

Diversification

In October 1993, after undertaking a review of what type of group we should be in the 21st century, we reasserted development of business in the energy field as a key focus. Specifically, we aim to diversify businesses in fields that complement and add value to gas operations and increase the use of natural gas, including comprehensive engineering services, the supply of chemicals and cold energy utilization. At the same time, we are looking for new business opportunities in non-energy related fields. In respect of our 48 affiliated companies, we are working to strengthen their operating foundations and foster autonomy with an eye on taking them public in the future.

Consolidated Subsidiaries

Tokyo Gas Energy Co., Ltd.	Sales of liquefied petroleum gas (LPG) and coke
Tokyo Gas Chemicals Co., Ltd.	Sales of gas for industry and chemicals
Tokyo Oxygen and Nitrogen Co., Ltd.	Production and wholesale of liquefied oxygen and nitrogen
Tokyo Gas Urban Development Co., Ltd.	Real estate leasing, management and brokerage, etc.
Park Tower Hotel Co., Ltd.	Hotel management
KANPAI CO., LTD.	Gas facilities construction and gas appliance sales
Gastar Co., Ltd.	Production and wholesale of gas appliances
TG Credit Service Co., Ltd.	Leasing of information equipment, gas appliances and office equipment, and credit administration connected with gas appliances and installations
Chiba Gas Co., Ltd.	Supply of gas to Chiba City and surrounding cities
Tsukuba Gakuen Gas Co., Ltd.	Supply of gas in Tsukuba City
Tokyo Gas Engineering Co., Ltd.	Comprehensive engineering services with a particular focus on energy-related work
TG Information Network Co., Ltd.	Information processing services, software development and sales of computer equipment, etc.
TG Enterprise Co., Ltd.	Financial administration and building leasing for Tokyo Gas and related companies



LEFT

A room at the Park Hyatt Tokyo, managed by Park Tower Hotel Co., Ltd. The modern interior and superb view of the Shinjuku district make a stay a truly memorable experience.

RIGHT

A super deep-freeze warehouse for tuna is one example of the cold energy utilization of LNG.

Topics

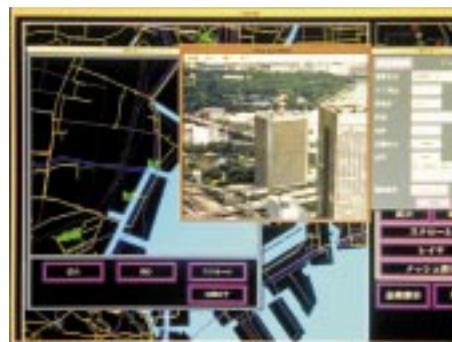
Key Ingredient For Breakthrough Diagnostic Method

Since 1989, Tokyo Gas has been working on a process to separate and condense ^{13}C -Methane from natural gas. A plant to produce ^{13}C -Methane for commercial use—the first of its type in the world—has commenced operations and the first shipments are scheduled for 2000. The ^{13}C -Methane will be processed into ^{13}C - CO_2 by Tokyo Gas Chemicals and sold to Otsuka Pharmaceutical Co., Ltd. for use in a breakthrough drug that we developed with them. The drug diagnoses the existence of *Helicobacter pylori*, a common cause of gastritis and gastric ulcers, and will make for more patient-friendly diagnoses of these ailments.



Mapping Technology

TUMSY, or Total Utility Mapping System, a cutting-edge computer mapping system developed by Tokyo Gas and sold by Tokyo Gas Engineering is one example of how technology developed for internal use can be commercialized outside the company. Originally developed to map the intricate maze of subterranean gas pipelines in our service area—previously 28,000 paper maps were used—TUMSY is also finding application in other facility management fields such as water and sewage facility management, road administration and city planning. TUMSY enables the effective management of essential lifelines and is now an integral part of ensuring a safe and dependable service to customers.



Rare Gas Demand Sparks Establishment of New Company

On April 1, 1998, consolidated subsidiary Tokyo Gas Chemicals established Tokyo Rare Gases Company Limited, a joint venture with Tokyo Kouatsu Co., Ltd., to make further advances into the rapidly expanding domestic rare gas market. Rare gases—neon, krypton and xenon—are in strong demand for new applications such as plasma display panels for large-screen televisions and excimer lasers. Found in minute quantities in the atmosphere, rare gases are produced at a limited number of locations in the world and are thus mainly imported into Japan. The new company is receiving supplies from U.S.-based Praxair, Inc. and leveraging Tokyo Kouatsu's existing packing facilities to set itself apart from other companies.

