

# Reference Materials (FY2020 3Q)

- |                  |  |
|------------------|--|
| Consolidated     | 1. (Consolidated) Financial Results  |
|                  | 2. (Consolidated) Breakdown of Segment Results (FY2020 3Q vs. FY2019 3Q)             |
|                  | 3. (Consolidated) Main Consolidated Subsidiaries Results (FY2020 3Q vs. FY2019 3Q)   |
|                  | 4. (Consolidated) Breakdown of Capital Expenditure/Investments and Financing         |
| Non-consolidated | 5. (Non-consolidated) Financial Results  |
|                  | 6. (Non-consolidated) Breakdown of Gas Sales / Analysis of Gross Profit              |
| Assumptions      | 7. (Assumptions) Oil Price and Currency Forecasts, and Their Impacts on Gross Profit |

Reference Materials (FY2020 3Q)

1. <Consolidated>Financial Results

	(FY2020 3Q vs. FY2019 3Q)				(FY2020 Forecast vs. FY2019 Results)				<FY2020 Forecast vs. Previous Forecast(Oct.)>				100 million yen	
	FY20 3Q	FY19 3Q	Change		Reference	FY20 Forecast	FY19	Change		Reference	Previous	Change		Reference
Net sales	12,335	13,620	-1,285	-9.4%	Gas -1,595, Energy-related -88, Others -63, Overseas -28, Electric power +326, Real estate +18, etc.	18,010	19,252	-1,242	-6.5%	Gas -2,026, Electric power +341, etc.	17,740	270	1.5%	Gas +207, Electric power +43, etc.
Operating profit	657	547	110	20.0%	Electric power +97, Gas +83, Overseas -49, Real estate -20, Others -12	790	1,014	-224	-22.1%	Overseas -47, Electric power -69, Energy-related -30, etc.	870	-80	-9.2%	Electric power -125, Gas +39, etc.
Ordinary profit	623	569	54	9.6%	Decrease in overseas equity income Decrease in dividend income, etc.	680	1,026	-346	-33.8%	Decrease in overseas equity income, Decrease in dividend income, etc.	800	-120	-15.0%	Decrease in overseas equity income, Increase in commodity derivatives loss, etc.
Profit attributable to owners of parent	453	336	117	34.9%	[FY20] Gain on sales of investment securities, Gain on negative goodwill, Impairment loss, Loss on valuation of investment securities [FY19] Impairment loss	490	432	58	13.2%	[Forecast] Impairment loss, gain on sales of assets, etc. [FY19] Impairment loss, Loss on valuation of investment securities, etc.	560	-70	-12.5%	[Forecast] Impairment loss, Gain on sales of assets, etc. [FY19] Impairment loss, Gain on sales of assets, etc.
Total assets(*1)	27,326	25,399	1,927	7.6%	Non-current assets +1,663 (Intangible assets +1,350, Property, plant and equipment +127, Investments and other assets +185), Current assets +265 (Cash and deposits +529, etc.), etc.	26,940	25,399	1,541	6.1%	Consolidation of new subsidiaries, etc.	28,270	-1,330	-4.7%	
Equity(*1)	11,474	11,477	-3	-0.0%	Net profit +453, Dividend payments -264, Deferred gains or losses on hedges -141, Foreign currency translation adjustments -84, etc.	11,510	11,477	33	0.3%		11,610	-100	-0.9%	
Equity ratio(*1) (%)	42.0%	45.2%	-3.2%	-	Went down because equity decreased (-0.0%) while total assets increased (+7.6%)	42.7%	45.2%	-2.5%	-		41.1%	1.7%	-	
Total assets turnover(*2) (times)	0.47	0.55	-0.08	-		0.69	0.78	-0.09	-		0.66	0.03	-	
ROA(*2) (%)	-	-	-	-		1.9%	1.7%	0.1%	-		2.1%	-0.2%	-	
ROE(*2) (%)	-	-	-	-		4.3%	3.8%	0.5%	-		4.9%	-0.6%	-	
Interest-bearing debt(*1)	11,209	9,050	2,159	23.9%	Tokyo Gas +1,229, Consolidation of new subsidiaries, etc.	10,720	9,050	1,670	18.5%	Consolidation of new subsidiaries, etc.	11,620	-900	-7.7%	
D/E ratio	-	-	-	-		0.93	0.79	0.14	-		1.00	-0.07	-	
Profit attributable to owners of parent	453	336	117	34.9%		490	432	58	13.4%		560	-70	-12.5%	
Depreciation(*3-4)	1,309	1,262	47	3.7%		1,810	1,696	114	6.7%		1,830	-20	-1.1%	
Operating cash flow(*5)	1,763	1,598	165	10.3%		2,300	2,129	171	8.0%		2,390	-90	-3.8%	
Capital expenditure(*3)	1,669	1,527	142	9.3%	Consolidated subsidiaries, etc. +196, Tokyo Gas -49	2,550	2,270	280	12.3%	Consolidation of new subsidiaries, etc.	3,100	-550	-17.7%	
Investments and Financing(after offset)	600	318	282	88.6%		935	525	410	78.1%		1,378	-443	-32.1%	
WACC (%)	-	-	-	-		2.5%	2.7%	-0.2%	-		2.5%	0.0%	-	
EPS (¥/share)	102.95	76.00	26.95	35.5%	Went up due to increase in profit attributable to owners of parent (+117)	111.11	97.86	13.25	13.5%		126.98	-15.87	-12.5%	
BPS(*1) (¥/share)	2,602.00	2,602.53	-0.53	-0.0%		2,609.96	2,602.53	7.43	0.3%		2,632.61	-22.65	-0.9%	
Total payout ratio(*6)	-	-	-	-		(*7) -	61.0%	-	-		(*7) -	-	-	

