TSE:9531

FY2022 Financial Results
ended March, 2023

April 26, 2023

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Medium-term Management Plan（Announced: March 25, 2020）Key figures

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Looking Back at the FY2020-2022 Medium-term Management Plan

Bottom Line

Although the business landscape was clouded by uncertainties such as COVID-19 and increased market volatility, our business results far exceeded our KGI target, thanks to a competitive edge in access to raw materials and other positive factors. More work needs to be done regarding our KPI targets for number of customer accounts, CO_2 emission reduction contributions, and renewable energy transaction volume. We will accelerate our actions for achieving the goals of our Vision(Compass2030) and the new medium-term management plan for 2023-2025, while continuing to closely monitor LNG and electricity market trends, international affairs, and other movements.

		FY2020 Results	FY2021 Results	FY2022 Results	FY2022 Target	Key Contributing Factors & Sentiments
KGI	**Operating profits +equity method income**(¥ billion)	79.1	131.2	417.0	140.0	Strong performance driven mainly by competitive access to raw materials, and by increased revenues from Overseas business (particularly upstream interests) due to skyrocketing oil prices, and sharp yen depreciation
Financial indicators	**ROE** (%)	4.3	7.9	20.0	Approx. 8.0	Profitability indicators soared with strong earnings
	ROA (%)	1.9	3.2	8.3	Approx. 4.0	Profitability indicators soared with strong earnings
	D/E ratio Factoring in hybrid bonds/loans	0.92 -	0.98 -	0.81 0.76	Approx. 0.9	Borrowings are expanding due to focused investment in growth areas, etc., but D/E ratio is advancing as planned thanks to strong earnings
KPI	**No. of customer accounts**(million) *1	12.31	12.48	13.00	14.80	Gas and electricity accounts have steadily risen, but growth in services & solutions accounts has stalled
	Natural gas transaction volume(million tons) *2	18.20	19.18	19.00	17.00	Tracking strongly, buoyed by increased demand from power generation industry and other factors
	Segment profit from Overseas Business (¥ billion)	3.8	28.2	67.9	16.0	Upstream and shale business performance is robust owing to higher oil prices and other factors
	Contribution to CO_2emission reductions (million tons) *3	6.68	5.39	6.35	6.5	Plateauing due to factors such as decreased operation of customer equipment
	Renewable energy transaction volume (million kW) *4	1.383	1.498	1.633	2.00	Growth is being slowed down by shifting market conditions and fiercer competition
	Cost structure reform (¥ billion) *5	-12.0	-21.0	-30.0	-30.0	Reforms for reducing consignment, repair, indirect, and other costs are moving on track

*1 as of the end of FY
*2 LNG equivalent (including overseas business)
*3 as compared to FY 2013 levels
*4 as of the end of FY
*5 Cumulative decrease versus FY2019

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Medium-term Management Plan（Announced: March 25, 2020）Key figures 3

(billion yen)

		FY2020 Results	FY2021 Results	FY2022 Results	FY2020-22 Results	FY2022 Target
Capital Expenditure・Investments and Financing	**Overseas business** *6	63.0	58.0	32.2	**153.3**	**200.0**
	Breakdown) renewable energy	20.2	38.8	2.5	**61.7**	**110.0**
	Solutions, etc. *7	43.2	29.9	57.1	**130.3**	**200.0**
	Energy*8	167.0	124.1	144.9	**436.0**	**380.0**
	Breakdown) renewable energy	51.0	15.1	41.3	**107.4**	**30.0**
	Common	58.4	22.4	25.4	**106.3**	**220.0**
	Total	331.7	234.6	259.7	**826.1**	**1,000.0**

*6 All overseas business
*7 Energy-related, real estate, other
*8 Gas and electricity business in Japan

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FY2022
Consolidated Financial Results
ended March, 2023

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.

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FY2022 Consolidated Results Sales, Interest, etc. (Apr. 1, 2022 –Mar. 31, 2023)

vs. FY2021

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Highlights: Sales UP, Profit Up

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

Net sales	+1,134.8	Increase in city gas unit price due to resource costs adjustment, etc.
Operating expenses	-840.8	Impact from the increase in crude oil prices, etc.
Operating profit	+293.9	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	-1.4	FY2022 -1.3: (Extraordinary gain) Gain on sales of investment securities 3.7, increase in profits due to transfer of business 3.5 (Extraordinary loss) Impairment loss -4.0, loss on valuation of investment securities -2.4, loss on valuation of long-term loans receivable -2.1 FY2021 0.1: (Extraordinary gain) Gain on sale of investment securities 4.1, gain on sale of non-current assets 2.2 (Extraordinary loss) Impairment loss -3.7, loss on valuation of investment securities -2.4

(Unit: billion yen)

		FY2022	FY2021	Change	%
City gas sales volume (million m3, 45MJ)		12,574	13,146	-572	-4.4
Electricity sales volume (million kWh)		34,445	28,288	6,157	21.8
(Breakdown)	Retail (million kWh, user end)	12,019	11,305	714	6.3
	Wholesale, etc. (million kWh)	22,426	16,983	5,443	32.1
Net sales		3,289.6	2,154.8	1,134.8	52.7
Operating expenses		2,868.1	2,027.3	840.8	41.5
Operating profit		421.4	127.5	293.9	230.5
Segment profit (operating profit + equity income of subsidiaries)		417.0	131.2	285.8	217.7
Ordinary profit(1)		408.8	136.4	272.4	199.6
Extraordinary profit/loss		-1.3	0.1	-1.4	—
Profit attributable to owners of parent		280.9	95.7	185.2	193.5
(Adjustment items)	Temperature effect(2)	-5.9	-2.3	-3.6	—
	Sliding effect(3) (city gas + LNG sales)	210.8 (187.2+ 23.6)	-0.6 (1.1+-1.7)	211.4 (186.1+ 25.3)	—
	Amortization of actuarial differences(4)	-4.4	10.9	-15.3	
Adjusted ordinary profit (1)-((2)+(3)+(4))		208.3	128.4	79.9	62.2

Economic framework	FY2022	FY2021
Exchange rate (¥/$)	135.50 (+23.11)	112.39
Crude oil price ($/bbl)	102 .67 (+25.49)	77.18
Avg. air temp (℃)	16.8 (+0.6)	16.2

Pension assets	FY2022 (as of Mar. 31, 2023)
Investment yield (costs deducted)	-1.90%
Year-end assets (billion yen)	243.0

<Expected annual rate of return: 2%>

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In FY2022, net sales and profit grow on a profit attributable to owners of parent basis.

Net sales totaled ¥3,289.6 billion, an increase of 52.7% or ¥1,134.8 billion year on year. This mainly reflects a rise in the unit sales price for city gas in tandem with resource cost adjustments in the Energy Solution segment.

Operating expenses were ¥2,868.1 billion, an expansion of 41.5% or ¥840.8 billion year on year. This also reflects a rise in resource costs in tandem with rise in crude oil prices in the Energy Solution segment.

Consequently, operating profit amounted to ¥421.4 billion, a growth of 230.5% or ¥293.9 billion year on year, and ordinary profit came to ¥408.8 billion, an increase of 199.6% or ¥272.4 billion year on year.

Profit attributable to owners of parent was ¥280.9 billion, a rise of 193.5% or ¥185.2 billion year on year.

