

January 31, 2019  
Tokyo Gas Co., Ltd.

Main Q&As of the  
Earnings Announcement for 3Q FY2018 Ended December 2018

Q1: What is your perception of the recent competitive environment for electricity and city gas?

A1: In electricity, we are steadily increasing the number of retail customers due in part to the effects of promotional campaigns we launched in summer, autumn and winter.

In city gas, we acknowledge that the competitive environment has intensified due to the entry of many new entrants into the Tokyo metropolitan area market. However, the situation has remained within our forecasts for FY2018. We expect competition to further intensify, as more new entrants have been announced.

Q2: What is the reason for the small ¥7.6 billion year-on-year increase in full-year profit of the overseas business to ¥15.3 billion, compared to the ¥7.2 billion year-on-year increase in segment profit to ¥13.4 billion for the third quarter?

A2: It is because the sales volume of the upstream business in Australia, which accounts for the majority of profits of the overseas business, was concentrated in the first nine months of FY2018.

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