

**FY2019 Financial Results  
ended March 31, 2020**



**April 28, 2020**  
**[Revised on November 5, 2020]**

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**1. FY2019 Consolidated Financial Results  
ended March 31, 2020**

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# FY2019 Consolidated Results (Apr. 1, 2019 – Mar. 31, 2020) <vs. FY2018 Results>



**Highlights: Sales Down, Profit Down**

**Revised in red on Nov 5th.2020**

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

• Net sales -37.1  
 • Operating expenses +44.9  
 • Operating profit +7.8  
 • Extraordinary profit/loss -62.9  
 • Profit attributable to owners of parent -41.2

• Net sales decreased ¥37.1bn to ¥1,925.2bn, mostly due to a decrease in city gas sales volume  
 • Operating expenses decreased ¥44.9bn to ¥1,823.7bn, mostly due to a decrease in city gas sales volume and decrease in crude oil prices  
 • Operating profit increased ¥7.8bn to ¥101.5bn due to an increase in gross margin from difference in unit price of city gas arising from economic framework assumptions  
 • Extraordinary profit/loss decreased ¥62.9bn to -¥35.1bn due to an impairment loss recorded in the current fiscal year and the absence of a gain on sales of non-current assets recorded in the previous fiscal year.  
 [ \*Extraordinary profit/loss: FY2019 -¥35.1: Impairment loss -28.1, loss from valuation of investment securities -18.6, gain on settlement of contract 11.6  
 FY2018 +¥27.8: Gain on sale of non-current assets 29.3, gain on sales of investment securities 6.4, loss from valuation of investment securities -7.8 ]  
 • As a result, the profit attributable to owners of parent decreased ¥41.2 to ¥43.3

		(Unit: billion yen)			
		FY2019	FY2018	Change	%
City gas sales volume (million m <sup>3</sup> , 45MJ)		13,855	15,198	-1,343	-8.8%
Electricity sales volume (million kWh)		20,604	15,482	5,122	33.1%
(Breakdown)	Retail (million kWh, receiving end)	8,522	6,555	1,967	30.0%
	Wholesale, etc. (million kWh)	12,082	8,926	3,156	35.4%
Net sales		1,925.2	1,962.3	-37.1	-1.9%
Operating expenses		1,823.7	1,868.6	-44.9	-2.4%
Operating profit		101.5	93.7	7.8	8.3%
Segment profit (operating profit + equity income of subsidiaries)		106.7	96.4	10.3	10.6%
Ordinary profit <sup>(1)</sup>		102.7	89.3	13.4	14.9%
Extraordinary profit/loss		-35.1	27.8	-62.9	-
Profit attributable to owners of parent		43.3	84.5	-41.2	-48.7%
	Temperature effect <sup>(2)</sup>	-9.1	-14.1	5.0	-
(Adjustment items)	Sliding time lag effect <sup>(3)</sup> (city gas + LNG sales)	1.3	-25.0	26.3	-
		(0 + 1.3)	(-22.4 + -2.6)	(22.4 + 3.9)	-
	Amortization of actuarial differences <sup>(4)</sup>	-7.6	-4.6	-3.0	-
Adjusted ordinary profit <sup>(1)-(2)+(3)+(4)</sup>		118.1	133.0	-14.9	-11.2%

Economic framework	Exchange rate (¥/\$)	Crude oil price (\$/bbl)	Avg. air temp (°C)
FY2019	108.71(-2.21)	67.79(-4.36)	16.7(-0.3)
FY2018	110.92	72.15	17.0

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

Pension assets	Investment yield (costs deducted)	Discount rate		Year-end assets (billion yen)
		Annuity portion	Lump-sum portion	
FY2019	0.33%	0.264%	0.012%	259.0
FY2018	1.65%	0.156%	0.000%	267.0
FY2017	1.03%	0.293%	0.046%	271.0

Expected annual rate of return: 2%

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Both sales and profits decreased in FY2019.

Net sales were ¥1,925.2billion, a decrease of ¥37.1 billion year on year. This was mainly attributable to a ¥58.3 billion drop in sales of the gas segment due in part to a decrease in gas sales volume.

Operating expenses totaled ¥1,823.7 billion, a drop of ¥44.9 billion. This was also mainly attributable to a ¥60.5 billion drop in sales of the gas segment due in part to a decrease in gas sales volume.

As a result, operating profit amounted to ¥101.5 billion, a growth of ¥7.8 billion or 8.3%, and ordinary profit ended at ¥102.7 billion, a rise of ¥13.4 billion or 14.9%.

However, extraordinary profit/loss decreased by ¥62.9 billion due to the recording of -¥35.1 billion in the current fiscal year, despite the recording of a gain on sales of fixed assets in the previous fiscal year.

This resulted in profit attributable to owners of parent of ¥43.3 billion, a decrease of ¥41.2 billion or 48.7% year on year.

The -¥35.1 billion extraordinary profit/loss includes an impairment loss of ¥28.1 billion, which includes an additional posting of approximately ¥28.4 billion due to the a drop in crude oil and natural gas prices on the back of the current decline in crude oil demand in overseas upstream businesses, which we disclosed the other day, as well as a loss on valuation of investment securities of ¥18.6 billion and a gain on settlement of contract of ¥11.6 billion.

The gain on settlement of contract is the reversal of liabilities in a raw materials contract. The details of the contract are not disclosed due to the relationship with the counterparty of the contract.

# FY2019 Consolidated Gas Sales Volume/ Number of Customers <vs. FY2018>

## City Gas sales volume :

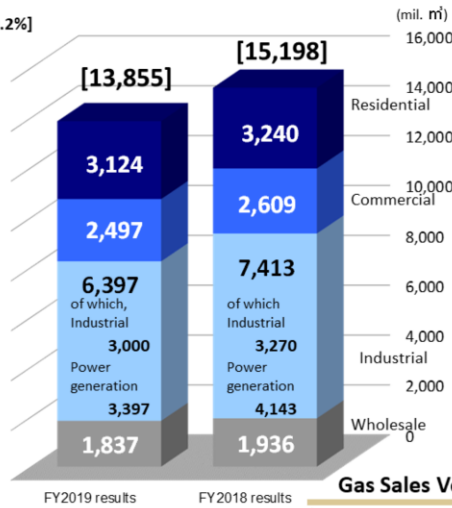
\*Each value is rounded.

