

**FY2018 1Q Financial Results
ended June 30, 2018**

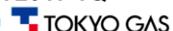


July 27, 2018

1. FY2018 1Q Consolidated Financial Results
ended June 30, 2018



FY2018 1Q Consolidated Financial Results (Apr. 1, 2018 – Jun. 30, 2018) <vs. FY2017 1Q>



Highlights: Sales Down, Profit Up

(+, - indicate impact on profit, billion yen)

Net sales	-2.7	⊖	Gas	(-13.1 : Decrease in sales volume -36.2, increase in unit price due to resource cost adjustment +18.8, increase in LNG sales, etc.)
		+	Electric power	(+7.9 : Increase in retail sales volume, etc.)
		+	Energy-related	(+6.6 : Engineering solutions +5.3, gas appliances +2.1, gas pipe installation work +0.7 etc.)
Operating expenses	-8.7	⊖	Electric power	(-8.6 : Increase in expenses due to increase in retail sales volume, etc.)
		⊖	Energy-related	(-5.0 : Engineering solutions -4.6, etc.)
Operating profit	-11.4	⊖	Gas	(-12.0 : Decrease in sales volume due to impact of high temperatures and decrease in volume of sales for power generation use only -12.4, etc.)
		+	Overseas	(+2.9 : Increase in profit from upstream projects, etc.)
Extraordinary profit/loss	+25.9	+	FY2018 1Q	+29.1 : Gain on sale of non-current assets +29.1
			FY2017 1Q	+3.2 : Gain on sale of non-current assets +3.2

(billion yen)

	FT2018 1Q	FT2017 1Q	Change	%
City gas sales volume (million m ³ , 45MJ)	3,145	3,710	-565	-15.2%
Electricity sales volume (million kWh)	3,257	3,372	-115	-3.4%
(Breakdown)				
Retail sales (million kWh, receiving end)	1,136	785	+351	+44.9%
Wholesale etc. (million kWh)	2,120	2,587	-467	-18.1%
Net sales	401.4	404.1	-2.7	-0.7%
Operating expenses	378.1	369.4	+8.7	+2.4%
Operating profit	23.2	34.6	-11.4	-32.9%
Segment profit (operating profit + equity income of subsidiaries)	23.7	35.1	-11.4	-32.4%
Ordinary profit	24.0	35.8	-11.8	-33.0%
Extraordinary income/loss	29.1	3.2	+25.9	—
Profit attributable to owners of parent	37.7	27.8	+9.9	+35.4%
<i>Temperature effect</i>	... ②	-5.1	-1.3	-3.8
<i>(Adjustment items)</i>		-12.2	-12.2	+0.0
<i>Sliding time lag effect (city gas · LNG sales)</i>	... ③	(-11.1 + -1.1)	(-11.1 + -1.1)	(±0.0 ± 0.0)
<i>Amortization of actuarial differences</i>	... ④	-1.1	1.9	-3.0
Adjusted ordinary income	... ① - (② + ③ + ④)	42.4	47.4	-5.0

Economic framework	Exchange rate (¥/\$)	Crude oil price (\$/bbl)	Avg. air temp. (°C)
FY2018 1Q	109.10 (-1.99)	70.53 (+17.19)	17.9 (+1.2)
FY2017 1Q	111.09	53.34	16.7

Pension assets	Investment yield (costs deducted)	Year-end assets (billion yen)
FY2018 1Q cumulative	-0.06%	269.0

Expected annual rate of return: 2%

Figures in parentheses () indicate year-on-year increase/decrease

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During the first quarter of FY2018, net sales decreased by ¥2.7 billion (-0.7%) to ¥401.4 billion. The main cause was a drop in net sales of the gas segment by ¥13.1 billion due to a decrease in city gas sales volume, despite an increase in net sales of the electric power segment by ¥7.9 billion due to a rise in retail sales volume.

Operating expenses rose by ¥8.7 billion (+2.4%) to ¥378.1 billion, owing to an increase in electricity operating expenses due to the rise in retail sales volume in the electric power segment.

As a result, operating profit and ordinary profit dropped by ¥11.4 billion (-32.9%) to ¥23.2 billion, and by ¥11.8 billion (-33.0%) to ¥24.0 billion, respectively. However, profit attributable to owners of parent increased by ¥9.9 billion (+35.4%) to ¥37.7 billion, reflecting the booking of a gain on sale of non-current assets of ¥29.1 billion as extraordinary income.

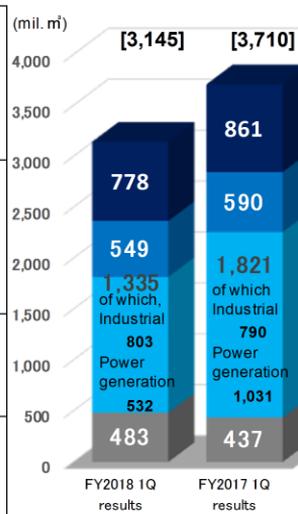
FY2018 1Q Consolidated Gas / Electricity Sales Volume <vs. FY2017 1Q>

City gas sales volume

-565mil.m³ (-15.2%)

[including temperature effect-81mil.m³, -2.2%]