FY2022 Consolidated Results Assets, Cash Flows, etc.

vs. FY2021

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(Unit: billion yen、 balance sheet figures are as of the corresponding term-end)

	FY2022 Result	FY2021 Results	Reference
Total assets (a)	3,581.4	3,187.6	Increase in current assets (+3,181) and fixed assets (+758)
Shareholders' equity (b)	1,558.4	1,251.7	Shareholders' equity = Net assets – minority interests Increase in profit, etc.
Shareholders' equity ratio (b)/(a) Factoring in hybrid bonds/loans※1	43.5% 44.7%	39.3% —	
Interest-bearing debt (c) Hybrid bond/loan component	1,263.2 83.3	1,220.5 —	
D/E ratio (c)/(b) Factoring in hybrid bonds/loans※1	0.81 0.76	0.98 —	
Profit attributable to owners of parent (d)	280.9	95.7	
Profit per share (EPS, yen per share)	646.99	217.67	
Depreciation (e)	209.3	200.9	
Operating cash flow (f)=(d)+(e)	490.2	296.6	Net profit + Depreciation (including depreciation of long-term prepaid expenses)
Capital Expenditure	213.2	207.2	
Investments and Financing (after offset)	31.3	18.2	
Total(g)	244.6	225.4	
Free cash flow (f) + (g)	245.5	71.1	
ROA (d)/(a)	8.3%	3.2%	Net profit / Total assets (average of the amounts as of the end of the previous period and end of the current period)
ROE (d)/(b)	20.0%	7.9%	Net profit / Shareholders' equity (average of the amounts as of the end of the previous period and end of the current period)
WACC	※2 2.4%	2.3%	
Total return ratio	50.3%	※3 46.6%	[FY-N dividends + FY-(N+1) treasury stock purchased] / FY-N consolidated net profit

*1 Based on expected equity credit ratio of 50% for issued hybrid bonds and hybrid loans.
*2 Items for WACC calculation (FY2022 result)
・Cost of interest-beating debt : actual interest rate (0.56%, after tax)
・Cost rate for shareholders' equity
・Risk free rate : 10-year JGB yield 0.30% ・Market Risk premium : 5.5% β: 0.75
*3 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.

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This slide shows trends mainly for assets and cash flows.

In FY2022, ROA stood at 8.3% and ROE at 20.0%, improving year on year in tandem with a growth in net profit.

[New Segments] FY2022 Results : Sales and Operating Profit/Loss by Business Segments

vs. FY2021

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(unit : billion yen)

	Net sales ※5				Segment Profit(Operating profit + Equity income/loss of subsidiaries)			
	FY2022 Results	FY2021 Results	Change	%	FY2022 Results	FY2021 Results	Change	%
Energy solution*1 (including equity income of subsidiaries)	3,031.1	—	—	—	365.9	—	—	—
City gas (excluding Network)*2	1,974.4	—	—	—	294.0	—	—	—
Electric Power	855.9	467.4	388.5	83.1	50.9	11.2	39.7	351.7
Network	370.3	—	—	—	-0.3	—	—	—
Estimated value Energy Solution and Network※3	3,401.5	2,083.9	1,317.6	63.2	365.6	133.8	231.8	173.1
Overseas business	159.9	85.8	74.1	86.2	67.9	26.5	41.4	156.1
(equity income of subsidiaries)	—	—	—	—	-5.1	2.7	-7.8	—
Urban Development (including equity income of subsidiaries)	62.6	57.9	4.7	8.1	15.1	13.2	1.9	14.2
Adjustment*4	-334.5	-72.8	-261.7	—	-31.7	-42.4	10.7	—
Consolidated	3,289.6	2,154.8	1,134.8	52.7	417.0	131.2	285.8	217.7
(equity income of subsidiaries)	—	—	—	—	-4.4	3.7	-8.1	—

*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 sales and profit for these two segments have been estimated and are 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.

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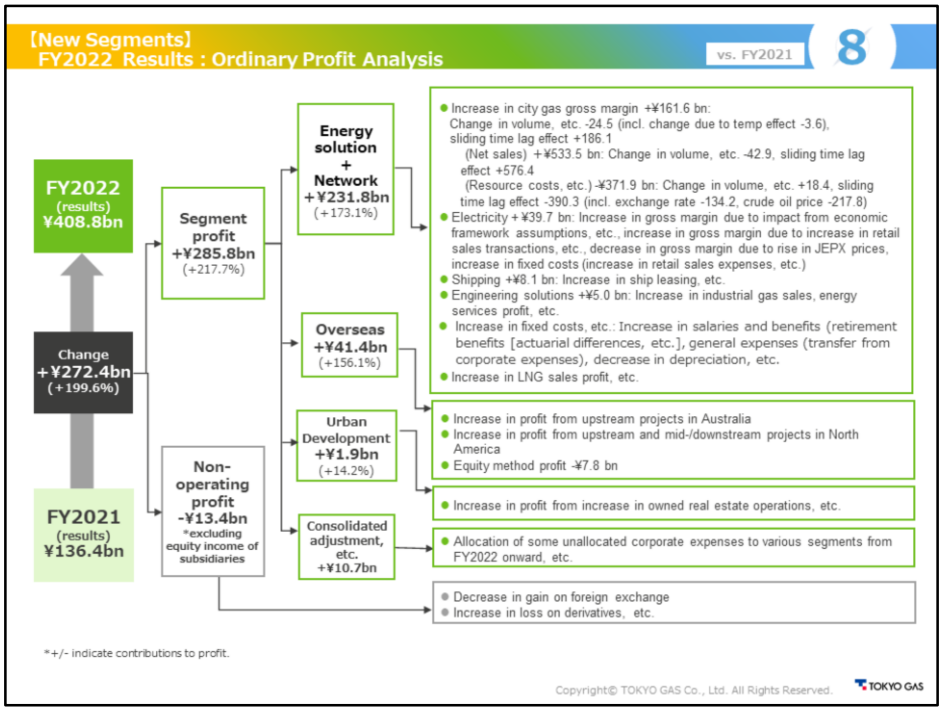
This slide depicts net sales by segment, segment profit and operating profit reflecting equity income/loss from subsidiaries and respective changes year on year.



This slide shows a profit analysis for each segment.
Total profit growth for the Energy Solution segment and Network segment combined was ¥231.8 billion year on year. This is mainly attributable to a growth in the gross profit owing to the sliding time lag effect in the city gas business. In the electric power business, profit rose ¥39.7 billion, mainly reflecting impact from economic framework assumptions and an increase in retail sales transactions.

In the Overseas segment, profit growth was ¥41.4 billion year on year, chiefly reflecting profit growth at an upstream project in Australia accompanied by an increase in crude oil prices, profit growth at an upstream project in North America accompanied by a rise in gas prices, and positive foreign exchange impact.

In the Urban Development business, profit growth was ¥1.9 billion year on year. This mainly reflected profit growth owing to recovery trends in the hotels business, from a decline in operations due to COVID-19.

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

vs. FY2021

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(unit : billion yen)

	Net sales※4				Segment Profit(Operating profit + Equity income/loss of subsidiaries)			
	FY2022 Results	FY2021 Results	Change	%	FY2022 Results	FY2021 Results	Change	%
Gas※1	2,230.9	1,453.6	777.3	53.5	294.2	112.3	181.9	162.0
Electric Power	856.4	467.8	388.6	83.1	51.1	11.1	40.0	359.7
Overseas business	159.9	85.9	74.0	86.1	70.0	28.2	41.8	148.1
(equity income of subsidiaries)	—	—	—	—	-5.1	2.7	-7.8	—
Energy-related※2	365.1	331.3	33.8	10.2	16.0	12.8	3.2	25.1
Real estate (including equity income of subsidiaries)	62.6	57.9	4.7	8.1	15.4	13.4	2.0	14.7
Others (including equity income of subsidiaries)	107.2	107.5	-0.3	-0.3	11.5	2.0	9.5	472.8
Adjustment※3	-492.7	-349.3	-143.4	—	-41.4	-48.7	7.3	—
Consolidated	3,289.6	2,154.8	1,134.8	52.7	417.0	131.2	285.8	217.7
(equity income of subsidiaries)	—	—	—	—	-4.4	3.7	-8.1	—

※1 "Gas" includes businesses in city gas, liquefied petroleum gas, industrial gas, LNG sales , trading, etc..
※2 "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.
※3 The "Adjustment" to operating profit is primarily companywide expenses not allocated to individual segments.
※4 Net sales by business segments include internal transactions.

