (Aug.4)</p> <p>Launch of VPP demonstration testing by joint platform for retail electricity providers and storage battery manufacturers (Oct. 28)</p> <p>Fixed rate now available for use of storage batteries, too! Expansion of range of equipment covered by Zuttomo Solar flat-rate plan (Nov. 30)</p>
Services	<p>Provision of remote monitoring and control solutions for infrastructural facilities of gas suppliers*2 (Jun. 13)</p> <p>Implementation of low-carbon technology at Shiodome Shibarikyu Building*1 (Jul.4)</p> <p>Initial deliberations on new business via capital and business alliance with aipass and linkage of the two companies' systems (Jul.26)</p> <p>Establishment of A & Tm, a joint venture company to provide asset management services and technical management in the solar power generation business *1 (Sep.16)</p> <p>Tokyo Gas concludes basic agreement with Hitachi Group on energy services business*1 (Oct. 18)</p> <p>A 20% cut in required installation space and a 17-kg reduction in weight! Decision made to launch sales of ENE-FARM mini, new model of world's smallest and lightest household fuel cell (Nov. 17)</p> <p>Introduction of Japan's largest factory-use lithium ion storage battery and solar power generator at Honda's Kumamoto Factory*1 (Nov. 22)</p> <p>Efforts to further reduce energy use and CO₂ emissions in smart energy project at Kiyohara Industrial Park*1 (Dec. 5)</p> <p>Launch of sales of JoyWatcherSuite Webkit as a new option for SCADA Software's JoyWatcherSuite, the top-selling product in its class in Japan (Dec. 19)</p>
Overseas	<p>Notice of transfer of shares in five Australian project holding companies of one of our subsidiaries (transfer of consolidated subsidiaries) (Oct. 7)</p> <p>Establishment of Joint Stock Company for Feasibility Study of LNG to Power Project in Vietnam (Nov. 4)</p> <p>TGES Awarded FEED Update & Tender MGMT Consultancy Contract for LNG Terminal in Map Ta Phut, Thailand *1 (Nov. 9)</p>
Finance and Shareholder Returns	<p>Notification of Resolution to Acquire Treasury Shares (Apr.27)</p> <p>Notice Regarding the Appropriation of Surplus (Apr.27)</p> <p>Notice Regarding Market Purchase of Treasury Stock and Completion of Acquisition (Jun. 24)</p> <p>Notice Regarding Cancellation of Treasury Shares (Jul.27)</p> <p>Issuance of Japan's First Hybrid Bonds (Subordinated Bonds) in Transition Bond Format (Nov. 24)</p> <p>Issuance of 1st and 2nd Hybrid Bonds (Subordinated Bonds) in Transition Bond Format (Dec. 14)</p>
Management Strategy	<p>Announcement of Group's Management Philosophy (Apr.1)</p> <p>Notice regarding Tokyo Gas Network Co., Ltd.'s commencement of operation*2 (Apr.1)</p> <p>Tokyo Gas concludes a share sales agreement with Iwatani Corporation (Apr.27)</p> <p>Notice regarding separation and transfer of Capty Co., Ltd.'s pipeline construction business (May 11)</p> <p>Notice Concerning Absorption-type Merger of Wholly Owned Subsidiary (Simplified Merger and Short-form Merger) (Nov. 30)</p> <p>Changes in the Representative Corporate Executive Officer, President and CEO (Dec. 21)</p>

Key Topics in FY2022 by 3Q (Excerpted from Press Releases)

(2) Nonfinancial ESG topics

- *1 Press releases issued by Tokyo Gas Engineering Solutions
- *2 Press releases issued by Tokyo Gas Network

Major related materiality

Transition to a holdings group structure

● Governance & compliance

Selection as an implementer of NEDO Green Innovation Fund Projects: Development of Technology for Producing Fuel Using CO₂, etc. (Apr.19)
 Introduction of carbon-neutral city gas at Fujisawa City Hall (May 30)
 MOU Signed with Shell for Joint Exploration of Decarbonization (Jun. 6)
 Achievement of peak power cuts and cost reductions with Smart Mix Chiller, hybrid air conditioning system for commercial buildings delivering the benefits of both gas and electricity (Sep.30)
 Start of development of high-precision wind prediction system for improving feasibility of offshore wind power generation (Oct. 3)
 Establishment of committee for studying real-world deployment of innovative methanation technology (joint committee) (Dec. 20)

