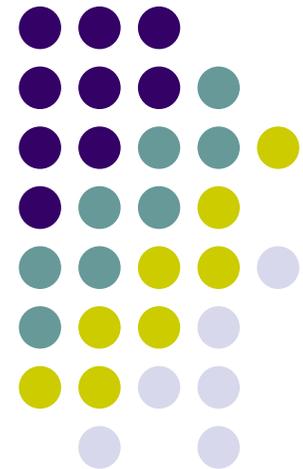


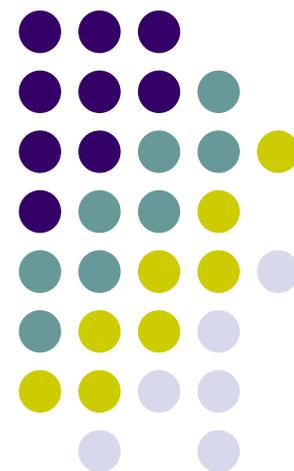
**FY2009 3Q Financial Results  
ended December 31, 2009**

**Tokyo Gas Co., Ltd.  
January 29, 2010**



# Consolidated Results

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# Financial Highlights : FY09 3Q Results



**Decreased Revenue, Increased Income**

[(c.f.) FY08 3Q]

- **Gas Sales Volume: Still negative but signs of recovery for residential. industrial volume  
Wholesale turned positive in 3<sup>rd</sup> quarter**
- **Sales : (-) due to lower oil price, higher yen, lower gas volume**
- **Operating Income : (+) due to lower gas cost**

(Billion yen)

	FY09 3Q	FY08 3Q	Change
<b>Gas Sales Volume (45MJ/mil. m<sup>3</sup>)</b>	<b>9,434</b>	10,055	-621
<b>Sales</b>	<b>965.3</b>	1,161.3	-196.0
<b>Operating Income</b>	<b>43.5</b>	-13.9	+ 57.4
<b>Ordinary Income</b>	<b>47.3</b>	-18.0	+ 65.3
<b>Net Income</b>	<b>31.6</b>	-7.3	+ 38.9
<b>Sliding Time Lag Effect</b>	<b>+12.1</b>	-53.7	+65.8

	Crude oil (\$/bbl)	Ex. Rate (¥/\$)	Temperature (°C)
<b>FY09 3Q</b>	<b>66.46</b>	<b>93.61</b>	<b>19.5</b>
<b>FY08 3Q</b>	<b>105.07</b>	<b>102.92</b>	<b>19.4</b>

2

# Financial Highlights : FY09 Outlook



## Increased Revenue and Income

[(c.f.) Oct. 28 projection]

- **Gas Sales Volume: (+) Residential/Industrial/ Wholesale**
- **Sales: (+) Due to increased gas sales volume**
- **Operating Income : (+) Higher gas margin, fixed cost reduction and increased consolidated subsidiaries' income**

(Billion yen)

	FY09	Oct. 28 projection	Change	FY08
<b>Gas Sales Volume (45MJ/m<sup>3</sup>)</b>	<b>13,566</b>	13,498	+68	13,942
<b>Sales</b>	<b>1,410.0</b>	1,407.0	+3.0	1,660.1
<b>Operating Income</b>	<b>84.0</b>	72.0	+12.0	65.2
<b>Ordinary Income</b>	<b>84.0</b>	72.0	+ 12.0	58.3
<b>Net Income</b>	<b>55.0</b>	48.0	+ 7.0	41.7
<b>Sliding Time Lag Effect</b>	<b>+6.2</b>	+2.7	+3.5	-31.8

JCC & Ex. rate fluctuation (4Q, non-consolidated)

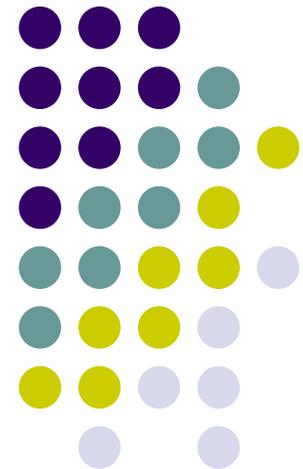
(bil. Yen)	Gross margin
(+)1\$/bbl	-0.2
(+) ¥1/\$	-0.8

4Q framework:\$ 80/bbl, ¥90/\$1

	Crude oil\$/bbl	Ex. Rate(¥/\$)
FY09	69.85	92.71
FY08	90.52	100.71

# Financial Analysis

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# Segment Information FY09 3Q Results



