

Results Briefing for the First Quarter of FY2013

Q&A Highlights

Q1: What were the main points regarding the gas sales volume during the first quarter of fiscal 2013 (ended June 30, 2013)?

A1: The average temperature during the first quarter of fiscal 2013 was higher than during the first quarter of the previous fiscal year, so residential demand declined by 58 million cubic meters, or 6.5%, and business demand declined by eight million cubic meters, or 1.4%.

Industrial demand increased by 63 million cubic meters from the development of new demand in the Kashima district and declined by 198 million cubic meters from shifts to tolling agreements outside the Kashima district, while electric power generation demand increased. Overall, industrial demand declined by 42 million cubic meters, or 2.7%.

Q2: What is the outlook for the differential between the prices of raw materials purchased by Tokyo Gas and the average raw materials prices nationwide?

A2: The average prices nationwide are determined by the purchase prices paid by other companies, and they are also affected by increases and decreases in the volume of spot transactions. Consequently, we think it is difficult to project the differential between our company's purchase prices and the average prices nationwide.

Q3: Could you please explain, once again, your thoughts regarding the revision of gas tariff?

A3: The volume of gas sales is increasing as a result of our sales efforts, and we are examining returns to customers taking into consideration the efforts to improve management efficiency. We will explain the specific timing and levels of gas tariff revision at the time of the announcement of the second quarter results.