● Climate change

Signing of Comprehensive Agreement for Carbon-neutral Urban Development in Tsuchiura City (Apr.20)
 Signing of Comprehensive Agreement for Carbon-neutral Urban Development in Akishima City (May 11)
 Signing of Comprehensive Agreement for Carbon-neutral Urban Development in Atsugi City (May 24)
 Signing of Comprehensive Agreement for Carbon-neutral Urban Development in Ota City (Jun. 7)
 Signing of Comprehensive Agreement for Carbon-neutral Urban Development in Tomioka City (Jun. 29)
 Signing of Comprehensive Agreement for Carbon-neutral Urban Development in Kawagoe City (Aug.5)
 Signing of Comprehensive Agreement for Carbon-neutral Urban Development in Hanno City (Aug.10)
 Signing of Basic Agreement between Ota City, Ota Electric Power, Ota City Gas and Tokyo Gas on Joint Verification of Solar PPA Business and Improving Energy Efficiency of City Hall Air-conditioning Facilities (Aug.29)
 Signing of Basic Agreement between Atsugi City, Atsugi Gas and Tokyo Gas on Joint Verification of New Regional Electric Power Concept, Solar PPA Business and Solar Power Generation Services for Households (Sep.1)
 Signing of Basic Agreement between Hadano City, Hadano Gas, Nippon Car Solutions and Tokyo Gas on Joint Verification relating to Introduction of EVs and Management of EV Charging (Sep.12)
 Signing of Comprehensive Agreement for Carbon-neutral Urban Development in Noda City (Oct. 7)
 Signing of Comprehensive Agreement for Carbon-neutral Urban Development in Fujimino City (Oct. 11)
 Signing of Basic Agreement between Tsuchiura City, Tobu Gas, and Tokyo Gas on Joint Verification of Solar PPA Business for Public Facilities (Oct. 11)
 Signing of Basic Agreement between Moriya City, Tobu Gas, Nippon Car Solutions, and Tokyo Gas on Joint Verification relating to Introduction of EVs (Oct. 14)
 Signing of Comprehensive Partnership Agreement toward Realizing Sustainable Urban Development in Odawara City (Nov. 7)
 Signing of Basic Agreement with Tomioka City, etc. on Joint Verification relating to Solar PPA Business, Introduction of EVs, and Management of EV Charging (Nov. 9)
 Signing of Basic Agreement with Miyoshi Town and Daito Gas on Joint Verification relating to Solar PPA Business (Dec. 8)
 Signing of Basic Agreement between Hidaka City, Hidaka Toshi Gas, and Tokyo Gas on Joint Verification relating to Introduction of EV Systems, etc. at City Offices (Dec. 15)
 Signing of Comprehensive Partnership Agreement between Takasaki City and Tokyo Gas Network*2 (Dec. 20)
 Signing of Comprehensive Agreement for Carbon-neutral Urban Development in Yachiyo City (Dec. 27)

● Establishment of relationships with communities
 ● Climate change
 ● Safety & disaster preparedness

Completion of Yaesu Energy Center, a new energy hub to enhance disaster preparedness and eco friendliness, through collaboration between Mitsui Fudosan and Tokyo Gas (Aug.1)

Key Topics in FY2022 by 3Q (Excerpted from Press Releases)

