

October 28, 2009  
Tokyo Gas Co., Ltd.

**Major Questions and Answers concerning the Financial Results for the  
Second Quarter of FY 2009 ending March 2010**

Q1: While the industrial-use gas sales volume is on a recovery trend, how far do you expect this recovery to go, and what are the full-year projections?

A1: The year-on-year decline from July through September showed an improvement from the year-on-year decline during the first quarter for both general industrial use and electric power generation. In particular, the sales volume for electric power generation basically recovered to the prior year's level. For the second half, we project a 6% year-on-year increase in industrial-use gas sales volume, based on our customers' interviews on their production projections.

Q2: The second quarter residential-use gas sales volume declined from the previous year. Were there any reasons for this aside from the warm weather? What are the full-year projections?

A2: In addition to temperature factors, we think that heightened energy conservation efforts also had some effect. We expect this trend to continue for the rest of the fiscal year, and have made a downwards revision to the second half projections. For the effective use of gas into the future, we are strengthening the sales force at the Tokyo Gas LIFEVAL regional energy service companies and stepping up development and sales of ENE FARM residential-use fuel cells and other green energy systems combining photovoltaic and solar heat energy.

Q3: During the quarter Tokyo Gas lifted its Fiscal 2009 ENE FARM sales target from 1,500 to 2,100 units. Are you going to achieve that target?

A3: We had sold 1,050 units as of October 14<sup>th</sup>, which is roughly half the annual figure. Sales are on track, and we expect to achieve the annual goal.

Q4: How is the SOFC development proceeding?

A5: Tokyo Gas has been advancing SOFC development through a

four-company structure together with Kyocera, Rinnai and Gastar since 2004. In the future we expect SOFC cogeneration systems with high power-generation efficiency and high-quality waste heat to boost our environmental and energy conservation competitiveness not only for residential use, but also for business and commercial applications.

Q5: How will the LNG price revision negotiations and other factors affect future gas resource costs?

A5: The LNG price revision negotiations are proceeding smoothly, and we see little risk that the outcome of negotiations will result in any major changes to the initially projected gas resource costs other than the influence of changes in economic framework (currency, oil price).