(billion yen)

	Sales			Operating income		
	FY09 3Q	FY08 3Q	Change	FY09 3Q	FY08 3Q	Change
<b>Gas Sales</b>	<b>703.9</b>	<b>865.8</b>	<b>( -161.9)</b>	<b>73.1</b>	<b>18.5</b>	<b>( +54.6)</b>
<b>Gas Appliances</b>	<b>89.1</b>	<b>91.5</b>	<b>( -2.4)</b>	<b>3.1</b>	<b>3.4</b>	<b>( -0.3)</b>
<b>Installation Work</b>	<b>29.3</b>	<b>31.9</b>	<b>( -2.6)</b>	<b>-1.2</b>	<b>-1.4</b>	<b>( +0.2)</b>
<b>Real Estate Rental</b>	<b>25.3</b>	<b>26.8</b>	<b>( -1.5)</b>	<b>5.9</b>	<b>7.0</b>	<b>( -1.1)</b>
<b>Other Business</b>	<b>220.7</b>	<b>267.0</b>	<b>( -46.3)</b>	<b>9.4</b>	<b>7.8</b>	<b>( +1.6)</b>
<b>Total</b>	<b>1,068.4</b>	<b>1,283.2</b>	<b>( -214.8)</b>	<b>90.5</b>	<b>35.4</b>	<b>( +55.1)</b>
<b>Cancellation</b>	<b>-103.0</b>	<b>-121.8</b>	<b>( - )</b>	<b>-46.9</b>	<b>-49.4</b>	<b>( - )</b>
<b>Consolidated</b>	<b>965.3</b>	<b>1,161.3</b>	<b>( -196.0)</b>	<b>43.5</b>	<b>-13.9</b>	<b>( +57.4)</b>

Number shown in parentheses are the changes from FY08 3Q

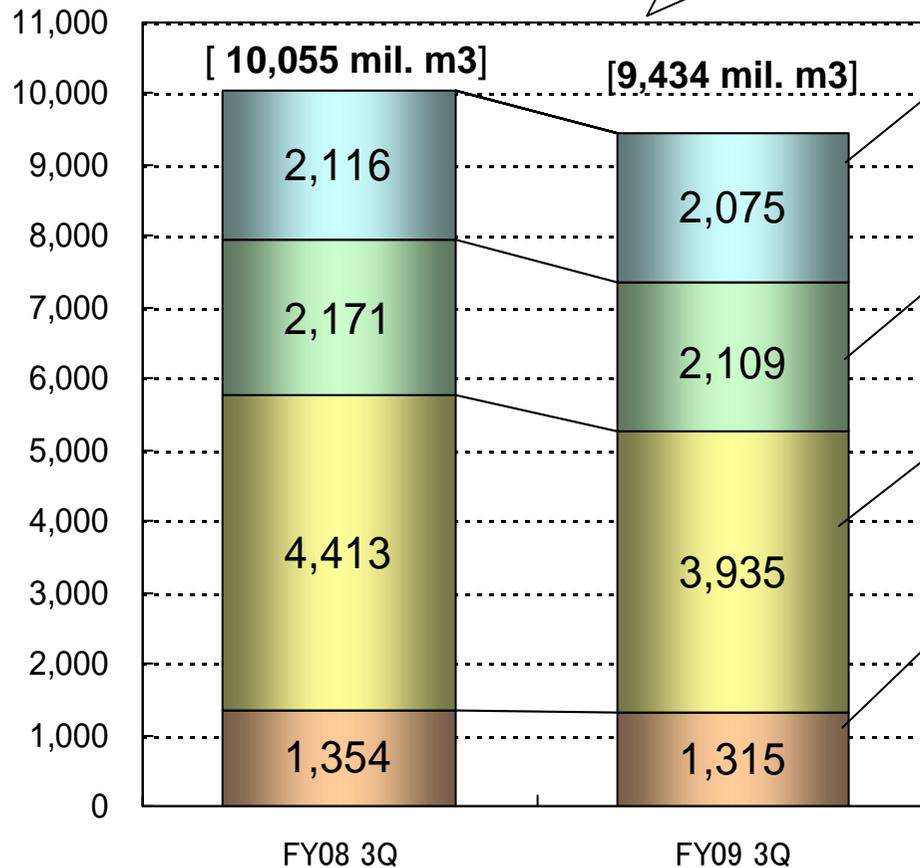
Sales include internal transactions. Operating income does not include operating expenses that cannot be allocated

# 【Gas Segment】 Gas Sales Volume



-6.2%(-621 mil. m3 )  
 [Large volume -8.7%(-467mil. m3 )]

(mil. m<sup>3</sup>, 45MJ)



## FY08 3Q → FY09 3Q

### Residential -1.9% (-41mil. m3)

·April-June high temp. caused hot water demand decrease.