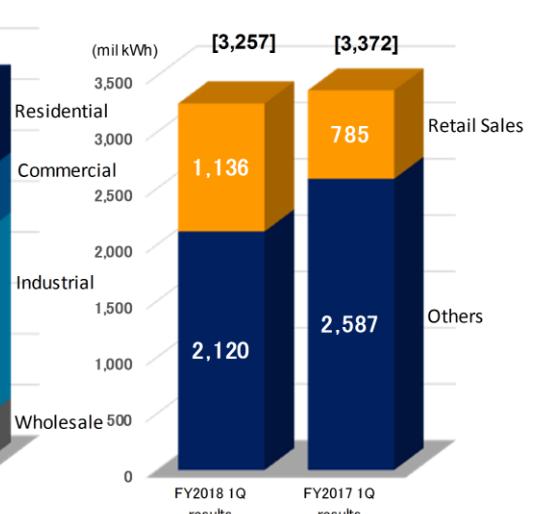
Category	Change	% Change
Residential	-83 mil.m³	(-9.6%)
- Temperature effect	-63 mil.m ³	
- Number of days	-1 mil.m ³	
- Number of customers	-9 mil.m ³	
- Others	-10 mil.m ³	
Commercial	-41 mil.m³	(-7.0%)
- Temperature effect	-15 mil.m ³	
- Number of days	-0 mil.m ³	
- Number of customers	-11 mil.m ³	
- Others	-14 mil.m ³	
Industrial	-486 mil.m³	(-26.7%)
- Industrial	+13 mil.m ³	
- Power generation	-499 mil.m ³	
Wholesale	+46 mil.m³	(+10.5%)
- Temperature effect	-3 mil.m ³	
- Others	+49 mil.m ³	



Electricity sales volume

-115mil.kWh (-3.4%)

[Retailing+351mil.kWh, Wholesale etc.-467kWh]



Number of customers(City gas/Electricity), LNG sales volume, Average temperature

	FY2018 1Q Results	FY2017 1Q Results	Change
City gas: Number of customers(meters) (10 thousands, meter)	1,170.2	1,155.3	+14.9 (+1.3%)
Electricit : Number of customers(Supply basis)(10 thousands)	127.2	77.6	+49.6 (+63.9%)
LNG sales volume (thousands t)	225	235	-10.0 (-4.3%)
Average temperature (°C)	17.9	16.7	+1.2

※Each value is rounded.

Let me describe the gas and electricity sales volumes.

Consolidated gas sales volume during the first quarter of FY2018 decreased by 565 million m³ (-15.2%) to 3,145 million m³.

The main causes of the drop in the gas sales volume were a decrease of 499 million m³ due to a reduction in usage by power generation customers and a decrease of 81 million m³ due to a decline in hot water demand on the back of higher temperatures between April and May compared to the previous year.

Electricity sales volume decreased by 115 million kWh (-3.4%) to 3,257 million kWh as a whole.

While retail sales volume increased to 1,136 million kWh (+44.9%) due to a rise in the number of subscribers, the sales volume of wholesale, etc. dropped to 2,120 million kWh (-18.1%), which led to the decline in electricity sales volume as a whole. The main cause of the drop in wholesale, etc. was a decrease in the power generation volume due to periodic inspection of group power sources.

■ Gas sales volume (Vision Basis) (Unit: million m³)

	FY2018 1Q Results	FY2017 1Q Results	Change
City gas sales volume (financial accounting basis)	3,145	3,710	-565
			-15.2%
Gas volume used in-house under tolling arrangement	424	486	-62
			-12.7%
LNG sales volume (m ³ basis)	282	294	-12
			-4.3%
Total	3,851	4,491	-640
			-14.2%

This slide indicates gas sales volume (vision basis) which represents the total of gas sales volume (financial accounting basis), gas volume used in-house under tolling arrangement and LNG sales gas volume.

The drop in gas volume used in-house under a tolling arrangement by 12.7% indicates the decline in the operation of group power sources.

FY2018 1Q Results : Sales and Operating Profit/Loss by Business Segments <vs. FY2017 1Q >