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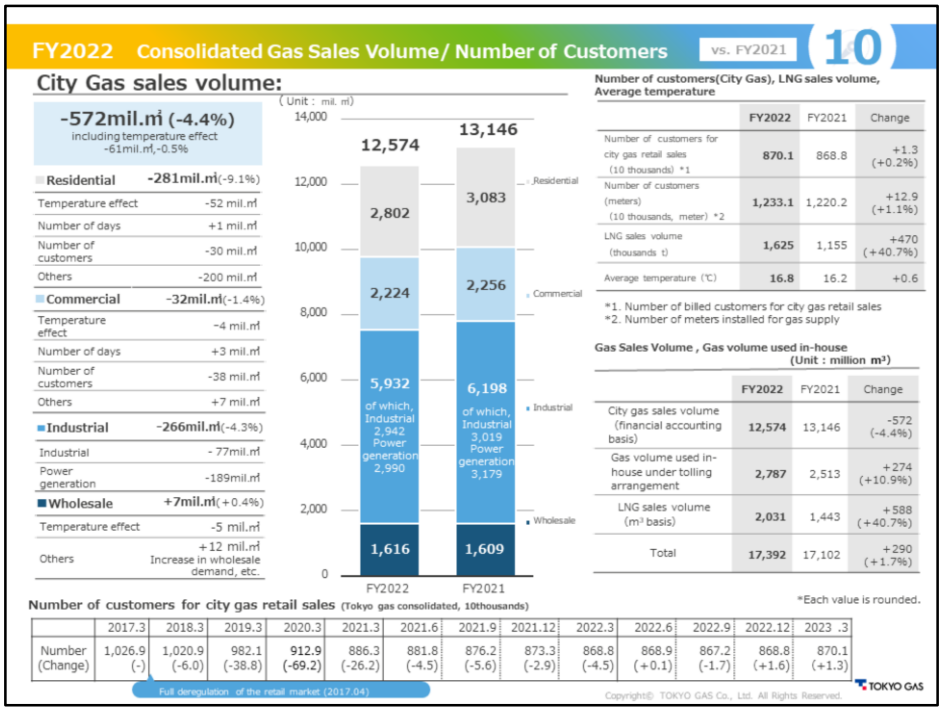
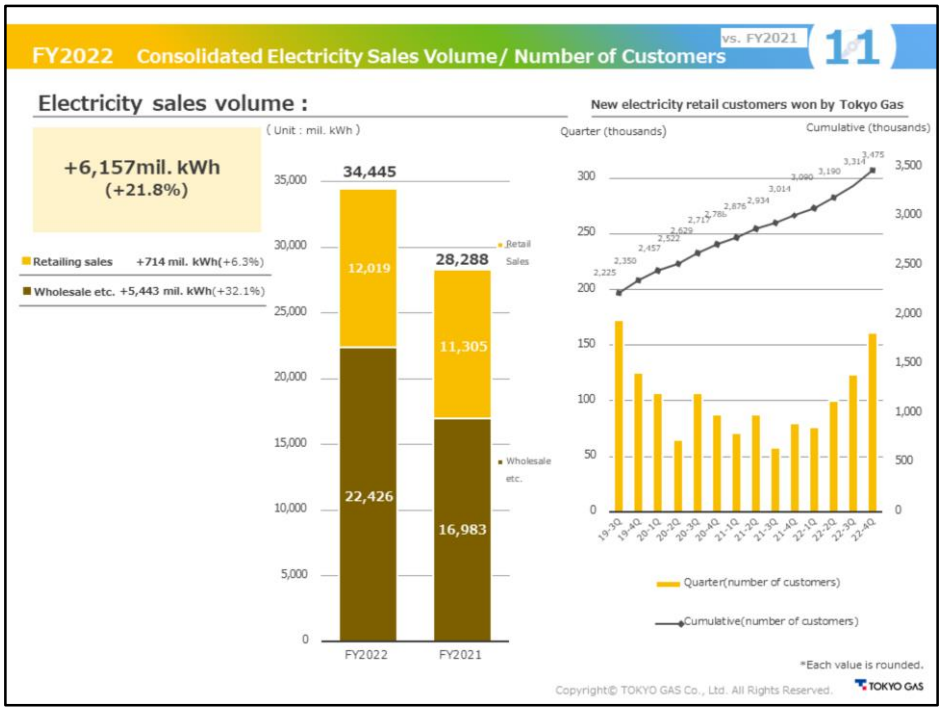
The information on this slide is for reference. It is a comparison of sales and profits year on year based on former segment classifications, prior to the revision to segments in April of the previous year.



This slide shows the trends in city gas sales volume.

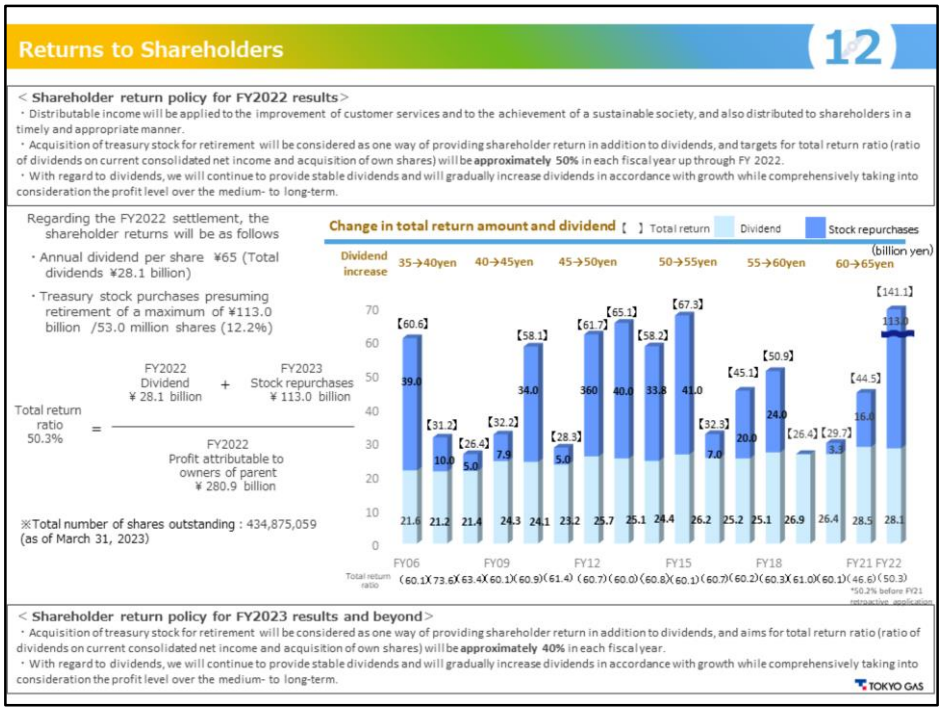
City gas sales volume overall in FY2022 was 12,574 million m^3, a decrease of 4.4% year on year. This was mainly due to a drop in residential demand reflecting high temperatures and a fall in customer demand for power generation.



This slide shows electricity sales volume.

In FY2022, electricity sales volume overall was 34,445 million kWh, an increase of 21.8% year on year.

In retailing sales, the sales volume rose 6.3% year due to the increase in the number of contracts, and on year and in wholesale, it increased 32.1% year on year.



In accordance with our shareholder return policy, we plan to payout an annual dividend per share of ¥65 as well as buy back a maximum of ¥113.0 billion or 53 million shares in FY2023.