### Commercial -2.9% (-62mil. m3)

·Drop in existing demand due to economic slump

### Industrial -10.8% (-478mil. m3)

·Drop in existing demand due to economic slump.

### Wholesale -2.9% (-39mil. m3)

·Drop in existing demand due to economic slump.

### Number of customers (10 thousand)

FY09 3Q	FY08 3Q	Change	%
1,059	1,045	14	+1.3%

(rounded at million m3)

# 【Gas Segment】 Residential



**2,075mil. m3 (-41mil.m3 -1.9%)**

- Increased customers +19mil. m3 (+0.9%)
- Higher temperature -23mil. m3 (-1.1%)
- Others (Energy saving, etc.) -37mil. m3 (-1.7%)

Temp. (°C)

	FY09	FY08	Change
April	15.7	14.7	1.0
May	20.1	18.5	1.6
June	22.5	21.3	1.2
July	26.3	27.0	-0.7
Aug.	26.6	26.8	-0.2
Sep.	23.0	24.4	-1.4
Oct.	19.0	19.3	-0.3
Nov.	13.5	13.1	0.4
Dec.	9.0	9.8	-0.8
Average	19.5	19.4	0.1

(thousands)

	FY09 3Q	FY08 3Q	Change
Newly connected customers (non-consolidated)	128	140	-12
No. of customers	10,593	10,456	+137

Volume /customer (m3/month)	25.72	26.47	-0.75
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# 【Gas Segment】 Commercial, Wholesale



## Commercial

2,109mil.m3 (-62mil.m3 -2.9%)

- Decreased air-conditioning demand due to temp. -5mil. m3 (-0.2%)
- Drop in existing demand due to economic slump -57mil. m3 (-2.7%)

## Wholesale

1,315mil.m3 (-39mil.m3 -2.9%)

- Other city gas companies -38mil. m3(-2.8%)
- Gas retailer for large volume customers -1mil. m3(-0.1%)

# 【Gas Segment】 Industrial



**3,935 mil. m<sup>3</sup> (-478 mil.m<sup>3</sup> -10.8%)**

- Industrial use (excluding power generation)

1Q: -188 mil.m<sup>3</sup> (-21.7%)  
 2Q: -131 mil.m<sup>3</sup> (-14.5%)  
 3Q: + 3 mil.m<sup>3</sup> (+ 0.4%)

In 3Q, existing large volume customers' demand recovered.

- Power generation

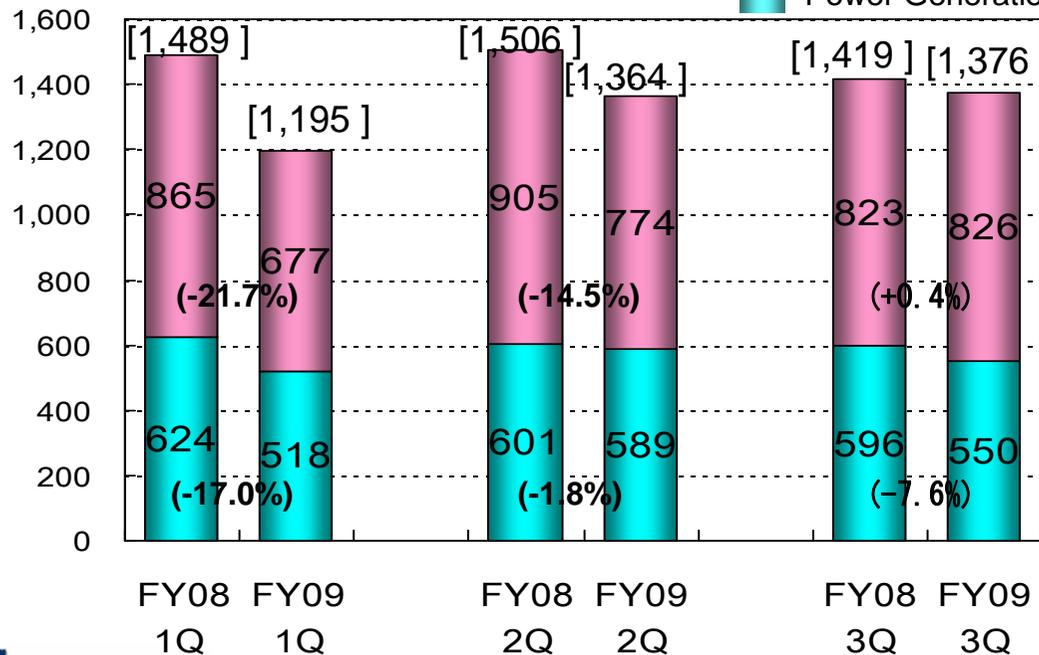
1Q: -106 mil.m<sup>3</sup> (-17.0%)  
 2Q: - 11 mil.m<sup>3</sup> (- 1.8%)  
 3Q: - 45 mil.m<sup>3</sup> (- 7.6%)