**-1,343mil.m<sup>3</sup> (-8.8%)**

[including temperature effect +23mil.m<sup>3</sup>, +0.2%]

<b>Residential</b>	<b>-116mil.m<sup>3</sup> (-3.6%)</b>
● Temperature effect	+69 mil.m <sup>3</sup>
● Number of days	+10 mil.m <sup>3</sup>
● Number of customers	-227 mil.m <sup>3</sup>
● Others	+32 mil.m <sup>3</sup>
<b>Commercial</b>	<b>-112mil.m<sup>3</sup> (-4.3%)</b>
● Temperature effect	-51 mil.m <sup>3</sup>
● Number of days	+17 mil.m <sup>3</sup>
● Number of customers	-63 mil.m <sup>3</sup>
● Others	-15 mil.m <sup>3</sup>
<b>Industrial</b>	<b>-1,016mil.m<sup>3</sup> (-13.7%)</b>
● Industrial	-270 mil.m <sup>3</sup>
● Power generation	-746 mil.m <sup>3</sup>
<b>Wholesale</b>	<b>-99mil.m<sup>3</sup> (-5.1%)</b>
● Temperature effect	+5 mil.m <sup>3</sup>
● Others	-104 mil.m <sup>3</sup>

Decrease in wholesale demand, etc.



## Number of customers(City Gas), LNG sales volume,Average temperature

	FY2019 Results	FY2018 Results	Change
Number of customers for city gas retail sales (10 thousands) *1	912.9	982.1	-69.2 (-7.0%)
Number of customers(meters) (10 thousands, meter) *2	1,195.4	1,181.8	+13.6 (+1.1%)
LNG sales volume (thousands t)	1,183	1,095	+88 (+8.0%)
Average temperature (°C)	16.7	17.0	-0.3

	FY2019 Results	FY2018 Results	Change
City gas sales volume (financial accounting basis)	13,855	15,198	-1,343 (-8.8%)
Gas volume used in-house under tolling arrangement	2,333	1,830	+503 (+27.4%)
LNG sales volume (m <sup>3</sup> basis)	1,479	1,369	+110 (+8.0%)
<b>Total</b>	<b>17,666</b>	<b>18,397</b>	<b>-731 (-4.0%)</b>

\*1. Number of billed customers for city gas retail sales \*2. Including inactive meters and meters for gas supply from other retail companies

This slide is about the gas sales volume.

City gas sales volume was 13,855 million m<sup>3</sup> in FY2019, a 8.8% drop year on year. The main factors for the decrease were a decline of 746 million m<sup>3</sup> among power generation customers, a decrease of 270 million m<sup>3</sup> among industrial customers, and a drop of 227 million m<sup>3</sup> due to the decrease in the number of residential customers.

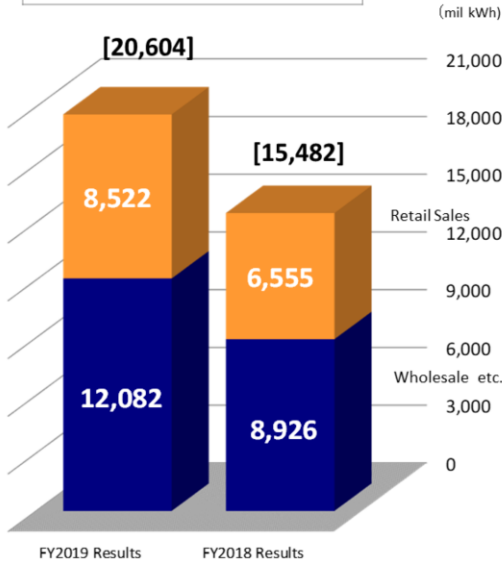
# FY2019 Consolidated Electricity Sales Volume/ Number of Customers <vs. FY2018>



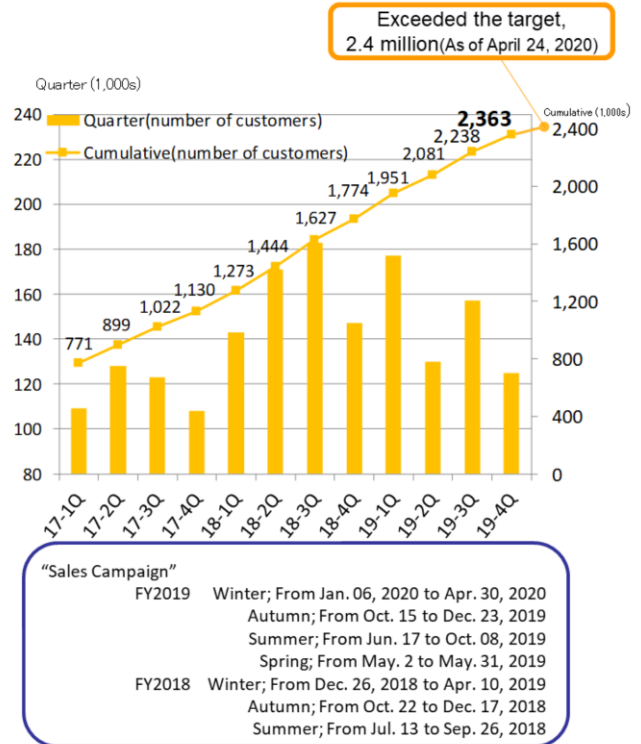
## Electricity sales volume:

**+5,122mil. kWh (+ 33.1%)**

■ Retailing	+ 1,967 mil. kWh(+30.0%)
■ Wholesale etc.	+ 3,156 mil. kWh(+35.4%)



## New electricity retail customers won by Tokyo Gas



Electricity sales volume in FY2019 totaled 20,604 million kWh, up 33.1% year on year. Retail electricity sales volume was 8,522 million kWh, up 30% year on year, due to an increase in the number of customers. In FY2019 we launched effective sales campaigns flexibly in view of the severe competitive environment.