Part of segments change in FY 2018 ※

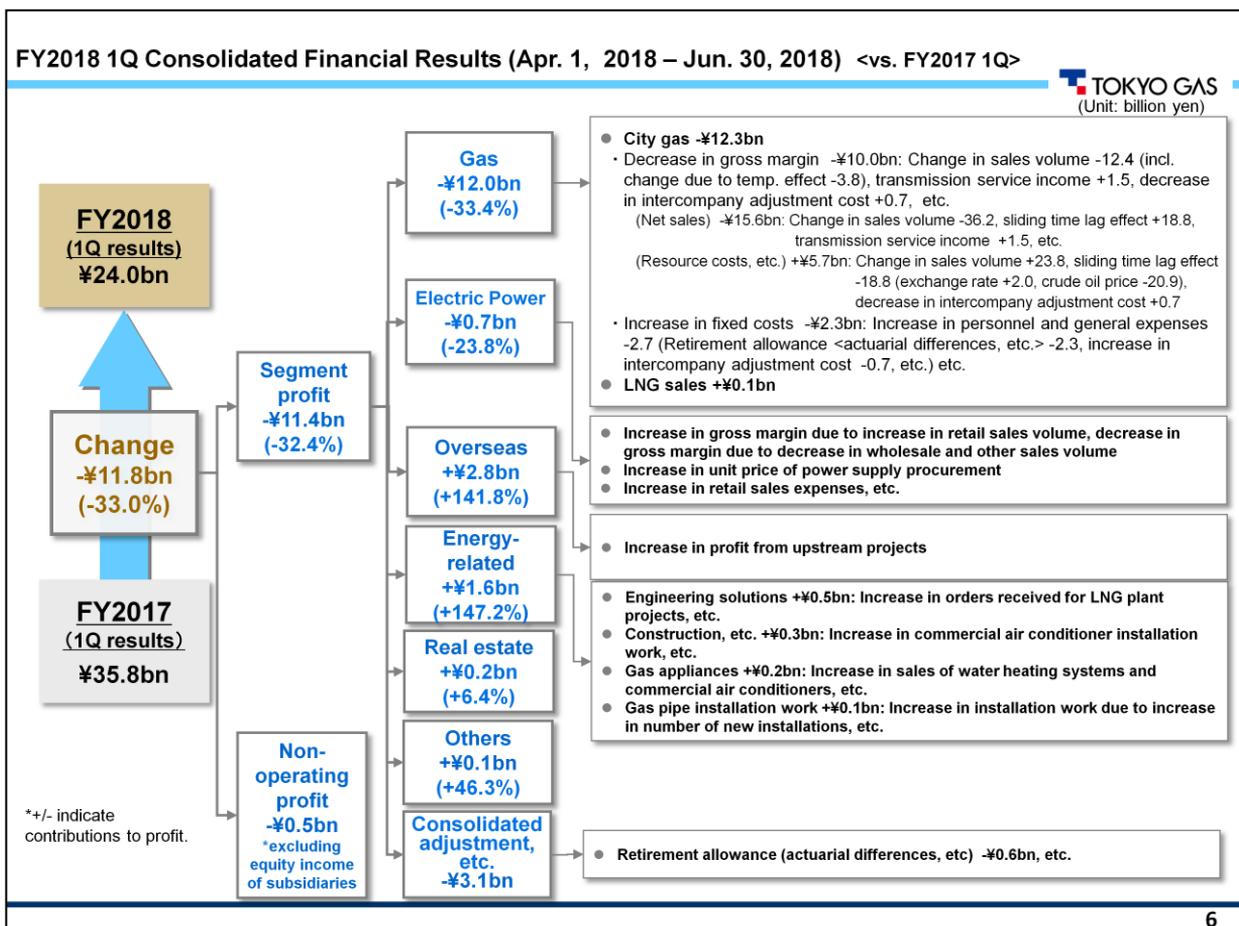
	Net Sales					Segment Profit (Operating profit + Equity income/loss of subsidiary)				
	FY2018 1Q Results	FY2017		Change	%	FY2018 1Q Results	FY2017		Change	%
		After Conversion	Before Conversion				After Conversion	Before Conversion		
Gas	290.7	303.8	271.7	-13.1	-4.3	24.0	36.0	35.8	-12.0	-33.4
(LNG sales)	30.6	21.5	21.5	+9.1	41.8	0.0	-0.1	-0.1	+0.1	—
Electric Power	53.1	45.2	45.2	+7.9	17.4	2.3	3.0	3.0	-0.7	-23.8
Overseas business	12.1	11.7	11.7	+0.4	3.9	4.7	1.9	1.9	+2.8	+141.8
(equity income of subsidiaries)	—	—	—	—	—	0.3	0.4	0.4	-0.1	-26.4
Energy-related	74.3	67.7	97.5	+6.6	9.8	2.6	1.0	1.1	+1.6	+147.2
(Engineering Solutions)	29.3	24.0	24.0	+5.3	21.7	0.5	0.0	0.0	+0.5	—
Real estate (including equity income of subsidiaries)	11.0	10.4	10.4	+0.6	5.5	2.4	2.2	2.2	+0.2	+6.4
Others (including equity income of subsidiaries)	20.3	17.5	19.6	+2.8	15.6	0.1	0.0	0.1	+0.1	+46.3
Adjustment	-60.3	-52.5	-52.3	-7.8	—	-12.5	-9.4	-9.4	-3.1	—
Consolidated	401.4	404.1	404.1	-2.7	-0.7	23.7	35.1	35.1	-11.4	-32.4
(equity income of subsidiaries)	—	—	—	—	—	0.4	0.4	0.4	+0.0	+6.1

- Notes:
- Net sales by business segments include internal transactions.
 - Net sales of "LNG sales" within "Gas" include internal transactions within Gas segment.
 - "Gas" includes businesses in city gas, liquefied petroleum gas, industrial gas, LNG sales, etc. "Energy-related" includes businesses in engineering solutions, gas appliances sales, gas pipe installation, construction and credit, etc. "Others" includes businesses in shipping, information processing service and leasing, etc.
 - The "Adjustment" to operating profit is primarily companywide expenses not allocated to individual segments.
- ※ Segment change in FY 2018 are as follows.
- Liquid Gas Business("Liquefied petroleum gas" and "Industrial gas") and "LNG sales" included in "Energy-related" were reorganized as "Gas".
 - "Credit" included in "Others" were reorganized as "Energy-related".

This slide indicates net sales by segment and segment profit (operating profit + equity income of subsidiary) and changes thereof.

Some of the segments have been revised from FY2018. The results of the same period of the previous year that have been reclassified into the new segments are indicated under "after conversion."

In terms of segment profit, the ¥12.0 billion drop in income of the gas segment had a negative impact on overall profit.



Let me explain about the changes in segment profit of each segment.

The main cause of the decrease in the gas segment by ¥12.0 billion was the impact of the drop in gas sales volume by ¥12.4 billion, of which ¥3.8 billion was caused by high temperatures between April and May. The impact of an increase in fixed costs, including actuarial differences, was -¥2.3 billion.

Profit of the electric power segment decreased by ¥0.7 billion.