In 3Q, existing power generation customers' demand decreased due to periodic check.

(mil.m<sup>3</sup>, 45MJ)

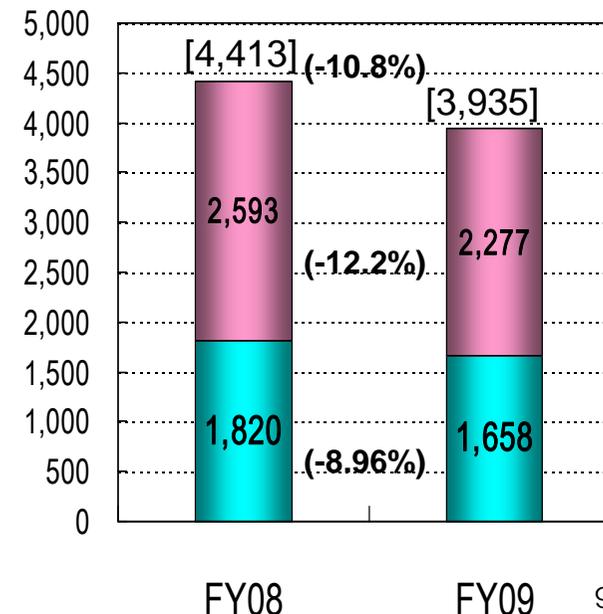
【Changes (quarterly)】

Industrial  
 Power Generation



(mil.m<sup>3</sup>, 45MJ)

【Changes(3<sup>rd</sup> Quarter)】



(Rounded at mil.m<sup>3</sup>)

# 【Non-gas segments】



## Gas Appliances

- Decreased sales and income:  
Sales 89.1 bil.yen(-2.4bil. yen), Operating Income 3.1bil. yen (-0.3bil.yen)
- Decreased sales and income due to lower housing starts and energy-saving trend

## Installation Work

- Decreased income and reduced deficit:  
Sales 29.3bil.yen (-2.6bil. yen), Operating Income -1.2bil.yen (+0.2bil.yen)
- Decreased sales due to lower housing starts

## Real Estate Rental

- Decreased sales and income:  
Sales 25.3bil. yen (-1.5bil.yen) Operating Income 5.9bil. yen (-1.1bil.yen)
- Decreased rent due to Shinjuku Park Tower head-office aggregation to Hamamatsucho

