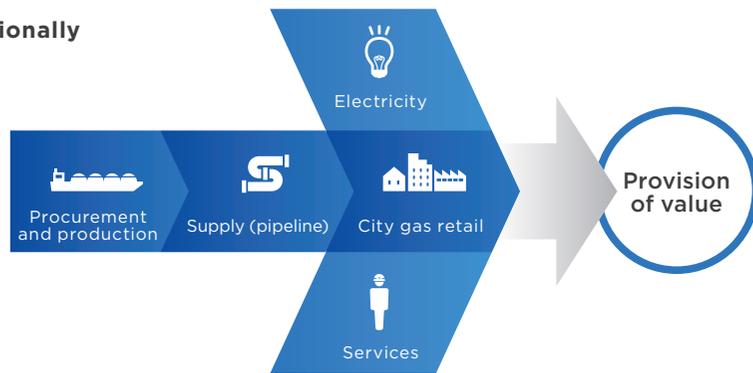


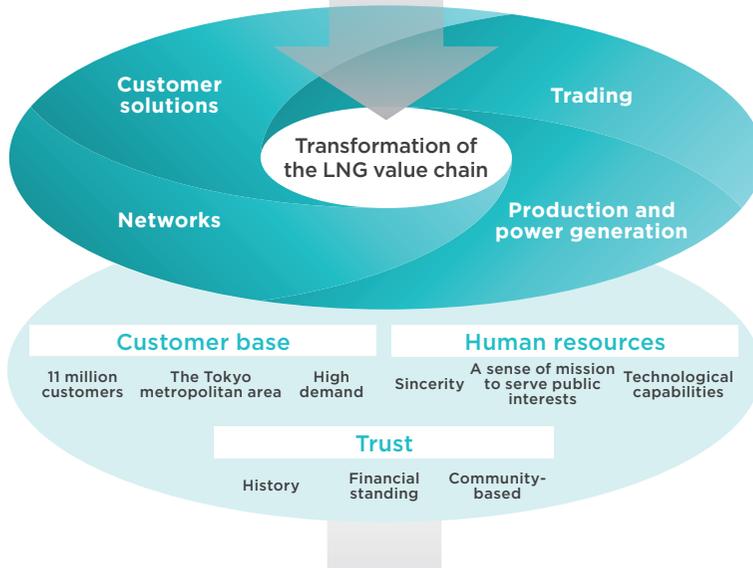
Transformation of the LNG value chain for value creation

We will crystallize the business expertise that has been accumulated in trading, production and power generation, networks and customer solutions and explore new domains in order to expand the customer base for whom value is created and provided and maximize each of the functions of the LNG value chain.

Conventionally



Goal for 2030



Strengths

We will capitalize on the strengths of the Tokyo Gas Group and continue to create various types of value through the participation of business partners and customers.

Customer solutions

We will crystallize our front-line operations and services for customers, including equipment installation and repair services carried out by Lifeval, which deals with last mile services. In addition, we will increase our use of digital infrastructure and business partners and expand the amount of data, products and technologies used to discover issues and swiftly propose a wide range of solutions matched with the customer.

Trading

We will optimally operate LNG terminals and our own ships and other equipment using digital technologies to improve stability, economic efficiency and flexibility in raw material procurement. Taking advantage of flexibility based on the scale of LNG and electricity power procurement, our own power plants and electric power and gas retail businesses and mutually utilizing the strengths and regional differences of business partners, we will increase added value of LNG and explore earning opportunities through transactions on and off the market.

Community-based

Number of Lifeval outlets*
174

(as of the end of March 2020)
* Including Enesta and Enefit outlets

Contact opportunities

Repairs, etc. and periodic safety inspections*
5.2 million

(actual for FY2019)
* Including Enesta and Enefit
* Repairs, etc. include opening/closing of gas fixtures.

Procurement capabilities

Number of vessels under our ownership or control
12

(as of the end of March 2020)

Storage capacity

LNG Terminals
3.47 million kiloliters
(as of the end of March 2020)

Networks

We will streamline pipeline maintenance and management operations, achieve the opening of the Ibaraki Line in 2020 to create a second circular trunk pipeline network, build closer ties with local governments and infrastructure operators to make the natural gas infrastructure in the Greater Tokyo region more resilient. In addition, we will explore new services using smart meters.

Production and power generation

We will digitalize the facility management of LNG terminals and introduce the real-time remote monitoring of production and other processes to advance operations. Leveraging the expertise in engineering and the operation of LNG terminals and power plants that we have developed, we will explore expansion in Japan and overseas and businesses for other operators.

Stable supply

Total pipeline length
64,545km

(as of the end of March 2020)

Safety

Number of serious supply disruption incidents
0

(actual for FY2019)

Natural gas-fired power plants

Number of power plants owned
5

(as of the end of March 2020)

Operation

Monitoring and control
On a 24/7 basis



Creating and offering various types of value in Japan and abroad

The conventional LNG value chain was based on a business model of offering LNG with increased value in different functions to customers through the retail end-point. However, in view of the trend towards decarbonization, digitalization, the diversification of customers' values, progress in energy market deregulation, other changes in market conditions and intensifying competition, we will maximize the value of the individual functions of the LNG value chain in a shift toward a business model of creating and providing various types of value through separate functions for customers.

OUTCOME (indicators)

Achieve peace of mind

Contribution to the preservation of the global environment

Reduction of the cost of energy

Create comfortable lives

As a leading company dealing in natural gas, we will contribute to the preservation of the global environment, continuously endeavor to reduce the cost of energy and create secure and comfortable lives for customers.

Management vision: Management guidelines and key figures

Targets in Medium-Term Management Plan

Contribution to CO₂ emissions reduction
-10 million tons

Number of customer accounts
20 million

Natural gas transaction volume
20 million tons

Profit*
Approx. ¥200 billion

Total payout ratio
around 60%

ROE
around 8%

*The sum of operating profit and equity method income