The drop in profit was due to a rise in unit price of power supply procurement on the back of a decrease in operation following periodic inspections of group power sources and an increase in retail sales expenses, despite an increase in gross margin on the back of increased retail customers and sales volume.

Profit of the overseas segment increased by ¥2.8 billion. Profit of upstream projects has increased, such as an increase in profit of Gorgon LNG, an overseas upstream project that commenced sales last year, due to the reduction in initial year cost burden.

Profit of the energy-related segment increased by ¥1.6 billion. The main causes were an increase in orders received for LNG plant projects in the engineering solutions business as well as an increase in orders received for commercial air conditioner installation work.

2. FY2018 Full Year Forecast



**No change in forecasts compared with the previous announcement
(Earnings Announcement for FY 2017 ended March 2018)**

Full-year forecasts have not changed from the initial forecasts announced in the end of April. I will briefly explain why the forecasts were unchanged.

In the gas segment, the Company's main business, the major revenue fluctuation factors prior to the full deregulation of gas retail sales were limited to temperatures and the economic framework. However, the fluctuation factors have increased since the deregulation, such as a decrease in existing demand. Under such an environment, we believe that it will become more important to make earnings forecasts based on comprehensive judgment that includes future fluctuation possibilities and not only some of the fluctuation factors of performance.

Although there were fluctuations in the first quarter's actual performance due to temperatures and the economic framework, we decided not to change our full-year forecast based on our judgment that we can expect profits as initially projected for the full year.

For reference, the number of electricity retail customers who are being supplied as of end of June has exceeded the plan at 1.27 million. On the other hand, the number of gas customers decreased on an application basis as of end of June was 0.36 million, which we consider as within the range of the forecast.

FY2018 Consolidated Forecast (Apr. 1, 2018 – Mar. 31, 2019) <vs. FY2017 Results>



Highlights: Sales Up, Profit Up

(+ - +/- indicate impact on profit, billion yen)

* No change in forecasts compared with the previous announcement (Earnings Announcement for FY 2017 ended March 2018)

Net sales	+176.7	+	Gas (+95.5: Increase in unit price due to resource cost adjustment, etc.)
		+	Electric power (+49.7: Increase in sales volume due to increase in retail customers, etc.)
		+	Energy-related (+22.7: Engineering solutions +20.3, appliances and engineering work +8.3, etc.)
Operating expenses	-200.0	-	Gas (-111.7: Increase in unit price arising from economic framework assumptions, increase in actuarial differences and depreciation, etc.)
		-	Electric power (-47.1: Increase in sales volume due to increase in retail customers, etc.)
Operating profit	-23.3	-	Gas (-16.2: Increase in actuarial differences and depreciation, etc.)
		-	Energy-related (-6.0: Appliances and engineering work -3.8, engineering solutions -0.8, etc.)
Extraordinary profit/loss	+25.9	+	FY2018 29.1: Gain on sale of non-current assets +29.1
			FY2017 3.2: Gain on sale of non-current assets +3.4, gain on sale of investment securities +3.0, impairment loss -3.2

(billion yen)

	Forecast	Previous Forecast (4/27)	Change	%	FY2017 Results	Change	%	
City gas sales volume (million m3, 45MJ)	15,542	15,542	±0	0.0%	15,568	-26	-0.2%	
Electricity sales volume (million kWh)	15,128	15,128	±0	0.0%	14,656	+472	+3.2%	
Net sales	1,954.0	1,954.0	±0.0	0.0%	1,777.3	+176.7	+9.9%	
Operating expenses	1,861.0	1,861.0	±0.0	0.0%	1,661.0	+200.0	+12.0%	
Operating profit	93.0	93.0	±0.0	0.0%	116.3	-23.3	-20.0%	
Segment profit (operating profit + equity income of subsidiaries)	97.2	97.2	±0.0	0.0%	118.7	-21.5	-18.2%	
Ordinary profit ...①	93.0	93.0	±0.0	0.0%	111.5	-18.5	-16.6%	
Extraordinary income/loss	29.1	29.1	±0.0	—	3.2	+25.9	—	
Profit attributable to owners of parent	88.0	88.0	±0.0	0.0%	74.9	+13.1	+17.4%	
Adjustment items								
Temperature effect ... ②	0.0	0.0	±0.0	—	3.9	-3.9	—	
Sliding time lag effect ... ③	-11.3	-11.3	±0.0	—	-23.0	+11.7	—	
(city gas, + LNG sales)	(-10.9 + -0.4)	(-10.9 + -0.4)	(±0.0 + ±0.0)	—	(-20.3 + -2.7)	(+9.4 + +2.3)	—	
Amortization of actuarial differences ... ④	-4.6	-4.6	±0.0	—	7.7	-12.3	—	
Adjusted ordinary income ... ① - (②+③+④)	109.0	109.0	±0.0	0.0%	122.9	-13.9	-11.3%	
Economic framework	Exchange rate (¥/\$)	Crude oil price (\$/bbl)	Avg. air temp. (oC)	Pension assets	Investment yield (costs deducted)	Discount rate		Year-end assets (billion yen)
forecast	110.00 (±0.00)	65.00 (±0.00)	15.9 (±0.0)			Annuity portion	Lump-sum portion	
Previous forecast (4/27)	110.00 (-0.85)	65.00 (+7.97)	15.9 (+0.2)	FY2017	1.03%	0.293%	0.046%	271.0
FY2017 result	110.85	57.03	15.7	FY2016	1.57%	0.389%	0.055%	277.0
				FY2015	2.92%	0.236%	0.000%	281.0