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FY2023 Full Year Forecast

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FY2023 Consolidated Forecast Sales, Interest, etc. (Apr. 1, 2023 – Mar. 31, 2024) vs. FY2022

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Highlights: Sales Down, Profit Down (vs. FY2022)

	vs. FY2022	
Net sales	-392.6	Decrease in city gas unit price due to resource costs adjustment, etc.
Operating expenses	+121.1	Decrease in city gas resource costs due to decrease in city gas sales volume and city gas unit price, etc.
Operating profit	-271.4	Decrease in gross margin from the change in the city gas unit price due to economic framework assumptions, etc.
Extraordinary profit/loss	+1.3	Forecast 0 FY2022 -1.3: (Extraordinary profit) Profit on sales of investment securities 3.7, increase in profits due to transfer of business 3.5 (Extraordinary loss) Impairment loss -0.4, loss on valuation of investment securities -2.4, loss on valuation of long-term loans receivable -2.1

(Unit: billion yen)

		Forecast	FY2022 Result	Change	%
City gas sales volume (million m3, 45MJ)		12,009	12,574	-565	-4.5
Electricity sales volume (million kWh)		28,789	34,445	-5,656	-16.4
Net sales		2,897.0	3,289.6	-392.6	-11.9
Operating expenses		2,747.0	2,868.1	-121.1	-4.2
Operating profit		150.0	421.4	-271.4	-64.4
Segment profit (operating profit + equity income of subsidiaries)		154.8	417.0	-262.2	-62.9
Ordinary profit(1)		137.0	408.8	-271.8	-66.5
Extraordinary profit/loss		0.0	-1.3	1.3	—
Profit attributable to owners of parent		100.0	280.9	-180.9	-64.4
(Adjustment items)	Temperature effect(2)	0.0	-4.3	4.3	—
	Sliding effect(3) (city gas + LNG sales)	39.3 (31.6+7.7)	210.8 (187.2+23.6)	-171.5 (-155.6+ -15.9)	—
	Amortization of actuarial differences(4)	2.3	-4.4	6.7	—
Adjusted ordinary profit (1)-((2)+(3)+(4))		95.4	206.7	-111.3	-53.8

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

Economic framework	Forecast	FY2022 Results
Exchange rate (¥/$)	130.00 (-5.5)	135.50
Crude oil price ($/bbl)	90.00 (-12.67)	102.67
Avg. air temp (℃)	16.3 (-0.5)	16.8

Pension assets		FY2022	FY2021	FY2020
Investment yield (costs deducted)		-1.90%	0.37%	4.94%
Discount rate	Annuity portion	0.809%	0.481%	0.318%
	Lump-sum portion	0.373%	0.192%	0.075%
Year-end assets (billion yen)		243.0	256.0	263.0

<Expected annual rate of return: 2%>

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In FY2023, on a profit attributable to owners of parent basis, we forecast sales and profits will decline. The economic framework, the assumptions for our forecast, is a foreign exchange rate of ¥130/USD1 and USD90 per barrel for crude oil.

We anticipate net sales of ¥2,897.0 billion, a decline of 11.9% or ¥392.6 billion year on year, mainly reflecting a decrease in the city gas unit sales price in tandem with resource cost adjustments.

We estimate operating expenses of ¥2,747.0 billion, a decrease of ¥121 .1 billion year on year, chiefly due impact from a drop in crude oil prices, a decline in sales volume, and lower resource costs in the city gas business. Accordingly, we expect operating profit of ¥150.0 billion, a fall of 64.4% or ¥271.4 billion year on year, ordinary profit of ¥137.0 billion, a decline of 66.5% or ¥271.8 billion year on year, and profit attributable to owners of parent of ¥100.0 billion, a retreat of 64.4% or ¥180.9 billion.

Note that we forecast adjusted ordinary profit of ¥95.4 billion, reflecting a sliding effect in tandem with fluctuations in resource prices of ¥39.3 billion and an adjustment of ¥2.3 billion for the amortization of actuarial differences.

FY2023 Consolidated Forecast Assets, Cash Flows, etc.

vs. FY2022 15

(Unit: billion yen)

	FY2023 Forecast	FY2022 Results	Reference
Total assets (a)	**3,719.0**	3,581.4	Increase in new capital expenditures, investments & financing, etc.
Shareholders' equity (b)	**1,518.0**	1,558.4	Decrease from share buyback, and dividends Shareholders' equity = Net assets − minority interests
Shareholders' equity ratio (b)/(a) Factoring in hybrid bonds/loans※1	**40.8%** 41.9%	43.5% 44.7%	
Interest-bearing debt (c) Hybrid bond/loan component	**1,419.0** 83.3	1,263.2 83.3	
D/E ratio (c)/(b) Factoring in hybrid bonds/loans※1	**0.93** 0.88	0.81 0.76	
Profit attributable to owners of parent (d)	**100.0**	280.9	
Profit per share (EPS, yen per share)	**256.90**	646.99	
Depreciation (e)	**212.0**	209.3	
Operating cash flow (f) =(d) + (e)	**312.0**	490.2	Net profit + Depreciation (including depreciation of long-term prepaid expenses)
Capital Expenditure	**280.0**	213.2	
Investments and Financing (after offset)	**56.1**	31.3	
Total(g)	**336.1**	244.6	
Free cash flow (f) + (g)	**-24.1**	245.5	
ROA (d)/(a)	**2.7%**	8.3%	Net profit / Total assets (average of the amounts as of the end of the previous period and end of the current period)
ROE (d)/(b)	**6.5%**	20.0%	Net profit / Shareholders' equity (average of the amounts as of the end of the previous period and end of the current period)
WACC	※2 **2.6%**	2.4%	
Total return ratio	Approx. **40%**	50.3%	[FY-N dividends + FY-(N+1) treasury stock purchased] / FY-N consolidated net profit

*1 Based on expected equity credit ratio of 50% for issued hybrid bonds and hybrid loans.
*2 Items for WACC calculation (FY2023 forecast)
・Cost of interest-beating debt : forecast interest rate (0.61%, after tax)
・Cost rate for shareholders' equity
・Risk free rate : 10-year JGB yield 0.69% ・Market Risk premium : 6.5% ・β: 0.67

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This is our forecast for assets and cash flows in FY2023.

In FY2023, we estimate an ROA of 2.7% and an ROE of 6.5%, a deterioration versus FY2022 due to a decline in net profit.

FY2023 Investments （Capex , Investments and financing）

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(Unit: billion yen)

	FY2023 Forecast	Main Items	FY2022 Results	Change	%
Capital Expenditure					
Energy solution	98.5		74.7	23.8	31.8
City gas(excluding Network)*1	48.7	Production facilities : 5.8 Other Production facilities, etc. Service and maintenance facilities : 42.9 System related, etc.	25.5	23.2	91.1
Electric Power	21.5	Domestic renewable power etc.	23.9	-2.4	-10.1
Network	89.1	Distribution facilities : New demand development & stable supply-related, etc.	84.7	4.4	5.2
Overseas	76.7	Upstream(Australia, North America), Global renewable power etc.	30.4	46.3	152.2
Urban Development	21.9	Real estate leasing business, building renovations, etc.	24.5	-2.6	-10.8
Adjustment	-6.3		-1.2	-5.1	—
Sub Total	280.0		213.2	66.8	31.3
Investments and Financing(before offset)					
Energy solution	51.8		42.4	9.4	22.1
City gas(excluding Network)※1	0		0	0	-
Electric Power	0.4	Domestic renewable power etc.	33.3	-32.9	-98.7
Network	0		0	0	-
Overseas	4.5	Upstream(Australia), Mid/Downstream(Asia), Global renewable power etc.	1.8	2.7	150.0
Urban Development	0		2.2	-2.2	-
Sub Total	56.7		46.5	10.2	21.9
Capital Expenditure +Investments and Financing (before offset)	336.7		259.7	77.0	29.6

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

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This slide shows uses for cash flows in FY2023.

In addition to capital expenditures and investments by segment, going forward we also plan to present the progress we are making in the growth investments outlined in our new Medium-term Management Plan.