(\*1)Figures in B/S items for FY19 are the figures as of the end of FY19 (end of March 2020)

(\*2)The calculation of total assets turnover, ROA, and ROE are based upon average Total assets and Shareholders' equity in each period.

(\*3)Amounts for capital Expenditure and depreciation are after offsetting of internal transactions.

(\*4)Depreciation includes amortization of long-term prepaid expenses.

(\*5)Operating cash flow is calculated using the simplified accounting treatment of "Net profit attributable to the parent + Depreciation and amortization." (simplified accounting treatment; differs from amount in Consolidated Statement of Cash Flows)

(\*6)FYn Gross payout ratio = ((FYn total annual dividend) + (FYn +1 stock repurchases)) / (FYn profit attributable to owners of the parent)

(\*7)To be maintained at approximately 60% each year to FY2020

The provisional accounting treatment pertaining to business combinations was determined in the 2020 3Q consolidated accounting period, and all figures pertaining to FY 2019 have been retroactively adjusted to match the determined accounting treatment.

2. <Consolidated>Breakdown of Segments(FY2020 3Q vs. FY2019 3Q)

100 million yen

Segment	Breakdown	Net sales			Reference	Operating profit				Reference	
		FY20 3Q	FY19 3Q	Change		FY20 3Q	FY19 3Q	Change	Change		
Gas Segment	Liquefied petroleum gas	146	172	-26	-15.0%	Decrease in sales due to decrease in sales volume and lower unit prices	0	-3	3	-	
	Industrial gas	143	171	-28	-16.0%	Decrease in sales due to decrease in number of large-scale projects, decrease in sales volume, and lower unit prices	5	6	-1	-10.1%	
Energy-related Segment	Gas appliances	864	918	-54	-5.9%	Decrease in sales due to decrease in sales volume	63	65	-2	-2.0%	Decrease in profit due to decrease in sales volume
	Gas pipe Installation work	256	281	-25	-8.9%	Decrease in sales due to decrease in number of new projects	-4	0	-4	-	Decrease in profit ratio from decrease in large-scale projects
	Construction etc.	386	438	-52	-11.9%	Decrease in sales due to decrease in number of installations	9	13	-4	-31.0%	Decrease in profit due to decrease in number of installations
	Credit	58	59	-1	-0.3%		5	5	0	-10.6%	
Other Segment	IT services	321	365	-44	-11.9%	Decrease in sales due to decrease in orders received for system development	-1	3	-4	-	Decrease in profit due to increase in maintenance costs
	Shipping	210	250	-40	-15.8%	Decrease in sales due to decrease in freight revenue	22	28	-6	-19.8%	Decrease in profit due to decrease in freight revenue

\*\*City gas", "LNG sales", "Engineering Solutions" are described in Presentation Material.