Although the number of customers ended at 2.36 million as of the end of FY2019 due to the decrease of contact with customers and the time spent at customers' homes on the back of the new coronavirus outbreak, the number reached 2.4 million on April 24. Wholesale and other electricity sales volume increased 35.4% to 12,082 million kWh.

FY2019 Results : Sales and Operating Profit/Loss by Business Segments <vs. FY2018 >

	Net sales				Segment Profit (Operating profit + Equity income/loss of subsidiary)			
	FY2019 Results	FY2018 Results	Change	%	FY2019 Results	FY2018 Results	Change	%
<b>Gas</b>	1,355.4	1,413.7	-58.3	-4.1	102.4	92.2	10.2	11.1
(City gas)	1,142.8	1,242.6	-99.8	-8.0	97.8	89.8	8.0	8.9
(LNG sales)	169.9	122.2	47.7	39.0	3.9	1.5	2.4	160.9
<b>Electric Power</b>	358.6	280.3	78.3	27.9	10.1	10.1	-0.0	-0.2
<b>Overseas business</b>	43.9	50.9	-7.0	-13.6	13.2	15.3	-2.1	-13.4
(equity income of subsidiaries)	—	—	—	—	4.6	2.1	2.5	113.8
<b>Energy-related</b>	351.9	363.5	-11.6	-3.2	16.9	11.1	5.8	51.9
(Engineering Solutions)	139.4	146.9	-7.5	-5.1	5.8	6.2	-0.4	-6.5
<b>Real estate (including equity income of subsidiaries)</b>	44.5	44.6	-0.1	-0.2	9.6	9.1	0.5	6.2
<b>Others (including equity income of subsidiaries)</b>	123.2	107.8	15.4	14.2	5.7	6.2	-0.5	-8.4
<b>Adjustment</b>	-352.4	-298.6	-53.8	—	-51.5	-47.8	-3.7	—
<b>Consolidated</b>	1,925.2	1,962.3	-37.1	-1.9	106.7	96.4	10.3	10.6
(equity income of subsidiaries)	—	—	—	—	5.2	2.7	2.5	86.5

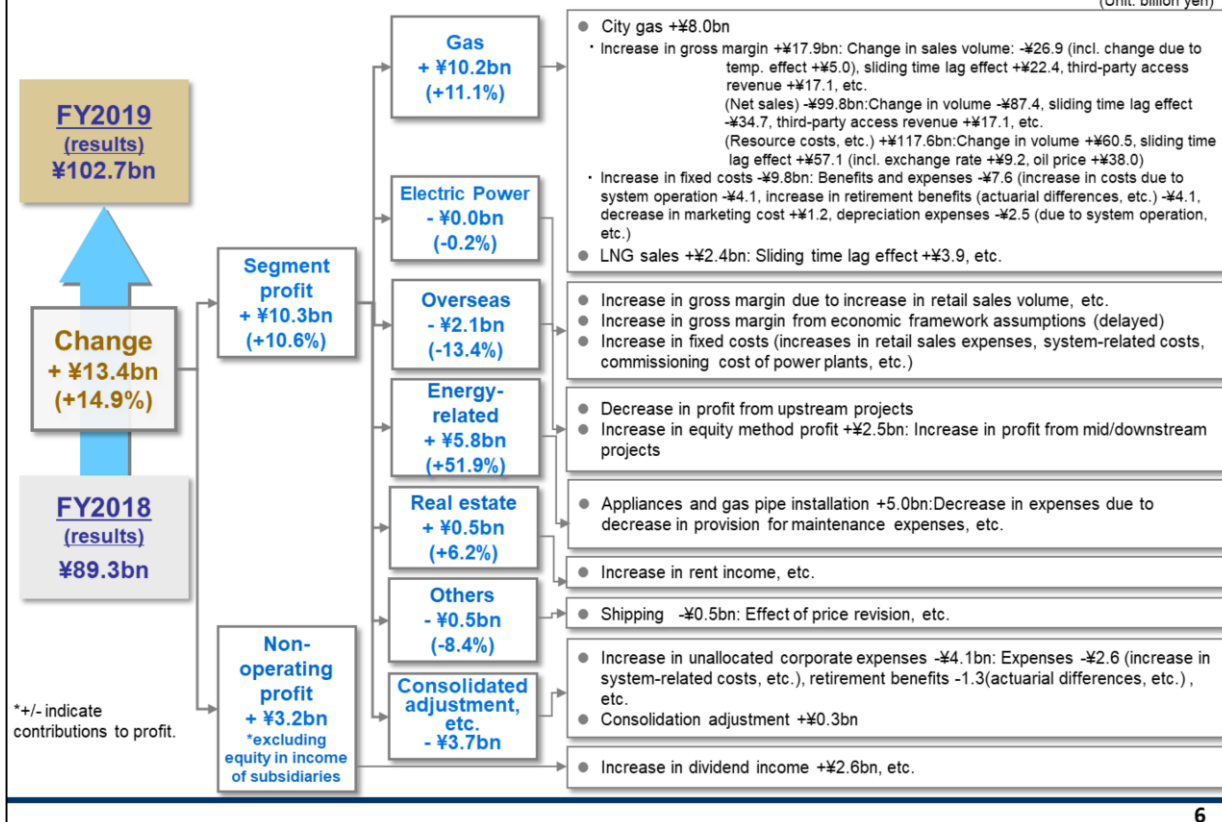
Notes

- Net sales by business segments include internal transactions.
- “Gas” includes businesses in city gas, liquefied petroleum gas, industrial gas, LNG sales. “Energy-related” includes businesses in engineering solutions, gas appliances sales, gas pipe installation, construction and credit, etc. “Others” includes businesses in information processing service and shipping, etc.
- The “Adjustment” to operating profit is primarily companywide expenses not allocated to individual segments.

Slide 5 shows net sales by segment and segment profit (operating profit + equity income/loss of subsidiaries), and changes thereof.

Segment profit was boosted by the ¥10.2 billion increase in the gas segment.