## Other Business

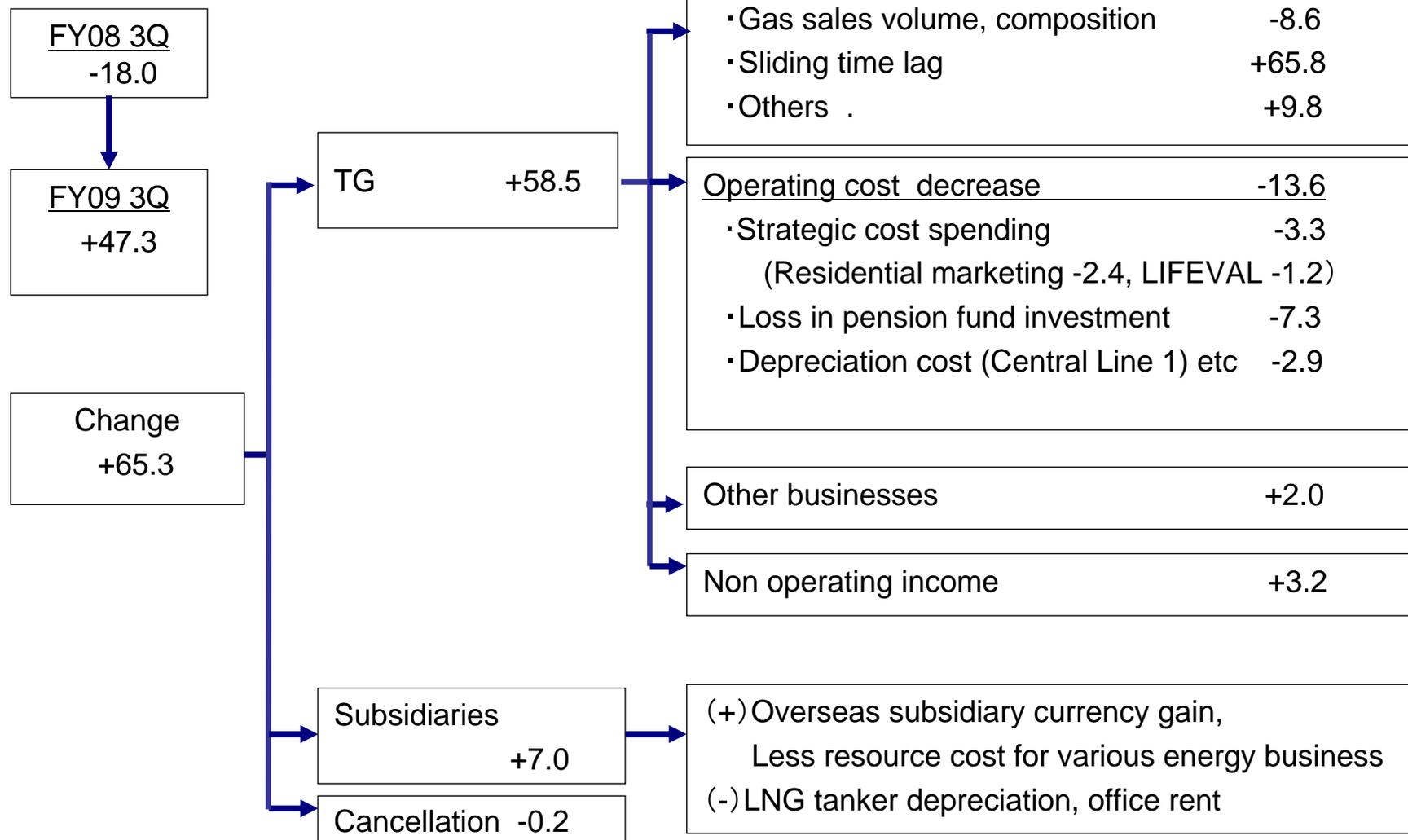
- Decreased sales and increased income:  
Sales 220.7bil.yen (-46.3bil.yen) Operating Income 9.4bil.yen (+1.6bil.yen)  
Energy Service: OP(+) less resource cost for LNG sales and energy service  
Power Business : OP(+) less resource cost for power generation  
LNG tanker : OP(-) Increased depreciation (7<sup>th</sup> fleet)

# FY2009 3Q Ordinary Income (Analysis)

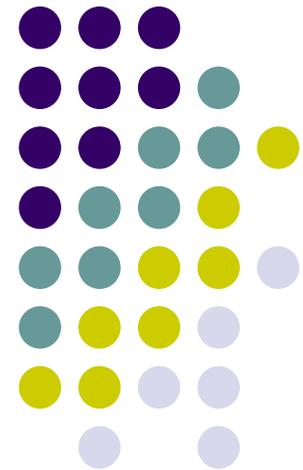


(Changes from FY08 3Q)

(Billion yen)



# Projections



# Segment Information FY09 Projection



(billion yen)