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Tokyo Gas Network, Osaka Gas Network and Toho Gas Network signed a partnership agreement for ensuring safe and stable supply and spreading the use of city gas* ² (Apr.20)	<ul style="list-style-type: none"> ● Climate change ● Access to energy ● Safety & disaster preparedness
Tokyo Gas launches Demand Response services and delivers one-day worth of renewable energy-based electric power (Apr.22)	<ul style="list-style-type: none"> ● Climate change ● Creation of customer value
Inauguration of Sustainable Star, ESG Business Support Service for the real estate industry (Sep.20) Launch of Evrest , EV Charging Service for use with car-parking equipment (Sep.30)	<ul style="list-style-type: none"> ● Climate change ● Creation of customer value
Tokyo Gas, Osaka Gas, Toho Gas and Mitsubishi Collaborate to Produce e-methane in the US and Transport It to Japan, Utilizing Cameron LNG in Louisiana (Nov. 29)	<ul style="list-style-type: none"> ● Climate change ● Access to energy
Achievement of local production and local consumption of energy at advanced drug discovery research center! Launch of energy supply business for enhancing environmental impact and disaster preparedness of Chugai Life Science Park Yokohama (Oct. 18)	<ul style="list-style-type: none"> ● Climate change ● Safety & disaster preparedness
Launch of sales of G-Sketto, small generators for use in disasters that support city gas/LP gas switching* ¹ (Jun. 2) Implementation of FY2022 Tokyo Gas Group comprehensive disaster-preparedness drills (Jul.14) Notification of Plans relating to Coordination among General Gas Pipeline Service Providers (Disaster Coordination Plan)* ² (Sep.1) Conclusion of partnership agreement on advancing actions that contribute to sustained stabilization and enhancement of community value in infrastructure business* ² (Nov. 18)	<ul style="list-style-type: none"> ● Access to energy ● Safety & disaster preparedness
Conclusion of Basic Agreement on efforts to streamline infrastructure business and solve community challenges by Eight Private Business Operators with infrastructure management functions in Ibaraki Prefecture* ² (May 17)	<ul style="list-style-type: none"> ● Establishment of relationships with communities ● Safety & disaster preparedness
Launch of Ogishima Chonaikai for studying land use at Ogishima District in the Keihin seaside area (Oct. 26) Area along LRT rail line selected for Japanese government's Decarbonization Leading Areas initiative* ² (Nov. 1)	<ul style="list-style-type: none"> ● Establishment of relationships with communities ● Climate change
Tokyo Gas receives FY2022 Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers President's Award for Workplaces with Good Disabled Person Hiring Practices (Nov. 2)	<ul style="list-style-type: none"> ● Diversity & inclusion

Tokyo Gas Group Materialities

The Tokyo Gas Group strives to realize ESG-focused management and broadly contribute to achievement of the SDGs by responding to materialities (key sustainability-related issues) through its business activities. Materialities are identified by evaluating the issues meriting consideration along two axes: stakeholder expectations, and social impact of organization and business.

Leadership in the effort to achieve Net-Zero CO ₂	<ul style="list-style-type: none"> ● Climate change ● Access to energy ● Safety and disaster preparedness ● Creation of customer value
Sound relationships with society	<ul style="list-style-type: none"> ● Resource efficiency and recycling society ● Establishment of relationships with communities ● Diversity & Inclusion ● Satisfaction through work and labor productivity
Actions as a responsible company	<ul style="list-style-type: none"> ● Supply chain management ● Information security ● Governance and compliance

ESG-related topics: Climate Change

Start of development of high-precision wind prediction system for improving feasibility of offshore wind power generation

Selected as JST funding project for second consecutive fiscal year, project is ramping up joint industry-academia research toward real-world deployment

Tokyo Gas, Kyushu University, and Japan Renewable Energy Corporation have started developing a tool for precisely simulating the turbine wake effect*¹ that occurs in offshore wind power generation to improve capacity factor and reduce failure rate, with the aim of lowering the cost of power generation.

Tokyo Gas is responsible for further elucidating the turbine wake effect and developing an AI-enhanced turbine wake model. In this role, the company will leverage the computational fluid dynamics technology*² that it has cultivated in its city gas business for applications such as improving combustion and performing thermal environment assessments.

This is the second consecutive fiscal year that the project has been selected as a full-scale industry-academia R&D project under the Adaptable and Seamless Technology Transfer Program through Target-driven R&D (A-STEP), an open-call funding program run by the Japan Science and Technology.

Project Overview

Duration	• October 2022 – March 2025
Development focuses	<ul style="list-style-type: none"> • Expand upon preceding fiscal year's research on turbine wake effect of single turbine by further elucidating the effect under the complex condition of mutual interference by wake from multiple turbines placed together • Develop tool for predicting turbine wake effect and other wind behavior with high precision (relative error rate $\leq 10\%$)
Expected real-world impact	• Optimal turbine placement and proper operational control will save billions to tens of billions of yen for each wind farm over 20 years* ³

*1: Wind disturbance and reduction of wind speed downwind of a turbine, due to rotation of its blades. Turbine wake effect is the largest factor affecting power output of large-scale wind farms; output losses of around 10% have been reported in Europe.

*2: Technology for, among other purposes, realizing high-efficiency, low-NOx combustion of city gas, and numerically simulating energy-saving, highly comfortable home environments.