Figures in parentheses show change from forecast and FY2016 result

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(No change in full-year forecasts compared with the previous forecast (announced on April 27))

FY2018 Full Year Forecast ; Consolidated Gas Sales Volume / Electricity Sales Volume



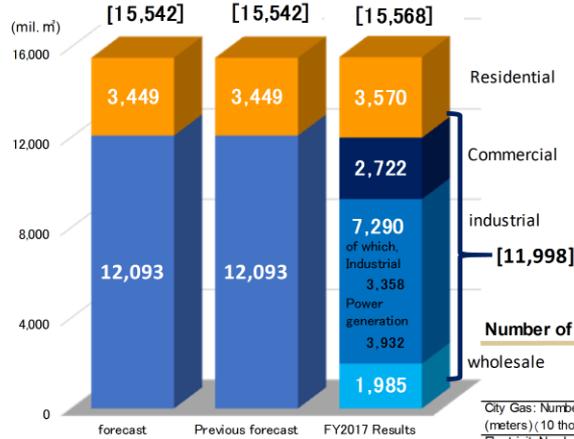
Consolidated City Gas Sales Volume

Forecast has not changed since the previous one (Apr. 27th)

VS. FY2017 Results
-26mil.m3 (-0.2%)
 [including temperature effect+64mil.m3, -0.4%]

Residential	-121 mil. m ³	(-3.4%)
Others	+95 mil. m ³	(+0.8%)

City gas sales Volume

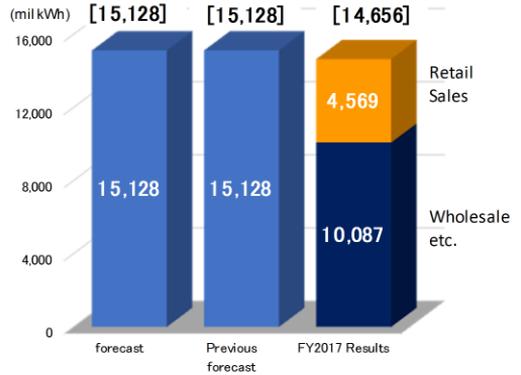


*Each value is rounded.

Electricity Sales Volume

Forecast has not changed since the previous one (Apr. 27th)

VS. FY2017 Results
+472mil.kWh (+3.2%)



Number of customers(City gas/Electricity), LNG sales volume, Average temperature

	forecast	Previous forecast	Change	FY2017 results	Change
City Gas: Number of customers (meters) (10 thousands, meter)	1,181.2	1,181.2	±0.0 (±0.0%)	1,167.8	+13.4 (+1.1%)
Electricit: Number of customers (Supply basis) (10 thousands)	158.0	158.0	±0.0 (±0.0%)	113.0	+45.0 (+39.8%)
LNG sales volume (thousands t)	1,075	1,075	±0 (±0.0%)	1,150	-75.0 (-6.5%)
Average temperature (°C)	15.9	15.9	±0.0	15.7	+0.2

(No change in full-year forecasts compared with the previous forecast (announced on April 27))

■ Gas Sales Volume (Vision Basis) (mil. m³)

	Forecast	Previous Forecast (4/27)	Change	FY2017 Results	Change
City gas Sales Volume (financial accounting basis)	15,542	15,542	±0	15,568	-26
			±0.0%		-0.2%
Gas volume used in-house under tolling agreement	1,923	1,923	±0	2,047	-124
			±0.0%		-6.1%
LNG sales (m ³ basis)	1,344	1,344	±0	1,437	-93
			±0.0%		-6.5%
Total	18,809	18,809	±0	19,052	-243
			±0.0%		-1.3%

(No change in full-year forecasts compared with the previous forecast (announced on April 27))