	Sales				Operating income			
	1/29	10/28	Change	FY08	1/29	10/28	Change	FY08
<b>Gas Sales</b>	<b>1,039.5</b>	<b>1,038.8</b>	<b>( +0.7)</b>	<b>1,257.5</b>	<b>136.4</b>	<b>130.0</b>	<b>(+6.4)</b>	<b>110.8</b>
<b>Gas Appliances</b>	<b>128.6</b>	<b>126.5</b>	<b>(+2.1)</b>	<b>122.3</b>	<b>1.2</b>	<b>0</b>	<b>(+1.2)</b>	<b>2.0</b>
<b>Installation Work</b>	<b>44.9</b>	<b>46.8</b>	<b>( -1.9)</b>	<b>49.0</b>	<b>-1.3</b>	<b>-1.1</b>	<b>( -0.2)</b>	<b>-1.0</b>
<b>Real Estate Rental</b>	<b>33.9</b>	<b>33.7</b>	<b>(+0.2)</b>	<b>35.6</b>	<b>7.2</b>	<b>6.7</b>	<b>(+0.5)</b>	<b>7.4</b>
<b>Other Business</b>	<b>305.8</b>	<b>303.9</b>	<b>(+1.9)</b>	<b>363.7</b>	<b>15.2</b>	<b>13.5</b>	<b>(+1.7)</b>	<b>13.4</b>
<b>Cancellation</b>	<b>-142.7</b>	<b>-142.7</b>	<b>( - )</b>	<b>-168.2</b>	<b>-74.7</b>	<b>-77.1</b>	<b>( - )</b>	<b>-67.5</b>
<b>Consolidated</b>	<b>1,410.0</b>	<b>1,407.0</b>	<b>(+3.0)</b>	<b>1,660.1</b>	<b>84.0</b>	<b>72.0</b>	<b>(+12.0)</b>	<b>65.2</b>

Number shown in parentheses are the changes from 10/28 projections.

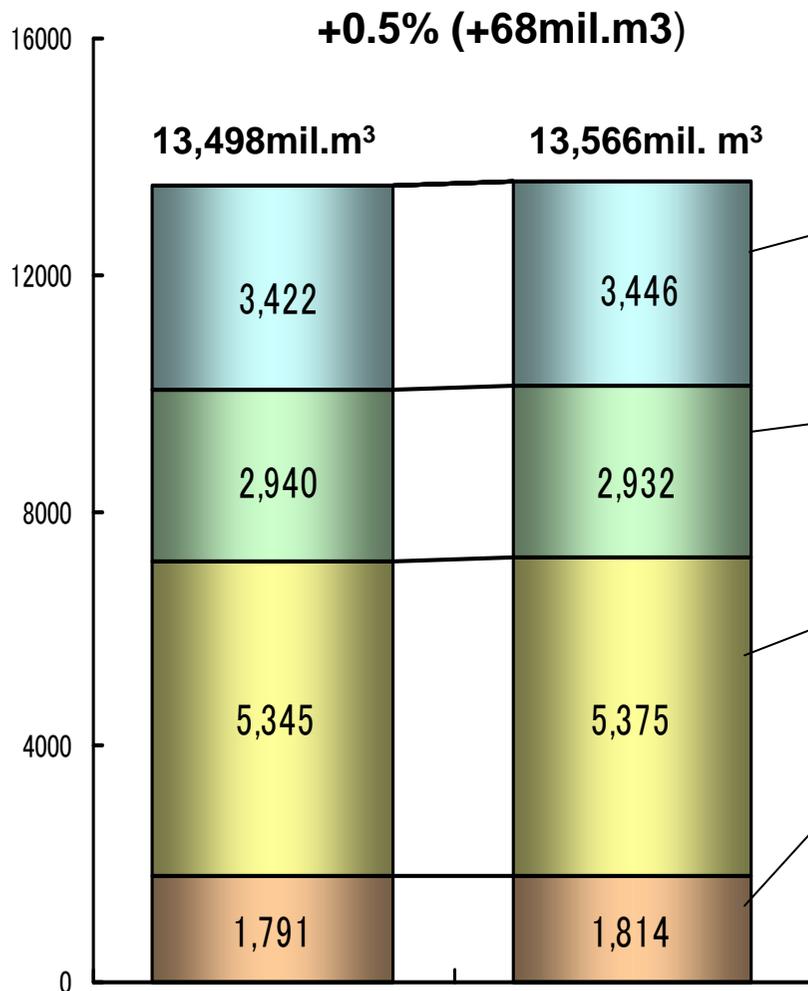
Sales include internal transactions. Operating income does not include operating expenses that cannot be allocated . 13

# Gas Sales Volume Projection



(Changes from Oct. 28 projection)

(mil. m<sup>3</sup>, 45MJ)