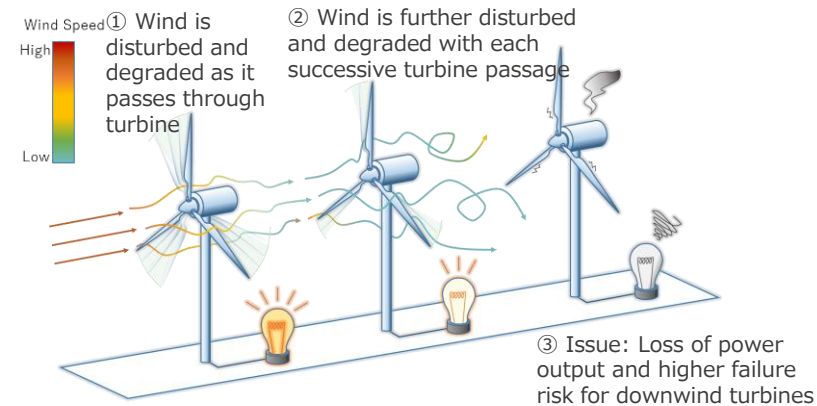
*3: Estimated by Tokyo Gas for when the results of the R&D project are applied to one offshore wind farm.

Oct. 3, 2022 release

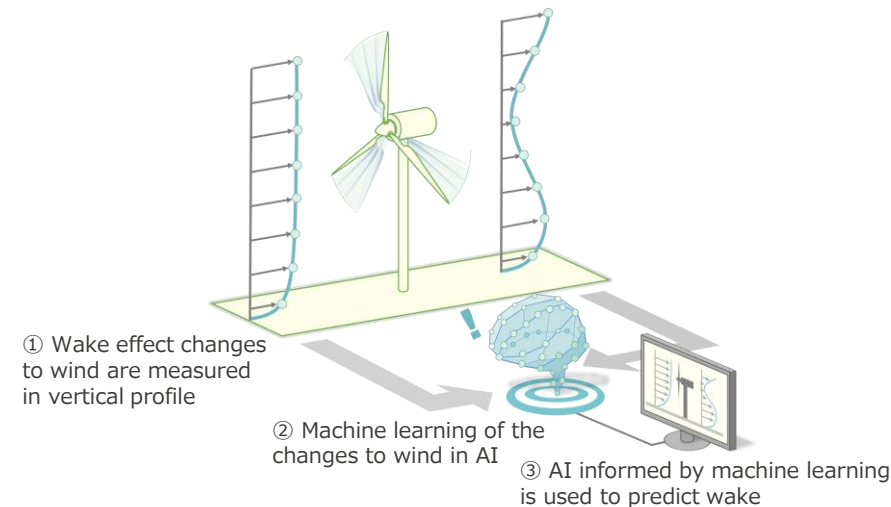
(see webpage below for details in Japanese)

<https://www.tokyo-gas.co.jp/news/press/20221003-01.html>

Turbine wake effect



AI-enhanced turbine wake modelling



⇒ Goal: Deploy tool in real world

Key Topics in FY2022 by 3Q (Excerpted from Press Releases)

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ESG-related topics: climate change