# FY2019 Results: Ordinary Profit Analysis <vs FY2018 Results>



In the gas segment, the ¥10.2 billion growth in profit was mainly attributable to a ¥22.4 billion rise in the sliding time lag and a ¥17.1 billion increase in third-party access revenue. In the electric power segment, profit was roughly the same as the previous fiscal year. This reflected a rise in gross profit due to increases in retail customers and sales volume, and offsetting rises in retail sales expenses for the sales reinforcement campaign and system-related costs.

In the overseas segment, profit was down ¥2.1 billion. This reflected a drop in sales volume in an overseas upstream project. Equity method profit increased ¥2.5 billion due to a rise in profits at equity method companies carrying out mid/downstream projects.

## FY2019 Uses of Cash Flow (Capex , Investment and financing)

(Unit: billion yen)

	FY2019 Results	Main Items	FY2018 Results	Change	%
<b>Capital Expenditure</b>					
Gas	166.3	Production facilities : 10.1 (-8.5) Hitachi LNG terminal expansion, etc. Distribution facilities : 110.5 (+10.0) Ibaraki Line installation, New demand development, etc. Service and maintenance facilities :45.6 (+8.0) System related, etc.	156.7	+9.6	+6.1%
Electric Power	2.3	Improvement construction for power generation efficiency etc.	6.3	-4.0	-63.3%
Overseas business	9.0	Upstream (Australia, North America )	6.4	+2.6	+39.4%
Energy-related	17.5	Energy Service(TGES) etc.	22.5	-5.0	-22.1%
Real Estate	33.7	Msb Tamachi etc.	32.8	+0.9	+2.9%
Others	2.7	LNG carrier etc.	2.9	-0.2	-5.0%
Adjustment	-4.8		-4.1	-0.7	—
<b>Sub Total</b>	<b>227.0</b>		<b>223.7</b>	<b>+3.3</b>	<b>+ 1.5%</b>
<b>Investment and Financing</b>	<b>52.5</b>	Investment and financing 59.8(Including overseas) Collection - 7.2	<b>23.6</b>	<b>+28.9</b>	<b>+122.3%</b>
<b>Total</b>	<b>279.5</b>		<b>247.4</b>	<b>+32.1</b>	<b>+13.0%</b>

Slide 7 explains the use of cash flows on a consolidated basis.



## Key Indicators (Consolidated)

 TOKYO GAS  
(Unit: billion yen)

	FY2019 Results	FY2018 Results
<b>Total assets (a)</b>	2,537.7	2,428.1
<b>Shareholders' equity (b)</b>	1,147.8	1,159.0
<b>Shareholders' equity ratio (b)/(a)</b>	45.2%	47.7%
<b>Interest-bearing debt (c)</b>	905.0	803.2
<b>D/E ratio (c)/(b)</b>	0.79	0.69
<b>Profit attributable to owners of parents (d)</b>	43.3	84.5
<b>Profit per share (EPS, yen per share)</b>	98.07	187.60
<b>Depreciation (e)</b>	169.6	161.8
<b>Operating cash flow (d) + (e)</b>	213.0	246.4
<b>Investment</b>	<b>Capital expenditure</b>	227.0
	<b>Investment and Financing</b> (including collection)	52.5
	<b>total</b>	279.5
<b>ROA (d) / (a)</b>	1.7%	3.6%
<b>ROE (d) / (b)</b>	3.8%	7.4%
<b>WACC</b>	2.7%	3.0%
<b>Total payout ratio</b>	61.0%	60.3%

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 purchased] / FY-N consolidated net profit

Slide 8 shows the key indicators on a consolidated basis.

# Returns to Shareholders

- The FY 2020 – 2022 Medium-term Management Plan states that “Acquisition of treasury stock for retirement will be considered as one way of providing shareholder return in addition to dividends, and targets for total payout ratio (ratio of dividends on current consolidated net income and acquisition of own shares) will be approximately 60% in each fiscal year up through FY 2022.”
- Based on this policy, the shareholder returns in FY 2020 will be as follows.
  - Continuation of annual dividend of ¥60 per share (total dividends of ¥26.4bn)
  - Because the profit attributable to owners of the parent was ¥43.3bn and the total dividends were ¥26.4bn, a total payout ratio of 60% was achieved, so there is no plan for stock repurchases.

## Maintaining 60% total payout ratio

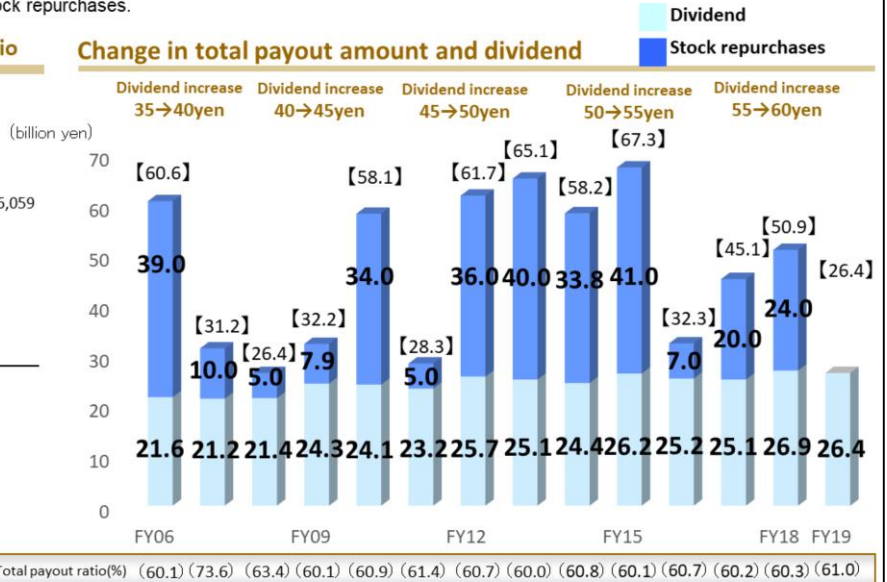
**Total payout ratio**  
**61.0%**

[Total number of shares outstanding] 442,436,059  
(as of March 31, 2020)

$$\begin{array}{r}
 \text{FY2019} \\
 \text{Dividend} \\
 26.4 \\
 \hline
 = \\
 \text{FY2019} \\
 \text{Profit attributable to} \\
 \text{owners of parent} \\
 43.3
 \end{array}$$

\* No plan for stock repurchases in FY2020

## Change in total payout amount and dividend



\* As of October 1, 2017, the Company changed unit stock number from 1,000 shares to 100 shares, and carried out a share consolidation at a ratio of 5 common shares to 1.  
\* Dividend: Converted and displayed after a share consolidation

With regard to shareholder returns, we plan to continue an annual dividend of ¥60 per year. Since the total dividends will be ¥26.4 billion and a total payout ratio of 60%, we are not planning a share buyback.