<Oct. 28 → New projection>

- Residential** +0.7% (+24mil.m3)  
 ▪ Revised upward per household gas sales volume based on 3Q trend
- Commercial** -0.3% (-8mil. m3)  
 ▪ Revised downward reflecting drop in 3Q(Oct.-Dec.) due to temp. effect
- Industrial** +0.6% (+30mil. m3)  
 ▪ Revised upward reflecting each customer's production projection
- Wholesale** +1.3% (+23mil. m3)  
 ▪ Revised upward reflecting increased demand projections of wholesale customers

(rounded at million m3)

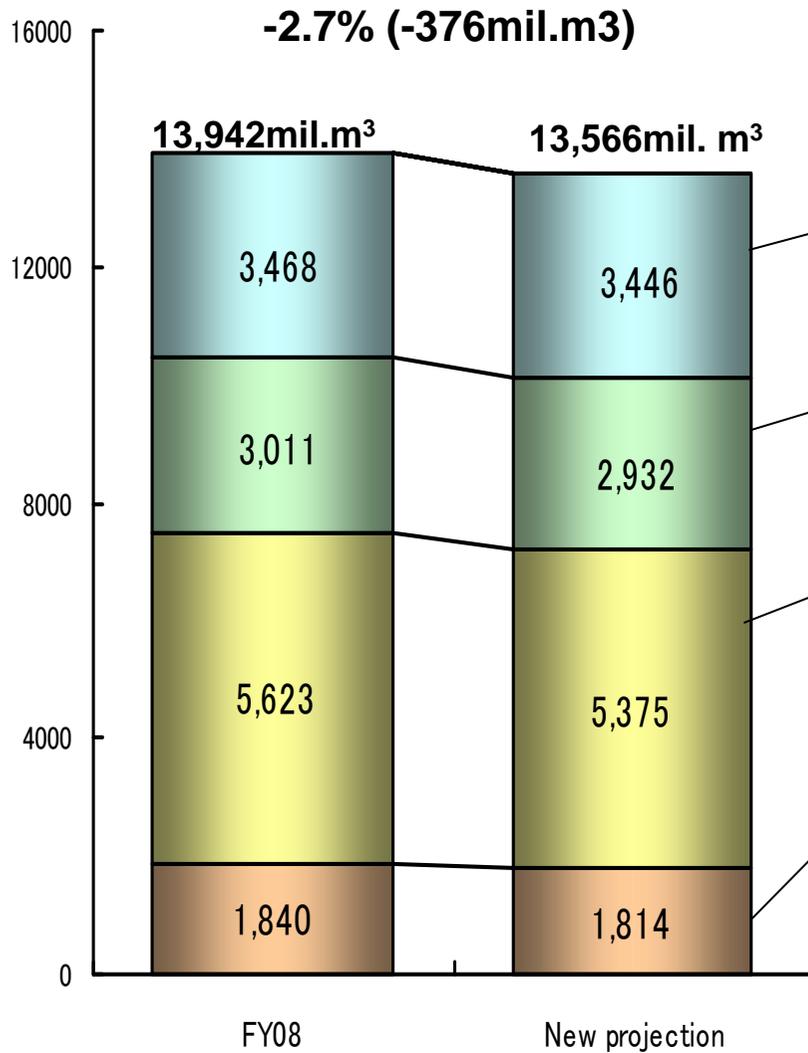
Av. Temp.      Oct. 28 (16.7°C)      New projection (16.6°C)

# Gas Sales Volume Projection



(Changes from FY08)

(mil. m<sup>3</sup>, 45MJ)



<FY08 → New projection>

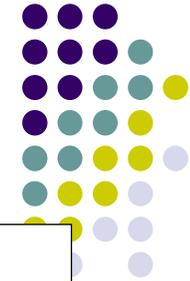
- Residential      -0.6% (-22mil.m3)  
▪ Energy-saving trend
- Commercial      -2.6% (-79mil. m3)  
▪ Drop in existing demand due to economic slump
- Industrial      -4.4% (-248mil. m3)  
▪ Drop in power generation demand due to periodic checks, and drop in other industries due to economic slump
- Wholesale      -1.4% (-26mil. m3)  
▪ Decreased demand of wholesale customers

(rounded at million m3)

Av. Temp. (16.6°C)