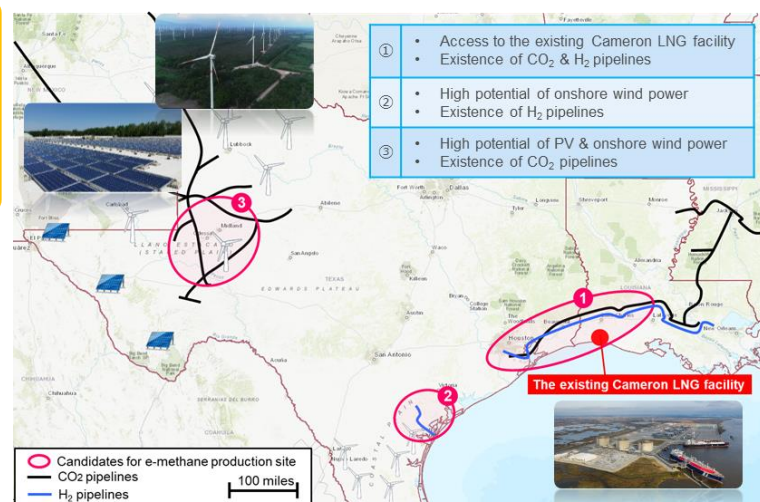
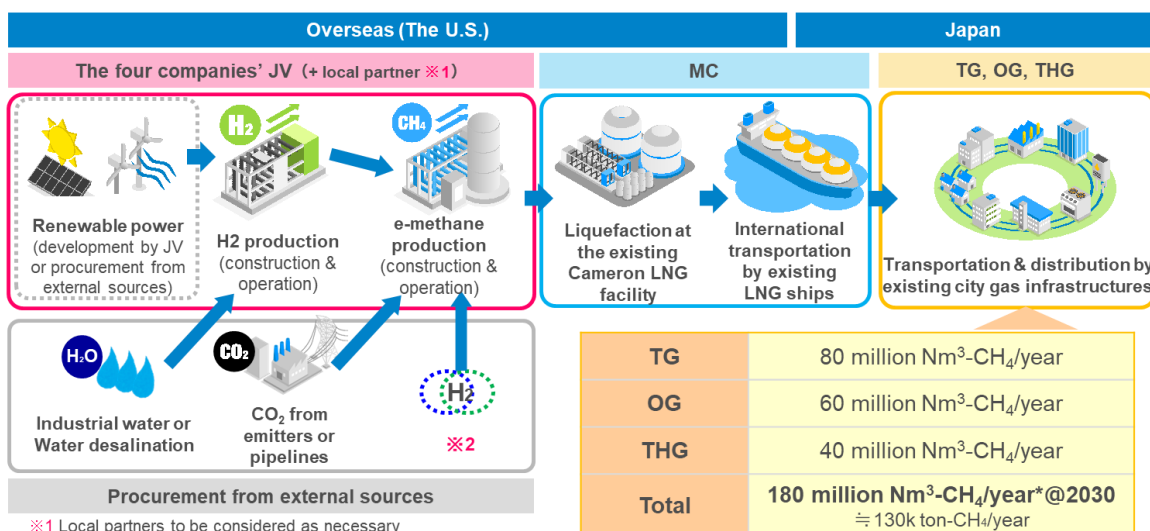
Tokyo Gas, Osaka Gas, Toho Gas and Mitsubishi Collaborate to Produce e-methane in the US and Transport It to Japan, Utilizing Cameron LNG in Louisiana

Tokyo Gas(TG) , Osaka Gas(OG), Toho Gas(THG) and Mitsubishi Corporation(MC) have entered into an agreement and commenced to conduct a detailed joint feasibility study on a project to produce synthetic methane (e-methane) in Texas or Louisiana, liquefy it at the existing Cameron LNG facility, and transport it to Japan utilizing other existing infrastructure, including LNG ships and receiving terminals in Japan. The targeted e-methane production volume is 130,000 tons per year¹ to start in 2030.

Nov. 29, 2022 release
Details below
<https://www.tokyo-gas.co.jp/en/IR/support/pdf/20221129-01e.pdf>

Candidate Areas for Detailed Feasibility Study

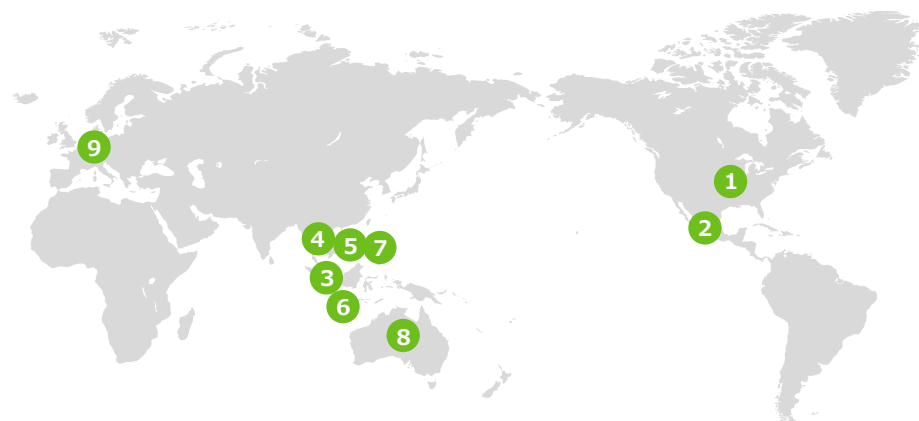
Texas and Louisiana, the candidate states for e-methane production sites in this study, have a high potential for sustained availability of abundant renewable energy and easy access to the existing Cameron LNG facility, of which MC owns equity. Furthermore, existing pipelines of carbon dioxide and hydrogen are also accessible.