FY2018 Full Year Forecast : Sales and Profit/Loss by Business Segments

<vs. FY2017 Results>



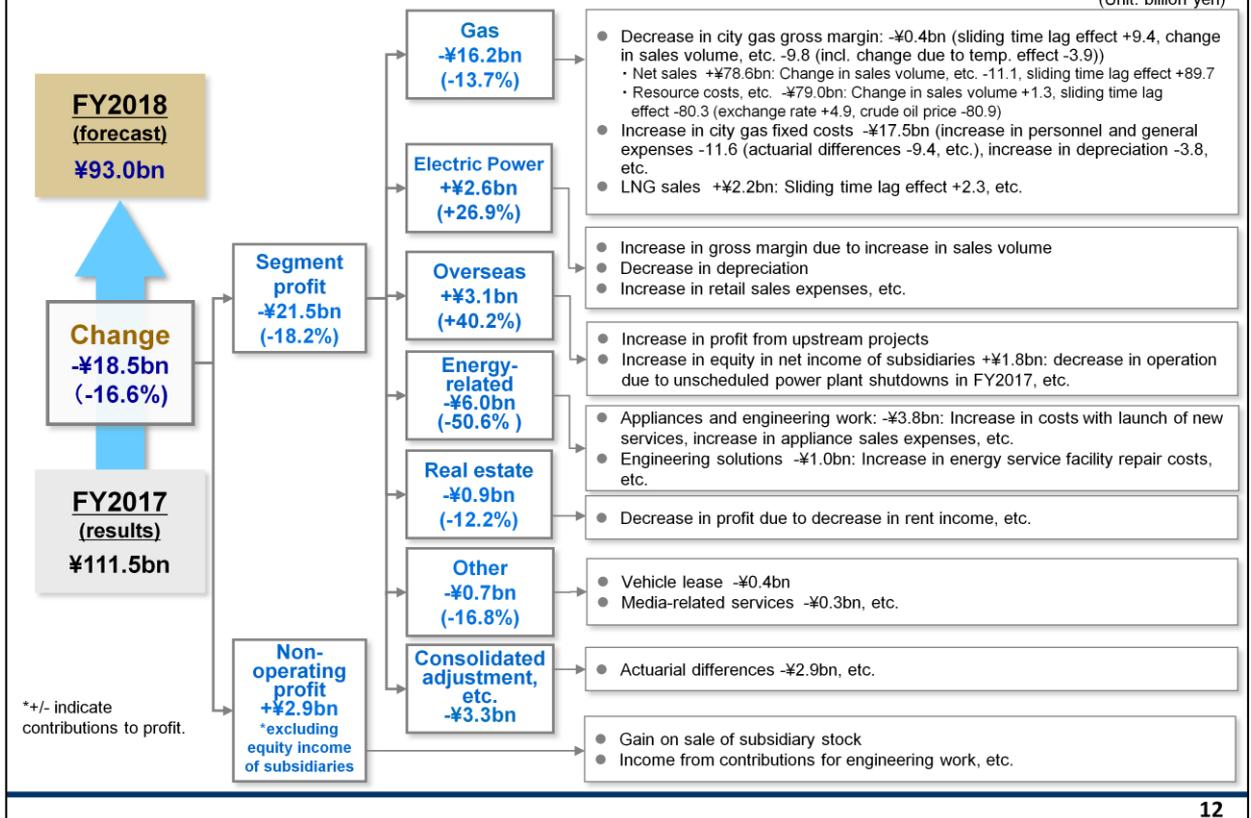
Part of segments change in FY 2018 ※

	Net Sales					Segment Profit (Operating profit + Equity income/loss of subsidiary)				
	Current Forecast	FY2017		Change	%	Current Forecast	FY2017		Change	%
		After Conversion	Before Conversion				After Conversion	Before Conversion		
Gas	1,400.3	1,304.8	1,148.8	95.5	+7.3	102.8	119.0	116.6	-16.2	-13.7
(LNG sales)	187.9	108.8	108.8	79.1	+72.8	2.8	0.6	0.6	2.2	+336.7
Electric Power	268.3	218.6	218.6	49.7	+22.7	12.2	9.6	9.6	2.6	+26.9
Overseas business	46.0	41.5	41.5	4.5	+10.7	10.8	7.7	7.7	3.1	+40.2
(equity income of subsidiaries)	—	—	—	—	—	4.2	2.4	2.4	1.8	+69.4
Energy-related	356.3	333.6	480.8	22.7	+6.8	5.9	11.9	13.7	-6.0	-50.6
(Engineering Solutions)	138.4	118.1	118.1	20.3	+17.1	2.7	3.5	3.5	-0.8	-24.0
Real estate	42.6	42.3	42.3	0.3	+0.6	7.0	7.9	7.9	-0.9	-12.2
(including equity income of subsidiaries)										
Others	101.1	85.0	92.7	16.1	+18.9	3.6	4.3	4.9	-0.7	-16.8
(including equity income of subsidiaries)										
Adjustment	-260.6	-248.7	-247.6	-11.9	—	-45.1	-41.8	-41.8	-3.3	—
Consolidated	1,954.0	1,777.3	1,777.3	176.7	+9.9	97.2	118.7	118.7	-21.5	-18.2
(equity income of subsidiaries)	—	—	—	—	—	4.2	2.4	2.4	1.8	+68.5

- Notes:
- Net sales by business segments include internal transactions.
 - Net sales of "LNG sales" within "Gas" include internal transactions within Gas segment.
 - "Gas" includes businesses in city gas, liquefied petroleum gas, industrial gas, LNG sales, etc. "Energy-related" includes businesses in engineering solutions, gas appliances sales, gas pipe installation, construction and credit, etc. "Others" includes businesses in shipping, information processing service and leasing, etc.
 - The "Adjustment" to operating profit is primarily companywide expenses not allocated to individual segments.
- ※ Segment change in FY 2018 are as follows.
- Liquid Gas Business("Liquefied petroleum gas" and "Industrial gas") and"LNG sales" included in "Energy-related" were recategorized as "Gas".
 - "Credit" included in "Others" were recategorized as "Energy-related".

(No change in full-year forecasts compared with the previous forecast (announced on April 27))

FY2018 Forecast: Ordinary Income Analysis <vs. FY2017 Result>



(No change in full-year forecasts compared with the previous forecast (announced on April 27))

FY2018 Uses of Cash Flow (Capex , Investment and financing)

(Unit: billion yen)

	Forecast	Main items	FY2017 results	Change	%
Capital expenditure					
Gas	176.2	Production facilities : 21.9(+5.0) Hitachi LNG terminal expansion, etc. Distribution facilities : 109.2(+15.3) Ibaraki Line installation, New demand development, etc. Service and maintenance facilities : 45.0(+16.2) System related, etc.	139.7	+36.5	+26.1%
Electric Power	5.2	Improvement construction for power generation efficiency etc.	1.7	+3.5	+205.9%
Overseas business	8.9	Upstream (Australia, North America)	7.1	+1.8	+25.4%
Energy-related	25.2	Energy Service (TGES) etc.	23.5	+1.7	+7.2%
Real estate	42.8	Msb Tamachi etc.	32.0	+10.8	+33.8%
Others	9.0	LNG carrier etc.	7.6	+1.4	+18.4%
Adjustment	-5.5		-3.0	-2.5	—
Sub total	262.0		208.7	+53.3	+25.5%
Investment and financing	73.4	Investment and financing 81.7(Including overseas) Collection -8.2	47.0	+26.4	—
Total	335.4		255.7	+79.7	+31.2%

This slide describes the usage of cash flow for FY2018.