FY2023 Investments（Capex , Investments and financing）

Reference: Breakdown of the Medium-Term Management Plan for FY 2023-2025

(Unit: billion yen)

	FY2023 Forecast	Main Items	FY2020-22 Results	FY2023-25 Plan
Growth investments	211.9	Overseas, Renewable power, Urban Development, etc.	475.8 Breakdown) portion for decarbonization related investments 195.9	650.0 Breakdown) portion for decarbonization related investments 230.0
Infrastructure investments	124.7	Distribution facilities, Service and maintenance facilities , etc.	361.2	350.0
Capital Expenditure +Investments and Financing (before offset)	336.7		837.1	1,000.0

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【New Segments】 FY2023 Full Year Forecast: Sales and Operating Profit/Loss by Business Segments

vs. FY2022

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(unit : billion yen)

	Net sales *4				Segment Profit(Operating profit + Equity income/loss of subsidiaries)			
	FY2023 Forecast	FY2022 Results	Change	%	FY2023 Forecast	FY2022 Results	Change	%
Energy solution*1 (including equity income of subsidiaries)	2,592.5	3,031.1	-438.6	-14.5	120.8	365.9	-245.1	-67.0
City gas (excluding Network)*2	1,502.6	1,974.4	-471.8	-23.9	77.9	294.0	-216.1	-73.5
Electric Power	766.7	855.9	-89.2	-10.4	22.4	50.9	-28.5	-55.9
Network	377.0	370.3	6.7	1.8	4.3	-0.3	4.6	—
Overseas business	133.7	159.9	-26.2	-16.4	43.0	67.9	-24.9	-36.7
(equity income of subsidiaries)	—	—	—	—	3.1	-5.1	8.2	—
Urban Development (including equity income of subsidiaries)	82.1	62.6	19.5	31.0	14.6	15.1	-0.5	-3.8
Adjustment*3	-288.3	-334.5	46.2	—	-27.9	-31.7	3.8	—
Consolidated	2,897.0	3,289.6	-392.6	-11.9	154.8	417.0	-262.2	-62.9
(equity income of subsidiaries)	—	—	—	—	4.8	-4.4	9.2	—

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

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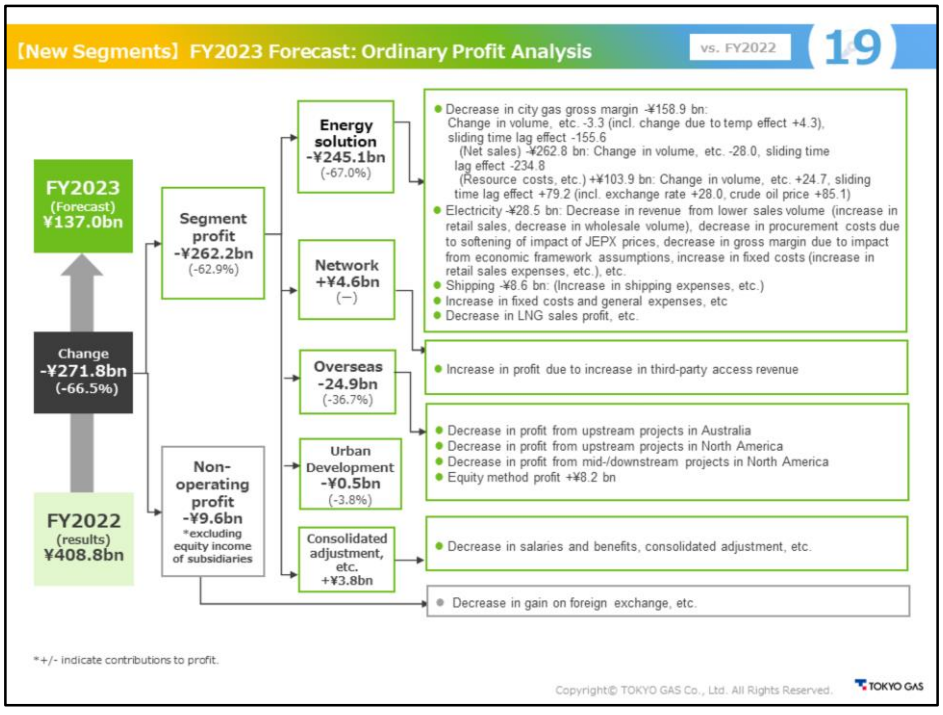
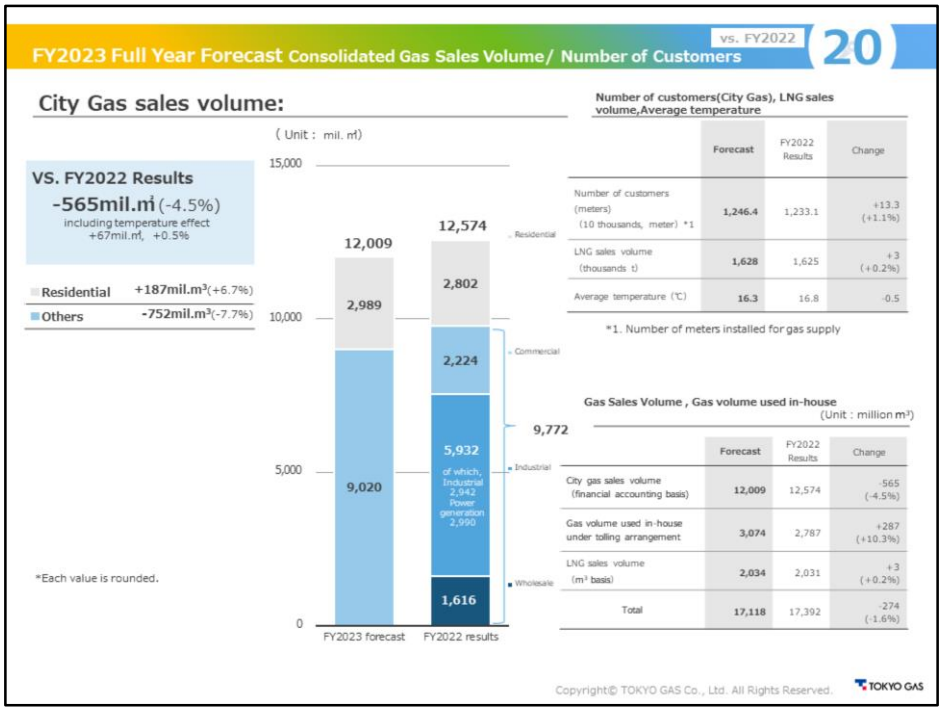
This slide describes our forecasts for net sales and profits by segment and expected changes with results in the previous fiscal year.



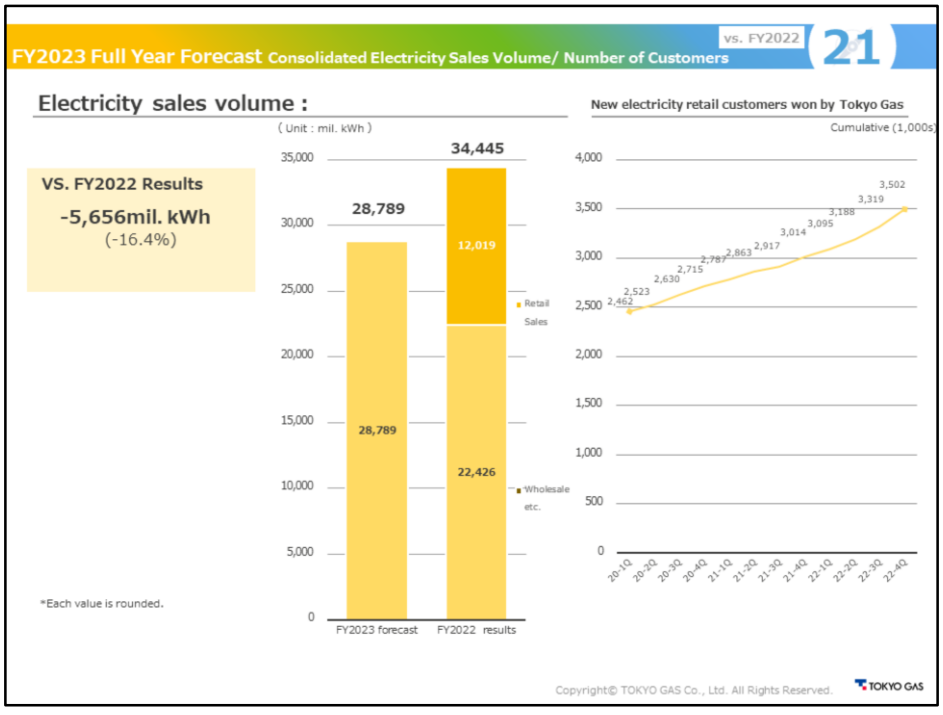
The decline in profit of ¥245.1 billion year on year in the Energy Solution segment reflects expectations of a decrease in gross profit due mainly to the sliding time lag effect in the city gas business and a decrease in gross profit in tandem with impact from the economic framework in the electric power business.