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## 2. FY2020 Full Year Forecast

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## Regarding the FY2020 Forecast

- Novel coronavirus infection has spread globally, and is having a huge impact on the domestic and overseas business environment.
- Regarding the impact on gas sales volume, which significantly influences income and expense plans, because of the meter reading dates, it will not be possible to grasp and analyze trends by demand area, etc. until May.
- The Group is engaged in many different business fields inside Japan and overseas, and in each segment the range of effects of the coronavirus pandemic is increasing day by day.
- Consequently, it is presently difficult to rationally calculate the range and extent (degree) of the impact of the novel coronavirus infection on the Group's businesses. So, the consolidated forecast for FY 2020 (April 1, 2020 – March 31, 2021) is left undecided.
- An announcement will be made promptly at the time when a rational calculation becomes possible.

The consolidated results forecast for the FY2020 ending March 31, 2021 has not been determined as it is difficult to reasonably quantify the scope and degree of the impact of the new coronavirus outbreak on the Company's business at this moment.

We will disclose our forecast as soon as they can be reasonably quantified.

## Impact of the COVID-19 outbreak

Segment	Contents
<b>Gas</b>	<ul style="list-style-type: none"> <li>• Possibility of restrictions on entry to customer's homes or properties, and that periodic gas facility security inspections, and meter readings, replacements, and periodic inspections may not proceed as planned.</li> <li>• Possibility that additional costs may occur for continuing stable supply, maintaining services, etc.</li> <li>• Possibility that the decline in crude oil prices with the slump in global crude oil demand may have a large impact on short-term income and expenses.</li> <li>• Possibility that demand may contract in many usage fields, beginning with the following: automobile industry, construction machinery, parts manufacturing, materials manufacturing, schools, stores, restaurants, hotels, sports facilities, etc.</li> <li>• Possibility of a drop in demand from a decline in new installations with the decrease in the number of housing starts, delayed marketing from suspension of large-scale construction projects, and decreased installation of underground house pipes and construction of main and branch gas pipelines from the contraction of economic activities and business activities.</li> <li>• Possibility of an increase in energy consumption volume from more time spent at home.</li> </ul>
<b>Electricity</b>	<ul style="list-style-type: none"> <li>• Possibility of impacts from changeover to market procurement if there is a substantial increase in the number of Group employees who become infected and the continued operation of power plants becomes difficult.</li> <li>• Possibility of reduced customer acquisition via contact from fewer opportunities for customer contact and less time spent in customer's homes.</li> <li>• Possibility of impacts from lower wholesale trading exchange prices with the decrease in electric power demand in eastern Japan.</li> </ul>
<b>Overseas</b>	<ul style="list-style-type: none"> <li>• Possibility of impacts at projects and operating companies in which the Group has invested from the decrease in resource prices and the reduction of production volumes, etc. caused by the decline in global energy demand.</li> <li>• Demand is beginning to decline at the main customers (manufacturers, etc.) of gas supply companies in which the Group has invested, from the expansion of the lock-down, etc.</li> <li>• Possibility of postponement of projects in the renewable energy business and LNG infrastructure business.</li> </ul>
<b>Energy-related</b>	<ul style="list-style-type: none"> <li>• Possibility of a decline in gas appliance sales from a decline in new installations with the decrease in new housing starts and a reduction in switchover demand with the restrictions on entering customer's homes, etc.</li> <li>• Possibility of delays in LNG terminal construction from obstacles to procuring components or increased costs from procuring alternate components.</li> </ul>
<b>Real Estate</b>	<ul style="list-style-type: none"> <li>• Impacts from the decline in occupancy rates have begun to appear in the hotel business.</li> <li>• Possibility of a decline in rental income at facilities which attract customers, which are asset utilization properties, from business suspensions, shorter hours, reduced operations, etc.</li> </ul>

■ These are the main impacts that can be envisioned at this time, and the impacts that could occur in the future are not limited to those presented here. Notifications will be made promptly when there are important updates in the future.

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This slide is a summary of the major impacts of the new coronavirus outbreak that can be assumed at present, although the trend of gas sales volumes by demand area can only be quantitatively measured and analyzed after May due to metering dates.

The gas segment may face certain restrictions due to circumstances on the part of our customers and due to our business operation, although we will place top priority on ensuring stable supply and ensuring safety. Additional costs may be incurred to address these issues.

With regard to gas sales volume, we expect that demand may decline mainly from the automobile industry and automobile parts manufacturers, as well as schools, restaurants, and hotels.

Additionally, the fall in crude oil prices on the back of a global drop in demand for crude oil may have a large impact on the short-term sliding time lag.

The electric power segment may see a negative impact in acquiring customers through contact opportunities, which the Company is strong at, due to the decrease in the number of operations carried out at customers' homes and the time spent there.

Furthermore, the segment may be affected by the drop in prices at wholesale exchanges due in part to a fall in demand for electric power in the East Japan area.

In the overseas segment, projects and companies we have invested in may be affected partly by the drop in resource prices and production volume.

Projects may also be delayed in the renewable energy business and LNG infrastructure business.

Other possible impacts include a drop in the number of construction work due to the fall in new housing starts, a decline in gas equipment sales due to less customer contact opportunities, and delays in construction work in the engineering business. The hotel business is already facing a drop in occupancy.