Key Indicators (Consolidated)

	FY2018 Forecast	FY2017 Results	FY2016 Results
Total assets (a)	2,466.0	2,334.3	2,230.2
Shareholders' equity (b)	1,171.0	1,136.0	1,101.4
Shareholders' equity ratio (b)/(a)	47.5%	48.7%	49.4%
Interest-bearing debt (c)	832.0	724.9	713.5
D/E ratio (c)/(b)	0.71	0.64	0.65
Profit attributable to owners of parents (d)	88.0	74.9	53.1
Depreciation (e)	167.0	165.3	164.3
Operating cash flow (d) + (e)	255.0	240.3	217.4
Capital expenditure	262.0	208.7	203.3
ROA (d) / (a)	3.7%	3.3%	2.4%
ROE (d) / (b)	7.6%	6.7%	4.8%
TEP	9.4	24.4	-6.2
WACC	3.1%	3.1%	3.0%
Total payout ratio	Approx. 60%	60.2%	60.7%

Note: Shareholders' equity = Net assets – minority interests

ROA = Net profit / Total assets (average of the amounts as of the end of the previous period and end of the current period)

ROE = Net profit / Shareholders' equity (average of the amounts as of the end of the previous period and end of the current period)

Balance sheet figures are as of the corresponding term-end

Operating cash flow = Net profit + Depreciation (including depreciation of long-term prepaid expenses)

Total payout ratio = [FY-N dividends + FY-(N+1) treasury stock based] / FY-N consolidated net profit

TEP (Tokyo Gas Economic Profit) : Profit after taxes and before interest payments – Cost of capital (invested capital × WACC)

Items for WACC calculation (FY2017 forecast)

- Cost of interest-bearing debt : forecast interest rate (1.04%, after tax)

- Cost rate for shareholders' equity

- Risk free rate : 10-year JGB yield 0.05%

- Market Risk premium : 5.5% β: 0.75

This slide indicates consolidated key indicators.

3. Reference Materials



Impact of rising JCC by \$1/bbl

(billion yen)

		Impact on earning			
		2Q	3Q	4Q	Full year
Period	2Q	-0.2	-0.6	+0.8	0.0
	3Q	—	-0.2	-0.8	-1.0
	4Q	—	—	-0.3	-0.3
	Full year	-0.2	-0.8	-0.3	-1.3

Impact of depreciation by ¥1/\$

(billion yen)

		Impact on earning			
		2Q	3Q	4Q	Full year
Period	2Q	-0.6	+0.6	+0.2	+0.2
	3Q	—	-0.8	+0.8	0.0
	4Q	—	—	-1.0	-1.0
	Full year	-0.6	-0.2	0.0	-0.8

This slide indicates the sensitivity to the economic framework.

Key Topics in FY2018 (Excerpted from Press Releases up to 27th July)

<p>Gas Electric power</p>	<ul style="list-style-type: none"> Construction work starts on second LNG tank at Hitachi LNG Terminal (Apr. 3) Cove Point LNG Project in the U.S. starts commercial operation 3 firms have visited the LNG Plant in Lusby Maryland (Apr. 16) Tokyo Gas electricity customers pass the 1.2 million mark, and Tokyo Gas Group improves and expands its "Zuttomo" total energy service plan (May 10) Details of Tokyo Gas Group's "Zuttomo" total energy service plan offerings for the Nichigas Moka service area (May 11) LNG arrives from the Cove Point LNG Project, Japan's first shipment of gas derived from U.S. shale to be delivered under a long-term supply agreement (May 21) Letter of intent on renewable electricity generation and acquisition of equity interest in photovoltaic power plant operator (May 28) Tokyo Gas signs agreement on cooperation in photovoltaic power generation business (June 1) Ceremony held to commemorate delivery of Cove Point LNG (Jun. 6) Total number of ENE-FARM residential fuel cells sold hits 100,000 (Jun. 8) Tokyo Gas and Centrica sign Heads of Agreement to purchase LNG from Mozambique LNG Project (Jun. 15) Personnel dispatched to assist earthquake recovery in northern Osaka (Jun. 19) Tokyo Gas Group makes first purchase of FIT electricity certified to have been generated using non-fossil fuel energy sources (Jul. 2) LPG refueling and delivery company Gaskuru Co., Ltd. launched (July 10)※
<p>Services</p>	<ul style="list-style-type: none"> Niihama LNG Co., Ltd. established (Apr. 2) * Second plant of Tamachi smart energy center completed, heat and electricity supply started in msb Tamachi (Apr. 8) * Construction work starts on new "Toyotama Rental Housing" (provisional name) (May 9)★ Two rental housing properties acquired (June 29)★
<p>Digital Innovations</p>	<ul style="list-style-type: none"> Tokyo Gas wins first prize at the WSN-IoT Awards 2018 (May 24)
<p>ESG</p>	<ul style="list-style-type: none"> Carbon offsetting of CO2 emissions from FC Tokyo home matches (Apr. 23) Environment Month initiatives to help build a sustainable society (May 24) Tokyo Gas joins the Japanese Ministry of the Environment's "Cool Share" scheme and registers five facilities as "Cool Share Spots" (Jun. 20) Tokyo Gas assists with offsetting carbon emissions generated by Japan's 89th Intercity Baseball Tournament (Jul. 9) With two years to go to the Tokyo 2020 Paralympic Games, Tokyo Gas hosts a participatory event to showcase all 22 Paralympic sports being contested at the games (Jul. 12)
<p>Finance and shareholder returns</p>	<ul style="list-style-type: none"> Announcement of revision to forecast results (Apr. 20) Notification of resolution to acquire treasury shares (Apr. 27), notice of share buyback (Jun. 18), notice of retirement of treasury stock (Jun. 28) Grand prize winner at the Social Value and Capital Creation M&A Awards (Jun. 12) Announcement of 44th, 45th, and 46th issues of debenture bonds (Jul. 13)