3. <Consolidated>Main Consolidated Subsidiaries Results (FY2020 3Q vs. FY2019 3Q)

100 million yen

Segment	Company name	Net sales			Reference	Operating profit				Reference	
		FY20 3Q	FY19 3Q	Change		FY20 3Q	FY19 3Q	Change	Change		
Gas etc.	Tokyo Gas Co.,Ltd.	11,306	12,559	-1,253	-10.0%		446	220	226	103.0%	
Electric Power seg.	Nijio Co.,Ltd	1,219	1,006	213	21.2%	Increase in sales due to increase in sales volume	20	39	-19	-47.2%	Decrease in profit due to time lag in sales
Overseas seg.	TG Australia Group(*1)	228	303	-75	-24.8%	(TG Gorgon) Decrease in sales due to decrease in sales volume (TG Pluto) Decrease in sales due to lower unit prices	37	95	-58	-60.6%	Decrease in profit due to decrease in sales
Energy-related seg.	Tokyo Gas Engineering Solutions Group(*1)	962	967	-5	-0.5%	Decrease in sales due to lower unit sales prices for energy services	46	40	6	13.5%	Increase in profit due to increase in sales of commercial air-conditioning appliances
Real Estate seg.	Tokyo Gas Real Estate Co., Ltd.	317	233	84	35.9%	Increase in sales due to increase in rent income as a result of transfer of assets	73	79	-6	-7.8%	Decrease in profit due to increase in depreciation, taxes, etc. as a result of completion of Tamachi project
Others	Tokyo LNG Tanker Co., Ltd.	216	273	-57	-20.9%	Decrease in sales due to decrease in freight revenue	24	37	-13	-36.0%	Decrease in profit due to decrease in freight revenue
Other		2,616	2,788	-172	-6.2%	(TGinet) Decrease in sales due to decrease in orders received for system development (Park Tower Hotel) Decrease in sales due to decrease in number of guests	-65	92	-157	-	Decrease in profit due to decrease in sales
Consolidated subsidiaries total		5,561	5,573	-12	-0.2%		136	385	-249	-64.5%	
Consolidated total		12,335	13,620	-1,285	-9.4%		657	547	110	20.0%	

(\*1)Consolidated figures are simple sums before elimination of intra-company transactions.

4. <Consolidated>Breakdown of Capital Expenditure/Investments and Financing  
(FY2020 3Q vs. FY2019 3Q)

<FY2020 Forecast vs. FY2019 Results>

<FY2020 Forecast vs. Previous Forecast(Oct.)>

100 million yen

	(FY2020 3Q vs. FY2019 3Q)				<FY2020 Forecast vs. FY2019 Results>				<FY2020 Forecast vs. Previous Forecast(Oct.)>					
	FY20 3Q	FY19 3Q	Change	Reference	FY20 Forecast	FY19	Change	Reference	Previous	Change	Reference			
[Capital Expenditure]														
Production facilities	68	68	0	0.5%	140	101	39	38.0%	Other production facilities, etc.	185	-45	-24.3%	Other production facilities, etc.	
Distribution facilities	630	630	0	0.0%	949	1,057	-108	-10.2%	Stable supply-related, etc.	914	35	3.8%	Security-related, etc.	
Service and maintenance facilities etc	254	303	-49	-16.2%	IT, etc.	439	482	-43	-8.9%	IT, etc.	700	-260	-37.2%	IT, etc.
Tokyo Gas Total	953	1,002	-49	-4.9%	1,530	1,642	-112	-6.8%		1,800	-270	-15.0%		
Capital expenditure at consolidated subsidiaries	742	546	196	35.7%	Overseas, etc.	1,070	677	394	58.1%	Overseas, etc.	1,361	-291	-21.4%	Overseas, Real estate, etc.
Adjustment	-26	-22	-4	-	-50	-48	-2	-		-61	11	-		
Capital Expenditure total	1,669	1,527	142	9.3%	2,550	2,270	280	12.3%		3,100	-550	-17.7%		
[Investments and Financing]														
Investment and financing	620	375	245	65.3%	962	598	364	61.0%		1,407	-445	-31.6%		
Collections	20	57	-37	-64.1%	27	72	-45	-62.6%		28	-1	-3.4%		
Investments and Financing total(after offset)	600	318	282	88.6%	935	525	410	78.1%		1,378	-443	-32.1%		
Capital Expenditure total+Investments and Financing (after offset)	2,270	1,845	425	23.0%	3,485	2,795	690	24.7%		4,478	-993	-22.2%		