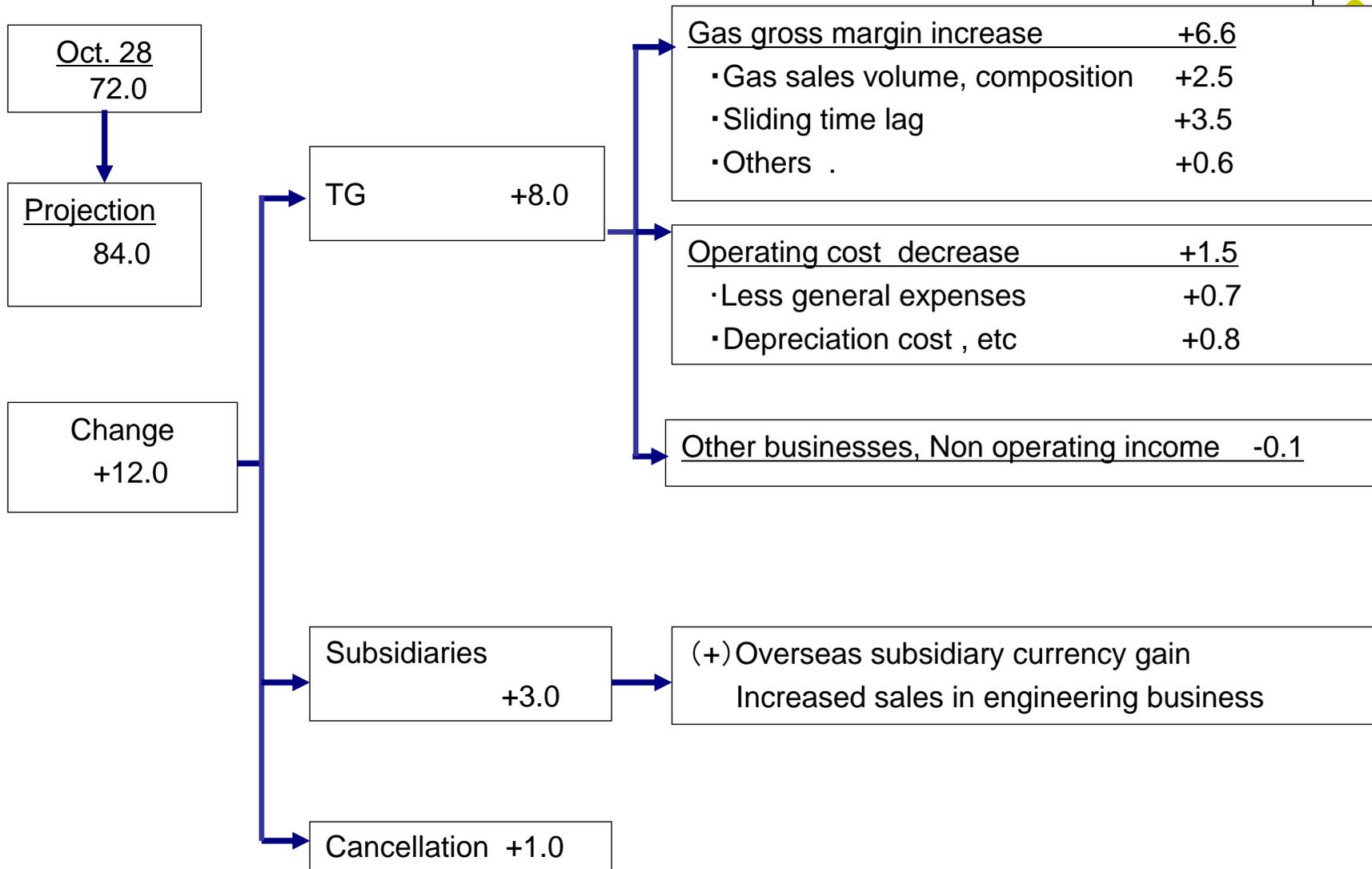
(16.6°C)

# FY2009 Ordinary Income Projection (Analysis)

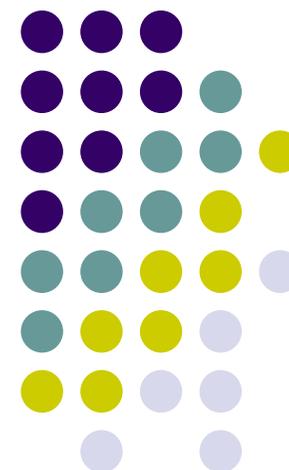


(Changes from Oct. 28)

(Billion yen)



# Tokyo Gas Co., Ltd.



Statements made in this presentation with respect to Tokyo Gas's present plans projections 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 changes in the foreign exchange rate of the yen crude oil prices and the weather.