Dates of press releases are shown in parentheses.

* Press releases issued by Tokyo Gas Engineering Solutions. ★ Press releases issued by Tokyo Gas Real Estate Holdings.

※ Press releases issued by Tokyo Gas Liquid Holdings.

This slide is a list of major press releases since April 2018 up to the 27th of July.

Key Overseas Operations (From FY2008)



■ Southeast Asia

No	Country	Subject	Main Business	Investment year
④	Malaysia	GAS MALAYSIA ENERGY ADVANCE Sdn.Bhd.	Downstream Energy Service	2014
⑤	Thailand	Bang bo Power Plant	Downstream Natural gas power	2016
		Investment of GWHAMT	Downstream Gas Supply	2018
⑥	Vietnam	Investment of PVGD	Downstream Pipeline CNG Supply	2017
⑦	Indonesia	Sengkang	Upstream Production, liquefaction and sales of LNG	2010
		Investment of PRA	Downstream Gas Supply, Transfer	2017

■ Oceania

No	Country	Subject	Main Business	Investment year
⑧	Australia	Pluto	Upstream Production, liquefaction and sales of LNG	2008
		Gorgon	Upstream Production, liquefaction and sales of LNG	2009
		Queensland Curtis	Upstream Production, liquefaction and sales of LNG	2011
		Ichthys LNG project	Upstream Production, liquefaction and sales of LNG	2012

(Notes)

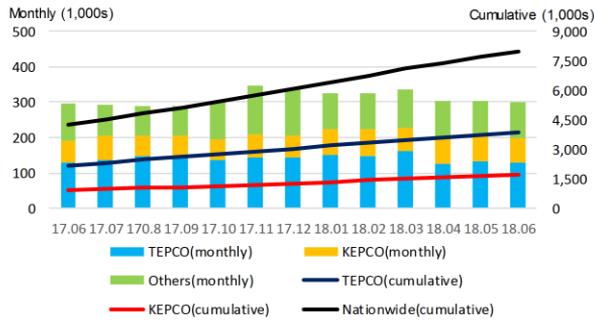
No	Country	Subject	Main Business	Investment year
■ North America				
①	U.S.A	Barnett	Upstream Shale gas	2013
		Eagle Ford	Upstream Shale gas	2016
		East Texas	Upstream Shale gas	2017
		TGES America	Downstream Energy Service	2015
		Empire Power Plant	Downstream Natural gas power	2016
		Birdsboro Power Plant	Downstream Natural gas power	2017
		Acario Ventures	Other Open Innovation	2017
②	Mexico	Bajo	Downstream Natural gas power	2004
		MT Falcon	Downstream Natural gas power	2010
■ Europe				
③	Belgium	T-Power Plant	Downstream Natural gas power	2012

Trends in city gas/electricity switching and new electricity retail customers won by Tokyo Gas



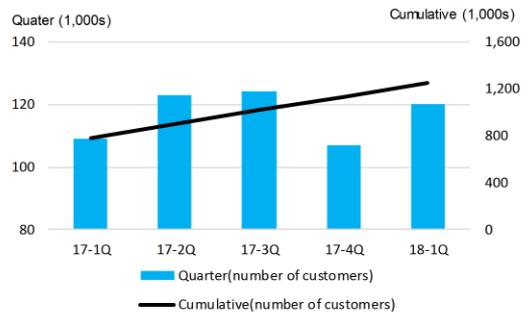
City gas and electricity switchers

Electricity switchers (based on applications)

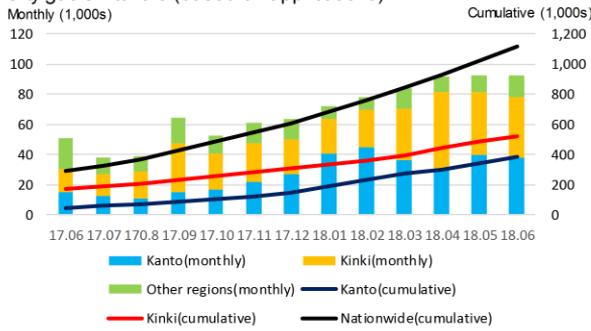


* Based on data published by the Organization for Cross-regional Coordination of Transmission Operators.

New electricity retail customers won by Tokyo Gas



City gas switchers (based on applications)



* Based on data published by the Agency for Natural Resources and Energy.



< Cautionary Statement regarding Forward-looking Statements >

Statements made in this presentation with respect to Tokyo Gas's present plans, forecasts, 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, crude oil prices, the weather, changes in the foreign exchange rate of the yen, rapid technological innovations and the Company's responses to the progress of deregulation.

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