Project Schedule

2022	2023	2024	2025	2026	2027	2028	2029	2030
Onsite surveys by the 4 companies	Detailed joint FS	FEED			EPC		Start production	Start export to Japan

1 130,000 tons is equivalent to 1% of the total annual city gas demand of TG, OG, and THG combined.



Area	No	Country	Subject	Main Business	Participation year
North America	①	U.S.A	Eagle Ford	Upstream Shale gas	2016
			TG Natural Resources	Upstream Shale gas	2017
			TGES America	Downstream Energy Service	2015
			Birdsboro Power Plant	Downstream Natural gas power	2017
			Aktina	Downstream Solar power	2020
			Acario Ventures	Other Open Innovation	2017
	②	Mexico	Bajio	Downstream Natural gas power	2004
			Heolios EnTG	Downstream Renewable venture(Solar・wind power generation)	2019
Southeast Asia	③	Malaysia	GAS MALASIA Bhd.	Downstream City gas	1992
			GAS MALASIA ENERGY ADVANCE Sdn.Bhd.	Downstream Energy Service	2014
	④	Thailand	Bang bo	Downstream Natural gas power	2016
			GWHAMT	Downstream Gas Supply	2018
			One Bangkok	Downstream District Cooling Solutions and power distribution	2020
	⑤	Vietnam	PVGD	Downstream CNG Supply	2017
	⑥	Indonesia	PRA	Downstream Gas Supply, Transfer	2017
			Super Energy	Downstream Gas Supply, Transfer	2020
Oceania	⑧	Australia	FGEN LNG	Downstream Construction, operation and maintenance of the LNG terminal	2020
			Darwin	Upstream Production, liquefaction and sales of LNG	2003
			Pluto	Upstream Production, liquefaction and sales of LNG	2008
			Gorgon	Upstream Production, liquefaction and sales of LNG	2009
			Queensland Curtis	Upstream Production, liquefaction and sales of LNG	2011
Europe	⑨	Denmark	Ichthys	Upstream Production, liquefaction and sales of LNG	2012
			TOWII Renewables	Downstream Onshore wind power	2022

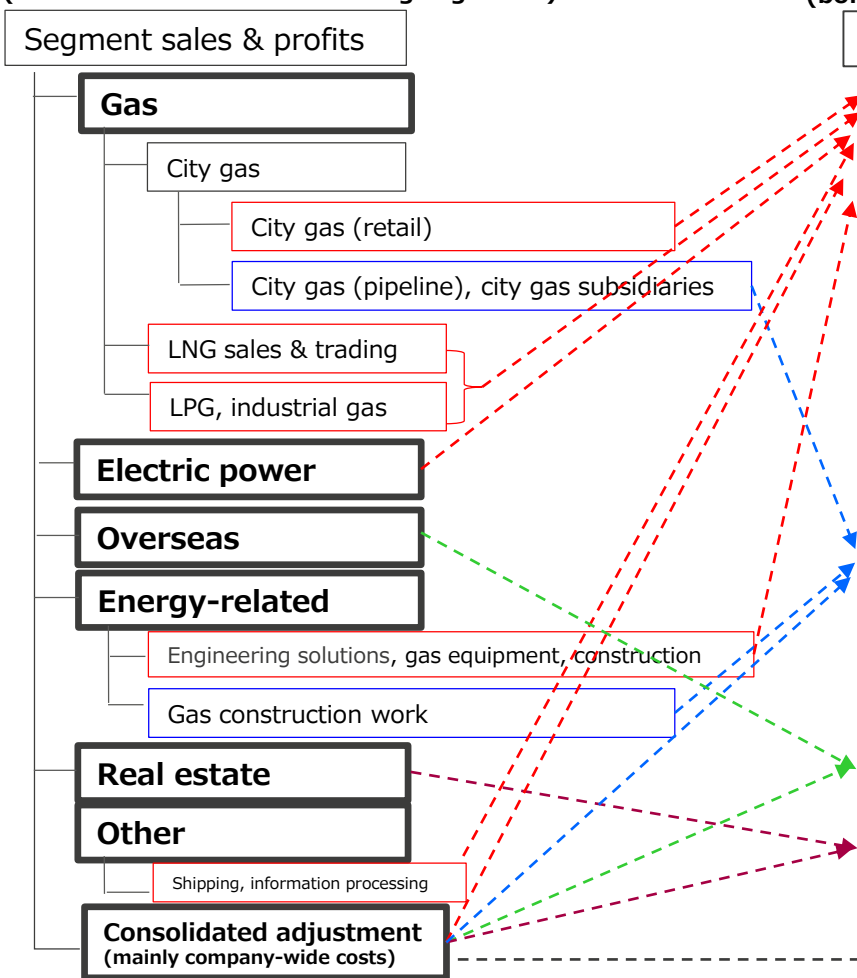
Changes in Disclosable Segments (mapping of key changes)