## Initiatives in Response to the COVID-19 outbreak

- In response to the COVID-19 outbreak, the Tokyo Gas Group has established a task force (led by President Takashi Uchida), and the entire Group has joined together as one and has taken necessary measures based on the Business Continuity Plan (BCP) from the perspectives of stable energy supply and ensuring safety, and securing the health and safety of our customers and Group employees.
- The Group will continue, under the BCP, to fulfill our public mission as a lifeline public utility and to secure the health and safety of Group employees, including employees at subsidiaries and affiliates, and prevent the spread of novel coronavirus infection, and to continue business operations with a sense of urgency for response to the rapidly changing conditions.

### 1. Initiatives for Customer Serves

	Contents
<b>Operations at customer's homes</b>	<ul style="list-style-type: none"> <li>• For operations at customer's homes that require a certain period of time (periodic safety inspections mandated by law, and inspections associated with maintenance services), we will speak with customers beforehand and carry out operations after fully obtaining the customer's prior consent. (Group employees are making sure to check their temperature before work and to wear a facemask during operations).</li> <li>• We will implement operations based on customer requests (gas tap opening and shutoff, gas appliances installation and repair, etc.) after thoroughly implementing measures to prevent the spread of infection by customers and employees.</li> </ul>
<b>Payment-related</b>	<ul style="list-style-type: none"> <li>• Payment due date for gas and electricity for February, March and April meter readings will be extended by two (2) months. Payment due date for the May meter reading will be extended by two (2) months.</li> </ul>

Slides 13 and 14 explain our specific initiatives in response to the outbreak of the new coronavirus.

## Initiatives in Response to the COVID-19 outbreak

### 2. Initiatives for Stable Energy Supply

	Contents
<b>Raw materials procurement</b>	<ul style="list-style-type: none"> <li>Implementation of non-contact unloading when receiving raw materials from LNG and LPG ships.</li> </ul>
<b>Production, supply, and emergency safety</b>	<p>&lt;Avoiding contact&gt;</p> <ul style="list-style-type: none"> <li>Shift employees are commuting using their private cars (manufacturing department)</li> <li>Use of video conferencing for handovers during shift changes</li> </ul> <p>&lt;Preparation for when an employee becomes infected&gt;</p> <ul style="list-style-type: none"> <li>Preparation of a working system (toward rearrangement) in case of infection of a shift employee.</li> <li>Decentralized deployment of necessary Security Command Center personnel who receive reports about gas leaks, etc.</li> </ul>
<b>Resource Procurement, etc.</b>	<ul style="list-style-type: none"> <li>Secure sufficient materials for repairs of gas meters, gas leaks, and gas appliance malfunctions</li> </ul>

### 3. Initiatives regarding Group Employees

	Contents
<b>Prevention</b>	<ul style="list-style-type: none"> <li>Measurement of body temperature before leaving for work, and making sure that employees do not come to work when they have a fever (37.5 ° C or higher) or other symptoms.</li> </ul>
<b>Work style, etc.</b>	<ul style="list-style-type: none"> <li>Excluding manufacturing and supply of city gas, and emergency safety operations, implementation of staggered working hours (coming to work before 8am or after 9:30am) and working from home for all employees.</li> <li>To reduce infection risk for Group employees, narrowing the necessary personnel and works that must be conducted at the office.</li> </ul>

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### 3. Reference Materials

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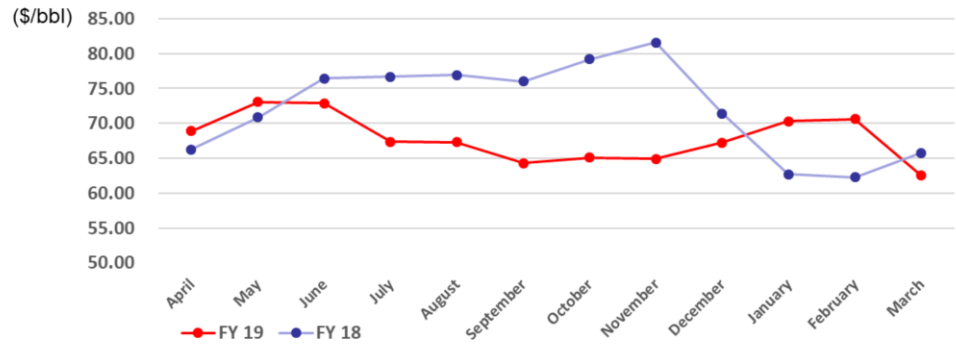


The following reference materials include the trend of crude oil prices and exchange rates, a list of major press releases from April 1, 2019 to April 28, 2020, a list of major overseas projects, and the trend of the number of switches to other electricity and city gas providers.