Profit growth of ¥4.6 billion year on year in the Network segment reflects anticipation of an increase in revenue from the third-party access to the TG network.

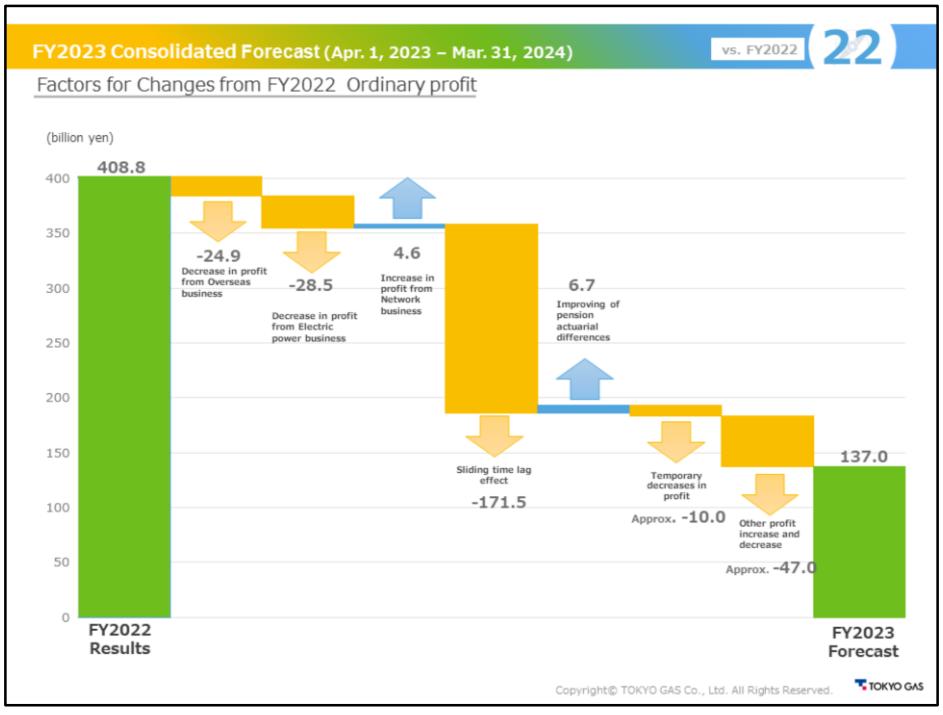
Meanwhile, the decrease in profit of ¥24.9 billion year on year in the Overseas segment primarily reflects our estimate of a decline in profit in upstream projects in Australia and upstream projects in North America in tandem with a decrease in crude oil and gas prices, and impact from an appreciation in the value of the yen.



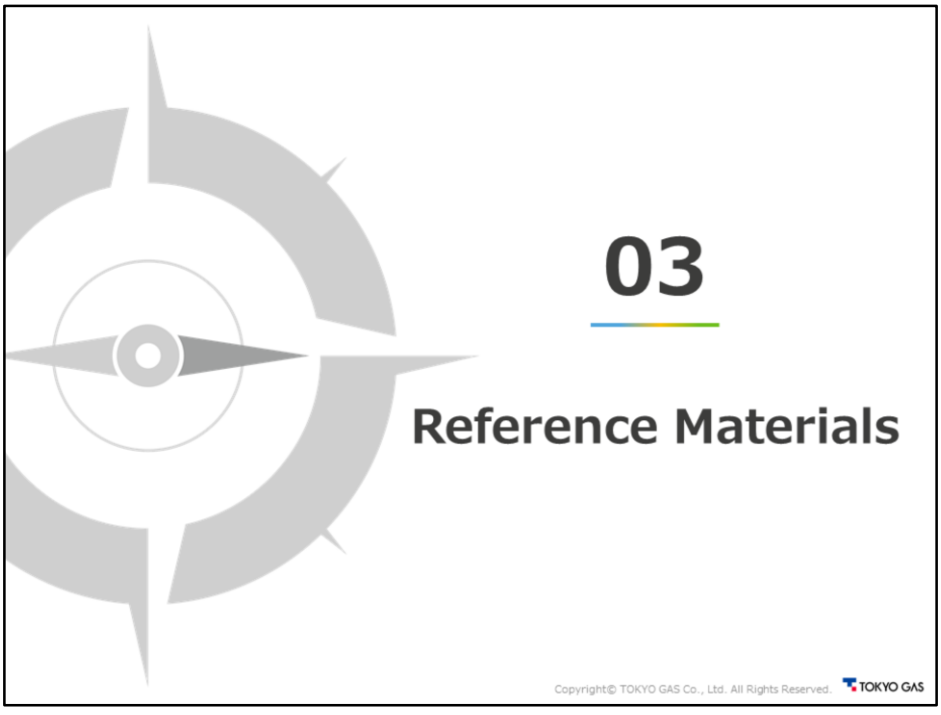
We estimate city gas sales volume of 12,009 million m³, a decrease of 4.5% year on year, due to a decline in sales volume to industrial customers.



We forecast electricity sales volume overall in FY2023 of 28,789 million kWh, a decline of 16.4% year on year. Although sales volume to electricity retail customers is expected to increase owing mainly to a rise in transactions, wholesale sales are likely to decline.



This table depicts changes in profit for each major change/element in comparison with the previous fiscal year.



As reference materials, in addition to the economic framework sensitivity analysis table, we are also including crude oil prices/forex rates, major topics for FY2022, and key overseas investment projects.

Gas Gross Margin Sensitivity to Change in Crude Oil Price and Exchange Rate

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

(Unit: billion yen)

		Impact on earnings				
		1Q	2Q	3Q	4Q	Full year
Period	1Q	-0.2	-0.5	+0.5	+0.4	**+0.2**
	2Q	—	-0.2	-0.7	+0.7	**-0.2**
	3Q	—	—	-0.1	-0.9	**-1.0**
	4Q	—	—	—	-0.1	**-0.1**
	Full year	**-0.2**	**-0.7**	**-0.3**	**+0.1**	**-1.1**

Impact of depreciation of the yen by ¥1/$

(Unit: billion yen)

		Impact on earnings				
		1Q	2Q	3Q	4Q	Full year
Period	1Q	-0.6	+0.5	+0.2	0.0	**+0.1**
	2Q	—	-0.6	+0.5	+0.3	**+0.2**
	3Q	—	—	-0.9	+0.8	**-0.1**
	4Q	—	—	—	-1.4	**-1.4**
	Full year	**-0.6**	**-0.1**	**-0.2**	**-0.3**	**-1.2**

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Crude oil price・Exchange rate

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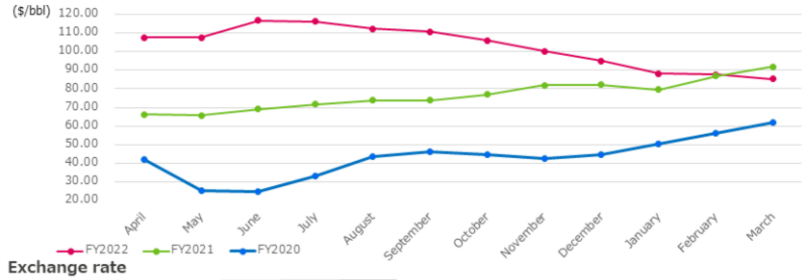
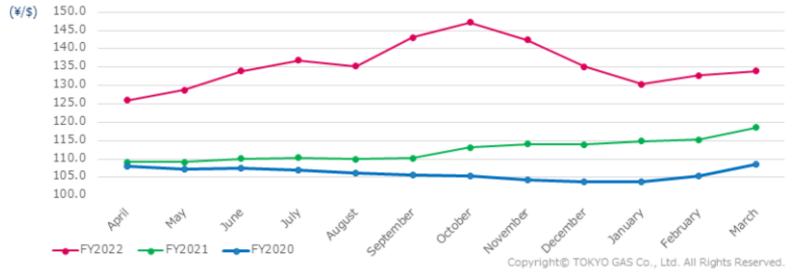
Crude oil price (Japan Crude Cocktail Prices)