29

- In accordance with our approach to accounting management, we changed our classifications for legally disclosable segments in order to better align them with management practices under the holdings-type group structure instituted in FY2022 (units considered in decision-making on resource allocation, etc., and in performance assessments).
- The business segments required to be disclosed in financial accounting (in annual securities reports, etc.) changed from five segments (Gas, Electric Power, Overseas, Energy-related, Real Estate) and Other into four segments (Energy Solution, Network, Overseas, Urban Development). In step with these changes, the subsegments voluntarily disclosed in IR materials have also been changed.

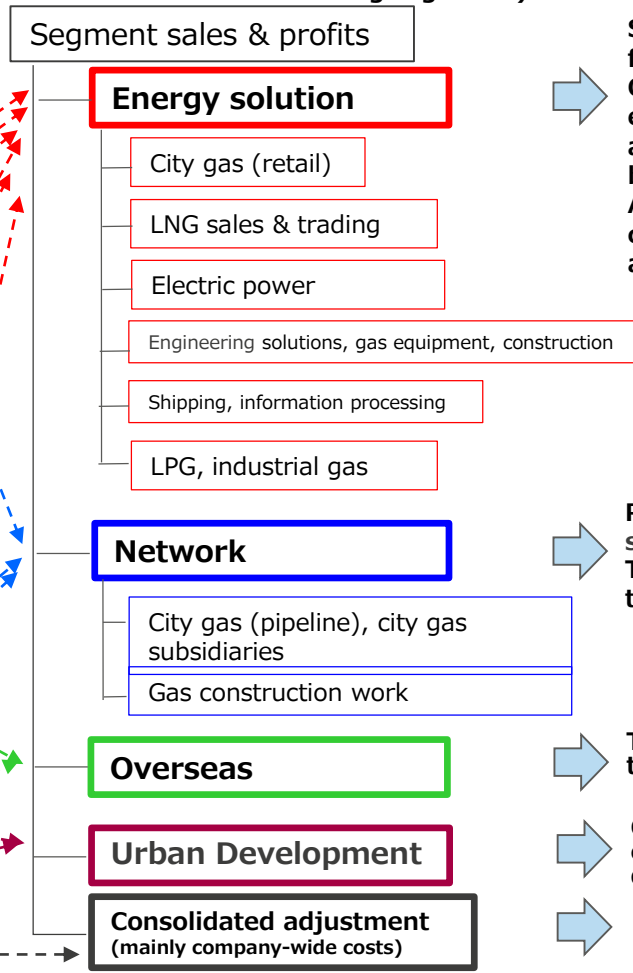
Former Segments

(bold-lined: financial accounting segments)



New Segments

(bold-lined: financial accounting segments)



Key changes

Separate network business from former Gas segment. Consolidate electric power, engineering solution, shipping, and information processing businesses, among others. Also, transfer company-wide costs that are directly allocatable.

Pipeline business of Gas segment made independent. Transfer company-wide costs that are directly allocatable.

Transfer company-wide costs that are directly allocatable.

Change name. Transfer company-wide costs that are directly allocatable.

Unallocatable corporate expenses



< Cautionary Statement regarding Forward-looking Statements >

Statements made in this presentation with respect to Tokyo Gas's present plans, forecasts, strategies and beliefs, and other statements herein that are not expressions of historical fact are forward-looking statements about the future performance of the Company. As such, they are based on management's assumptions and opinions stemming from currently available information and therefore involve risks and uncertainties.

The Company's actual performance may greatly differ from these projections, due to these risks and uncertainties which include without limitation general economic conditions in Japan, crude oil prices, the weather, changes in the foreign exchange rate of the yen, rapid technological innovations and the Company's responses to the progress of deregulation.