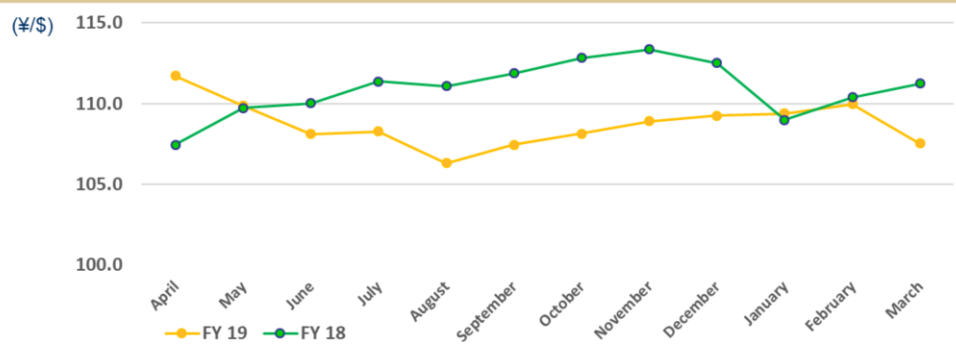


# Crude oil price • Exchange rate <vs. FY2018 >

## Crude oil price (Japan Crude Cocktail Prices)



## Exchange rate



## Key Topics in FY2019-20 (Excerpted from Press Releases up to 28st April)

<p>Management Strategy</p>	<ul style="list-style-type: none"> <li>•Tokyo Gas Group Initiatives in FY2019 to Achieve GPS2020 (Apr.10)</li> <li>•Tokyo Gas Group Management Vision Compass2030 Providing energy and solutions to the future of our life, society and the earth (Nov. 27)</li> <li>•Tokyo Gas establishes three new subsidiaries to develop new business and deliver various services (Dec. 3)</li> <li>•Tokyo Gas Group FY 2020 - 2022 Medium-term Management Plan(Mar. 25)</li> </ul>
<p>Gas Electric Power (G/P)</p>	<ul style="list-style-type: none"> <li>•Tokyo Gas executes a HOA with Shell Eastern Trading for the supply of LNG(Apr.5)</li> <li>•Participation in real-world trial to develop virtual power plant (VPP) (Jun.4)</li> <li>•Conclusion of a heads of agreement with SUMITOMO JOINT ELECTRIC POWER regarding the Sale and Purchase of Liquefied Natural Gas (LNG)(Jun.19)</li> <li>•Tokyo Gas launches service to purchase surplus power generated by photovoltaic systems (Jul.1)</li> <li>•Progress Report about Electricity Sales for Retail Market (Aug.21)</li> <li>•Tokyo Gas and Kyuden Established Chiba Sodegaura Power Co.,Ltd.(Sep.2)</li> <li>•Receiving of Electricity from Moka Power Station(Oct.1)</li> <li>•50th Year Anniversary of LNG (liquefied natural gas) to Japan (Nov. 1)</li> <li>•Chugoku Electric and Tokyo Gas sign MOU regarding a Strategic Alliance in LNG Procurement (Dec. 12)</li> <li>• Launch of virtual power plant combining PV, storage battery, and gas cogeneration systems to deliver power based on highly accurate output and building electric power load forecasts (Jan. 8)</li> <li>•Tokyo Gas acquires solar power plant in Annaka City, Gunma prefecture (Feb. 12)</li> <li>•Conclusion of an LNG Transportation Agreement (Feb. 13)</li> <li>•Tokyo Gas begins receiving electric power from Moka Power Station No. 2 (Mar. 2)</li> <li>•Hinatao Energy Co. launches energy retail service (Mar. 10) *3</li> <li>•Tokyo Gas participates in the woody biomass business (Mar. 24)</li> <li>•Tokyo Gas and Mitsui Home Co., Ltd. tie-up to launch "Future Power Generation G with Zuttomo Solar" service—free provision of solar power generators to customers installing ENE-FARM residential fuel cells (Mar. 26)</li> <li>•Launch of free solar power generator provision service "Zuttomo Solar × Toyota Home" (Apr. 20)</li> </ul>

## Key Topics in FY2019-20 (Excerpted from Press Releases up to 28st April)

<p>Services (S)</p>	<ul style="list-style-type: none"> <li>◆ Engineering Service                             <ul style="list-style-type: none"> <li>• Mitsui Fudosan and Tokyo Gas's Nihonbashi Smart Energy Project comes on stream, that is Japan's first stable delivering of heat and electric power to a district with existing buildings(Apr.15)</li> <li>• TGES Awarded CPC's Contract for Basic Design of Taiwan's Largest LNG Receiving Terminal (Jul.25) *1</li> </ul> </li> <li>◆ Other                             <ul style="list-style-type: none"> <li>• Launch of "junjuni" sponsored by TOKYO GAS" shopping site to promote the UN's sustainable development goals (Apr.4)</li> <li>• Phone app-based "Torisetsu + HOME" system of viewing manuals of housing equipment, etc., which is expected to promote paperless, adopted as standard for newly constructed Brilia condos in Greater Tokyo (Jun.6)</li> <li>• Joint development of water heater remote control with safe bathing support functionality for the AXiS smart stealth remote control series (Jul.11)</li> <li>• Launch of ENE-FARM Mini, the world's smallest high-efficiency fuel cell cogeneration system for residential use (Oct. 10)</li> <li>• Provisionally named "Yaesu 1-chome North District Category I Urban Redevelopment Project" to develop large-scale facilities along the Nihonbashi River finalized and core work scheduled to commence in fiscal 2025 (Oct. 11)*2</li> <li>• Tokyo Gas invests in Electriphi "Aiming to create new energy services for corporate electric vehicle (EV) customers" (Feb. 21)</li> <li>• Agreement to provide boiler energy service in Indonesia (Feb. 26) *1</li> <li>• 130,000 ENE-FARM residential fuel cell systems sold (Mar. 26)</li> </ul> </li> </ul>
<p>Global (× G, Overseas)</p>	<ul style="list-style-type: none"> <li>• ENGIE and Tokyo Gas to establish renewables joint venture company in Mexico (Apr.8)</li> <li>• Birdsboro Natural Gas-Fired Power Plant in the U.S. Starts Commercial Operations(Jun.7)</li> <li>• Acquisition of Shale Gas Assets in the East Texas and Louisiana(Dec. 25)</li> <li>• The First Urban District Cooling and Power Distribution Business in Thailand(Jan.10) *1</li> </ul>
<p>Digital Innovations</p>	<ul style="list-style-type: none"> <li>• Investment in Next Energy &amp; Resources and joint development of IoT platform for coordinated control of distributed energy appliances to further enhance services and expand use of renewables (Jul.3)</li> </ul>