Exchange rate



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Key Topics in FY2022 (Excerpted from Press Releases)

(1) Business & financial topics

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

Gas Electric Power	Launch of Non-FIT/FIP renewable energy balancing service (Apr.18) Number of electric power contracts reaches 3 million (Apr.22) Tohoku Bio Food Recycle plant begins full-scale power generation using biogas from recycled food (May 18) Revision of general gas supply provisions and certain optional supply provisions in the Tokyo, Gunma and Gunma South areas (Jul.21) Signing of Power Purchase Agreement with Renova on utilizing renewable energy balancing service (Aug.3) Start of collaboration between Tokyo Gas and Tokio Marine Nichido to facilitate sourcing of power supplies (Aug.4) Launch of VPP demonstration testing by joint platform for retail electricity providers and storage battery manufacturers (Oct. 28) Fixed rate now available for use of storage batteries, too! Expansion of range of equipment covered by Zuttomo Solar flat-rate plan (Nov. 30) Start of joint demonstration testing of FIP scheme-based renewable energy power plant with storage batteries (Mar. 27)
Services	Provision of remote monitoring and control solutions for infrastructural facilities of gas suppliers (Jun. 13) *2 Implementation of low-carbon technology at Shiodome Shibarikyu Building (Jul.4) *1 Initial deliberations on new business via capital and business alliance with aipass and linkage of the two companies' systems (Jul.26) Establishment of A & Tm, a joint venture company to provide asset management services and technical management in the solar power generation business (Sep.16) *1 Tokyo Gas concludes basic agreement with Hitachi Group on energy services business (Oct. 18) *1 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. 7) Introduction of Japan's largest factory-use lithium ion storage battery and solar power generator at Honda's Kumamoto Factory (Nov. 22) *1 Efforts to further reduce energy use and CO_2 emissions in smart energy project at Kiyohara Industrial Park (Dec. 5) *1 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) First deployment of EV charging service EVrest at an automated parking garage! (Jan. 19)
Overseas	Notice of transfer of shares in five Australian project holding companies of one of our subsidiaries (transfer of consolidated subsidiaries) (Oct. 7) Establishment of Joint Stock Company for Feasibility Study of LNG to Power Project in Vietnam (Nov. 4) TGES Awarded FEED Update & Tender MGMT Consultancy Contract for LNG Terminal in Map Ta Phut, Thailand (Nov. 9) *1
Finance and Shareholder Returns	Notification of Resolution to Acquire Treasury Shares (Apr.27) Notice Regarding the Appropriation of Surplus (Apr.27) Notice Regarding Market Purchase of Treasury Stock and Completion of Acquisition (Jun. 24) Notice Regarding Cancellation of Treasury Shares (Jul.27) Issuance of Japan's First Hybrid Bonds (Subordinated Bonds) in Transition Bond Format (Nov. 24) Issuance of 1st and 2nd Hybrid Bonds (Subordinated Bonds) in Transition Bond Format (Dec. 14) Mitsubishi HC Capital and Tokyo Gas conclude a leasing agreement that includes transition loans (Mar. 24)
Management Strategy	Announcement of Group's Management Philosophy (Apr.1) Notice regarding Tokyo Gas Network Co., Ltd.'s commencement of operation (Apr.1) *2 Tokyo Gas concludes a share sales agreement with Iwatani Corporation (Apr.27) Notice regarding separation and transfer of Capty Co., Ltd.'s pipeline construction business (May 11) Notice Concerning Absorption-type Merger of Wholly Owned Subsidiary (Simplified Merger and Short-form Merger) (Nov. 30) Changes in the Representative Corporate Executive Officer, President and CEO (Dec. 21) Notice Regarding Corporate Demerger (Simplified Absorption-type Demerger, Short Form Absorption-type Demerger) of Wholly-owned Subsidiary (Nijio Co., Ltd.) (Feb. 2) Compass Transformation 23-25 – Tokyo Gas Group Medium-term Management Plan for FY2023-2025 (Feb. 22) Reorganization of Capty Co., Ltd. (Mar. 22) *1 FY2023 Tokyo Gas Group Management Plan (Mar. 22)

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Key Topics in FY2022 (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
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) Signing of Comprehensive Agreement for Realizing a Zero-Carbon City in Fujioka City (Feb. 1) *2 Signing of Comprehensive Agreement for Realizing Carbon Neutrality in Sodegaura City (Feb. 20) *2 Signing of Comprehensive Agreement for Realizing a Carbon-Neutral City in Tsurugashima City (Mar. 10) Signing of Comprehensive Agreement for Realizing a Zero-Carbon City Chofu (Mar. 29)*2 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) Newly Established Green Energy Frontier Co., Ltd. to Begin Operation (Feb. 20)	Establishment of relationships with communities Climate change Safety & disaster preparedness
Transition to a holdings group structure	Governance & compliance
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) Tokyo Gas selected as a Nadeshiko Brand company for FY2022 (Mar. 22)	Diversity & inclusion
Signing of Partnership Agreement between Kawaguchi City Waterworks Bureau and Tokyo Gas Network on BPR Support (Mar. 29)*2	Establishment of relationships

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Key Topics in FY2022 (Excerpted from Press Releases)

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 (Apr.20) *2	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) 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) Tokyo Gas Real Estate Launches Its First Overseas Real Estate Development Business in Australia (Feb. 22)	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)	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)	Climate change Safety & disaster preparedness
Launch of sales of G-Sketto, small generators for use in disasters that support city gas/LP gas switching (Jun. 2) *1 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) (Sep.1) *2 Conclusion of partnership agreement on advancing actions that contribute to sustained stabilization and enhancement of community value in infrastructure business (Nov. 18) *2	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 (May 17) *2 Collaboration for Information Sharing during Disasters and for Remedial Action on Unsafe Equipment (Feb. 8) *2 Signing of Agreement on Coordination during Major Disasters (Feb. 15) *2	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 (Nov. 1) *2 Signing of Partnership Agreement for Community Decarbonization in Tama City (Jan. 20) *2 Smart energy project at Kiyohara Industrial Park receives the METI Minister's Prize at the 31st Grand Prize for the Global Environment Award (Mar. 1) *1	Establishment of relationships with communities Climate change
Selection as an implementer of NEDO Green Innovation Fund Projects: Development of Technology for Producing Fuel Using CO_2, 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) Investment in and Collaboration with Global Thermostat, a U.S.-based Firm with Leading-Edge Direct Air Capture Technology (Jan. 19) Project with Lixil Corp. for testing technology for hydrogen use in manufacturing processes (Jan. 25) Launch of study for floating offshore wind power project off Fukushima Prefecture (Feb. 3) Development of Japan's first reheating burner for a 100% hydrogen-fired gas turbine cogeneration system (Feb. 28) Tokyo Gas and H2U Technologies Enter Joint Agreement to Develop Low Cost Electrolyzers (Mar. 9) Launch of GHG emissions calculating service for construction and housing industries (Mar. 14) Establishment of Mass Production Technology for Catalyst-coated Membranes (CCMs) for Water Electrolysis toward Low-cost Green Hydrogen Production (Mar. 15) Development of world's first hydrogen burner for asphalt plants (Mar. 23) Development of hydrogen-fired burner for hot air generators (Mar. 23)	Climate change

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Key Topics in FY2022 (Excerpted from Press Releases)

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	● Climate change ● Access to energy ● Safety and disaster preparedness ● Creation of customer value
Sound relationships with society	● Resource efficiency and recycling society ● Establishment of relationships with communities ● Diversity & Inclusion ● Satisfaction through work and labor productivity
Actions as a responsible company	● Supply chain management ● Information security ● Governance and compliance

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ESG-related topics: Climate Change

One of our aims under the Tokyo Gas Group Management Vision, Compass 2030, is to create value together with our customers, business partners, and society as a whole while becoming a leader in the future energy systems. As part of our efforts to lead the transition to Net-Zero CO_2, we are working to expand renewable power sources, including through our offshore wind power business.