## Key Topics in FY2019-20 (Excerpted from Press Releases up to 28st April)

<p>ESG</p>	<ul style="list-style-type: none"> <li>• Announcement of support for the Task Force on Climate-related Financial Disclosures (May.27)</li> <li>• Tokyo Gas executes a Master Agreement with Shell Eastern Trading (Pte) Ltd.for the supply of carbon neutral LNG(Jun.18)</li> <li>• Tokyo Gas Group CSR Report 2019 published (Aug.30)</li> <li>• Agreement on cooperation following disasters signed (Oct.16)</li> <li>• Launch of Japan's first carbon neutral city gas supply service (Oct.23)</li> <li>• Tokyo Gas wins the Minister of State for Special Missions Award for pioneers of women's progression in the workplace (Dec. 20)</li> <li>• Opening of Toyosu Hydrogen Refueling Station, Japan's first to supply hydrogen generated from carbon neutral city gas (Jan. 16)</li> <li>• Tokyo Gas selected under 2020 Health &amp; Productivity Stock Selection Program (Mar. 2)</li> <li>• Tokyo Gas designated a Nadeshiko Brand for the third year running (Mar. 4)</li> <li>• Special measures for customers for gas and electricity fees with the spread of the novel coronavirus in 2020 (Mar. 19)</li> <li>• Tokyo Gas begins Japan's first provision of carbon-neutral city gas for industrial use (Mar. 30)</li> <li>• Additional special measures pertaining to gas and electricity bill payments in relation to the 2020 COVID-19 outbreak(Apr. 24)</li> </ul>
<p>Finance and shareholder returns</p>	<ul style="list-style-type: none"> <li>• Notice Regarding the Appropriation of Surplus (Apr.26)</li> <li>• Notification of resolution to acquire treasury shares (Apr.26), Notice Regarding Market Purchase of Treasury Stock and Completion of Acquisition(Jul.16), Notice of retirement of Treasury Stock (Jul.29)</li> <li>• Announcement of issue of the 50th, the 51th, the 52th and the 53th Domestic unsecured notes (May.17)</li> <li>• Announcement of issue of the 54 th , the 55 th and the 56 th Domestic unsecured notes(Sep.6)</li> <li>• Announcement of issue of the 57 th Domestic unsecured notes(Dec.18)</li> <li>• Notice of Posting Extraordinary Loss and Revision to Results Forecast(Apr. 23)</li> </ul>

Dates of press releases are shown in parentheses.

\* 1 Press releases issued by Tokyo Gas Engineering Solutions.

\* 2 Press releases issued by Tokyo Gas Real Estate.

\* 3 Press releases issued by Hinatao Energy.



No	Country	Subject	Main Business	Participation year
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### ■ Southeast Asia

③	Malaysia	GAS MALASIA Bhd.	Downstream City gas	1992
		GAS MALASIA ENERGY ADVANCE Sdn.Bhd.	Downstream Energy Service	2014
④	Thailand	Bang bo	Downstream Natural gas power	2016
		GWHAMT	Downstream Gas Supply	2018
⑤	Vietnam	PVGD	Downstream CNG Supply	2017
⑥	Indonesia	PRA	Downstream Gas Supply, Transfer	2017

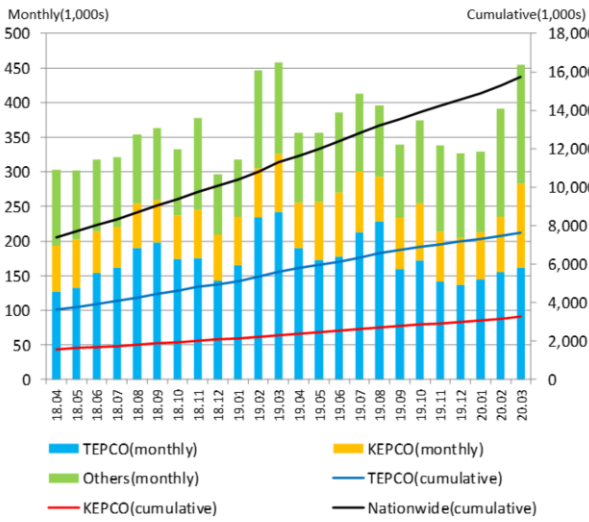
### ■ Oceania

⑦	Australia	Darwin	Upstream Production, liquefaction and sales of LNG	2008
		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	Upstream Production, liquefaction and sales of LNG	2012

### ■ North America

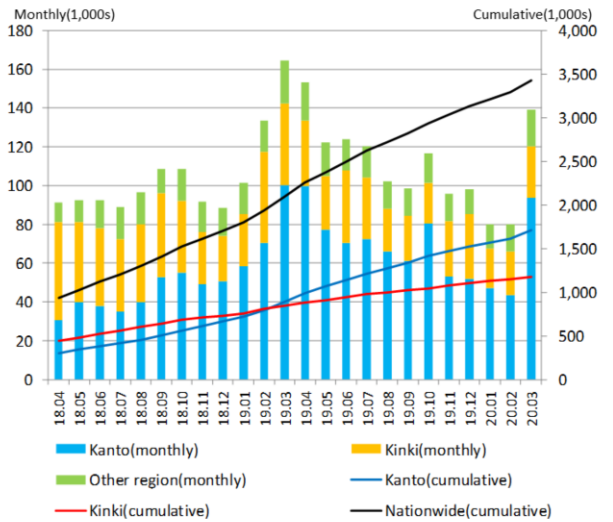
①	U.S.A	Barnett	Upstream Shale gas	2013
		Eagle Ford	Upstream Shale gas	2016
		East Texas	Upstream Shale gas	2017
		TGES America	Downstream Energy Service	2015
		Birdsboro Power Plant	Downstream Natural gas power	2017
		Acario Ventures	Other Open Innovation	2017
②	Mexico	Bajio	Downstream Natural gas power	2004
		MT Falcon	Downstream Natural gas power	2010
		Heolios EnTG	Downstream Renewable venture	2019

**Electricity switchers (based on applications)**



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

**City gas switchers (based on applications)**



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

**Number of customers for city gas retail sales (Tokyo gas consolidated, 10thousands)**

As of	2017.03	2017.06	2017.09	2017.12	2018.03	2018.06	2018.09	2018.12	2019.03	2019.06	2019.09	2019.12	2020.03
Number (Change)	1,026.9 (-)	1,031.4 (+4.5)	1,028.9 (-2.5)	1,029.6 (+0.7)	1,020.9 (-8.7)	1,018.9 (-2.0)	1,008.9 (-10.0)	998.2 (-10.7)	982.1 (-16.1)	960.7 (-21.4)	940.5 (-20.2)	925.9 (-14.6)	912.9 (-13.0)

Full deregulation of the retail market (2017.04)



**< 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.**

**TSE:9531**