Given Japan's relative lack of shallow coastal waters, floating wind turbines that can be located in deep waters are seen as offering much potential, and are thus anticipated to be installed on a greater scale going forward. We will carry out R&D on how to mass-produce offshore wind turbines at lower costs using Principle Power, Inc.'s *1 floating wind turbine platform, and develop floating wind farms off the coasts of Japan and other countries.

Launch of study for floating offshore wind power project off Fukushima Prefecture

For details, see the following Feb. 3, 2023 release (in Japanese):
https://www.tokyo-gas.co.jp/news/press/20230203-02.pdf

Tokyo Gas Co., Ltd. and Shinobuyama Fukushima Power Co., Ltd. have launched a study for an offshore floating wind power project off the coast of Fukushima Prefecture.

The study will seek to commercialize an offshore wind power system incorporating Principle Power, Inc.'s floating platform technology, which has a proven track record in Europe. The project will utilize expertise gained from a floating wind turbine demonstration project*2 conducted off Fukushima.

Tokyo Gas and Shinobuyama Fukushima Power conducted an environmental impact assessment in line with the Environmental Impact Assessment Act. On February 3, 2023, the environmental impact statement was submitted to the Minister of the Economy, Trade and Industry and was also made available for public inspection via the local government agencies and our website.*3 As we advance this study, we will seek to acquire the understanding of the local community, fishing industry, government agencies, and other stakeholders through discussions based on the environmental impact assessment.

This marks our first time to study an opportunity for launching an offshore floating wind power business.

Project Overview

Item	Description
Operators	Tokyo Gas Co., Ltd. and Shinobuyama Fukushima Power Co., Ltd.
Location	Off coast of Naraha Town and Tomioka Town, Fukushima Prefecture
Power source	Wind power (floating offshore)
Capacity	Maximum output of 30,000 kW

*1: A startup that developed and owns WindFloat technology, a floating platform system for offshore wind turbines. Tokyo Gas became one of its principal shareholders with an investment made in May 2020.
*2: Fukushima Floating Offshore Wind Farm Demonstration Project
*3: "Submission and Public Inspection Availability of 'Environmental Impact Statement on Floating Wind Power Project off the Coast of Naraha Town and Tomioka Town, Fukushima Prefecture (Tentative Name)'" (Feb. 3, 2023, in Japanese)

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Key Topics in FY2022 (Excerpted from Press Releases)

ESG-related topics: climate change

Another challenge set forth by the Tokyo Gas Group Management Vision, Compass 2030, is to lead the effort to achieve Net-Zero CO_2. This commitment includes working to decarbonize gaseous energy by establishing our own technologies in methanation and hydrogen manufacturing. The key to realizing affordable green hydrogen production is to lower the cost of water electrolyzers.

In May 2021, we launched a project with SCREEN Holdings Co., Ltd. to jointly develop and establish in two years a technology for low-cost production of water electrolyzer cell stacks (stacks of thin layers that produce hydrogen and oxygen by electrolyzing water).

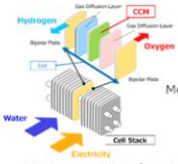
Establishment of Mass Production Technology for Catalyst-coated Membranes (CCMs) for Water Electrolysis toward Low-cost Green Hydrogen Production

For details, see the following Mar. 15, 2023 release:
https://www.tokyo-gas.co.jp/en/IR/support/pdf/20230315-01e.pdf

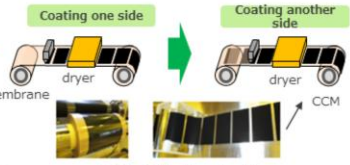
Tokyo Gas, together with SCREEN, has established a high-speed mass production technology for CCMs*1 to be used for PEM*2water electrolysis with an electrode area over 800 cm2. *3 The CCMs are a key component in determining the quality and durability of PEM water electrolysis cell stacks.

Since May 2021, two companies have been working on the development of technology for cell stacks*4 a core component of water electrolyzers for ow-cost green hydrogen production, utilizing SCREEN's "roll-to-roll methodology." *5 The most significant challenge in this development project was that cracks and catalyst agglomerations occurred on the electrodes of CCMs when the catalyst coating technology for production of CCMs for fuel cells*6 was applied to water electrolysis. This problem was addressed by optimizing the manufacturing process and catalyst ink*7 composition. As a result, we successfully established a mass production technology for CCMs with an electrode area over 800 cm2, which exhibited the desired performance. *8

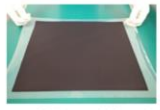
We plan to start the mass production of 5,000 cm^2*9 CCMs for water electrolysis in 2025 by accelerating technological development for further expansion in CCM sizes and constructing mass production facilities. Such CCMs are in high demand by the manufacturers of water electrolyzers.



Basic composition of a water electrolysis cell stack



CCM for fuel cells produced by roll-to-roll methodology



CCM over 800 cm2 for water electrolysis

*1: Catalyst-Coated Membranes
*2: Proton Exchange Membrane
*3: A 100 kW class cell stack (hydrogen production capacity of 20 Nm3/h class) can be produced by the stacking of several tens of layers.
*4: Tokyo Gas and SCREEN Agree to Jointly Develop a Water Electrolysis Cell Stack for Low-cost Green Hydrogen Production (announced on May 26, 2021).
*5: Low-cost manufacturing process for functional films that consists of the continuous processing of film using a coating and other methods during the rewinding process of a long film substrate wound in a roll.
*6: This achievement is based on results from a project subsidized by the New Energy and Industrial Technology Development Organization (NEDO).
*7: Catalyst powders such as precious metals and polymers are slurried together in a solvent.
*8: Efficiency above 83% is achieved; test conditions: 60ºC, 2 A/cm^2.
*9: A MW-class cell stack (hydrogen production capacity of 200 Nm^3/h class) can be produced by the stacking of several tens of layers.

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Overseas Projects

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 Bangkog	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
	7	Philippines	FGEN LNG	Downstream	Construction, operation and maintenance of the LNG terminal	2020
Oceania	8	Australia	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
			Ichthys	Upstream	Production, liquefaction and sales of LNG	2012
Europe	9	Denmark	TOWII Renewables	Downstream	Onshore wind power	2022

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Changes in Disclosable Segments (mapping of key changes)

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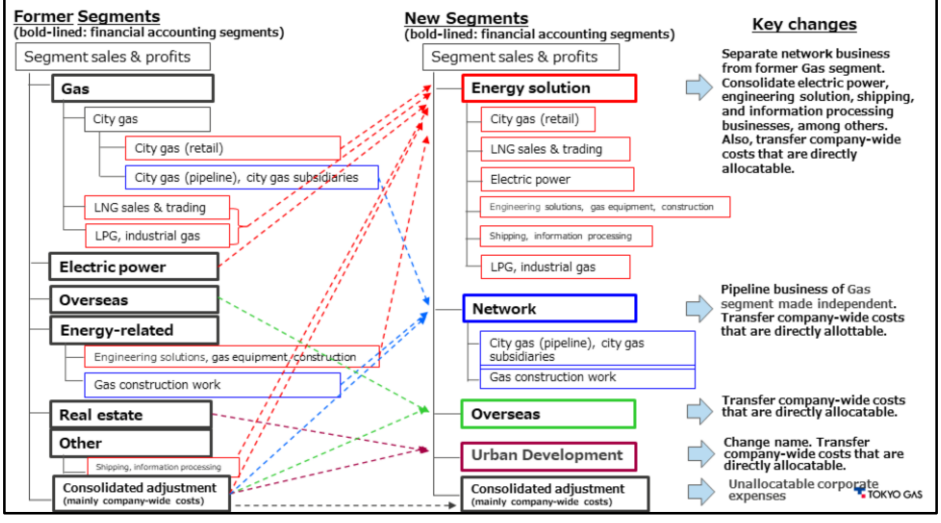
- In accordance with our approach to accounting management, we changed our classifications for legally disclosable segments in order to better align them with management practices under the holdings-type group structure instituted in FY2022 (units considered in decision-making on resource allocation, 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 .



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< 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.

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