5. <Non-consolidated> Financial Results

(FY2020 3Q vs. FY2019 3Q)				(FY2020 Forecast vs. FY2019 Results)				-FY2020 Forecast vs. Previous Forecast(Oct)-				100 million yen		
	FY20 3Q	FY19 3Q	Change	Reference	FY20 Forecast	FY19	Change	Reference	Previous	Change	Reference			
Net sales	11,306	12,559	-1,253	-10.0%		16,110	17,879	-1,769	-9.9%		15,850	260	1.6%	
Operating profit	446	220	226	103.0%		530	620	-90	-14.5%		650	-120	-18.5%	
Ordinary profit	442	308	134	43.1%		530	683	-153	-22.4%		640	-110	-17.2%	
Net profit	382	235	147	62.3%		470	567	-97	-17.1%		510	-40	-7.8%	
Impact of Sliding Time Lag(*1)														
Revenue from sliding system	-933	-38	-895	-		-1,587	-162	-1,425	-		-1,516	-71	-	
Increase in gas cost	-1,048	-72	-976	-		-1,563	-162	-1,401	-		-1,503	-60	-	
Change	115	34	81	-		-24	0	-24	-		-13	-11	-	
Economic Frame														
JCC(Japan Crude Cocktail) \$/bbl	39.04	67.84	-28.80	-42.5%		41.29	67.79	-26.50	-39.1%		40.34	0.95	2.3%	
EX Rate ¥/\$	106.10	108.65	-2.55	-2.3%		105.84	108.71	-2.87	-2.6%		108.46	-2.62	-2.4%	
Gas Business Sales	6,433	7,819	-1,386	-17.7%	Volume/composition -599, Sliding time lag effect -895, Third-party access revenue +108, etc.	9,340	11,065	-1,725	-15.6%	Volume/composition, etc. -300, Sliding time lag effect -1,425	9,130	210	2.3%	Volume/composition, etc. +281, Sliding time lag effect -71
Raw materials and supplies	3,082	4,440	-1,358	-30.6%	Volume/composition, etc. -382, Sliding time lag effect -976 (Foreign exchange -60, Oil price -803, etc.)	4,462	6,156	-1,694	-27.5%	Volume/composition, etc. -293, Sliding time lag effect -1,401	4,339	123	2.8%	Volume/composition, etc. +183, Sliding time lag effect -60
(Gross profit)	(3,351)	(3,379)	(-28)	(-0.9%)	Volume/composition, etc. -217, Sliding time lag effect +81, Third-party access revenue +108, etc.	(4,878)	(4,909)	(-31)	(-0.6%)	Volume/composition, etc. -7, Sliding time lag effect -24	(4,791)	(87)	(1.8%)	Volume/composition, etc. +98, Sliding time lag effect -
Personnel expenses	540	614	-74	-11.9%	Retirement allowance -61 (Actuarial differences -64), etc.	730	820	-90	-11.0%	Retirement allowance -83 (Actuarial differences -85), etc.	730	0	0.0%	
General expenses	1,830	1,892	-62	-3.3%		2,660	2,651	9	0.3%		2,660	0	0.0%	
Repair costs	201	237	-36	-15.3%	Transfer of assets/operation etc.	304	350	-46	-13.1%	Transfer of assets/operation etc.	304	0	0.0%	
Others	1,629	1,655	-26	-1.5%	Consignment costs -24 (Decrease in costs for system data transfer, etc.), etc.	2,356	2,301	55	2.4%	Rent +82 (Transfer of assets), Consignment costs +68 (System data transfer costs, etc.), Taxes -34, Marketing costs -26, Expendable costs -16, etc.	2,356	0	0.0%	
Depreciation	887	891	-4	-0.5%		1,220	1,213	7	0.6%	Increase as a result of acquisition of new assets	1,230	-10	-0.8%	Reduced impact of delay in acquisition
LNG regasification	-27	-27	0	-		-41	-37	-4	-		-41	0	-	
Operating costs	6,314	7,812	-1,498	-19.2%		9,031	10,804	-1,773	-16.4%		8,918	113	1.3%	
Installation work	-4	0	-4	-		0	8	-8	-100.0%		-1	1	-	
Others	233	188	45	24.5%		309	245	64	26.1%	Appliances +5, etc.	310	-1	-0.3%	
Miscellaneous operating profit	229	188	41	21.8%		309	254	55	21.7%		309	0	0.0%	
Expenses for incidental businesses	98	23	75	316.3%	Electric power +135, LNG sales -58, etc.	-88	105	-193	-	Electric power -55, LNG sales -135, etc.	129	-217	-	Electric power -140, LNG sales -77, etc.
Operating profit	446	220	226	103.0%		530	620	-90	-14.5%		650	-120	-18.5%	
Non operating profit	-4	88	-92	-	Dividends received from affiliates -58, Rent, etc. -33 (Transfer of assets), etc.	0	62	-62	-100.0%	Dividends received from affiliates -46, etc.	-10	10	-	Dividends received from affiliates +17, etc.
Ordinary profit	442	308	134	43.1%		530	683	-153	-22.4%		640	-110	-17.2%	
Extraordinary income	47	-	47	-	Gain on sales of investment securities +47	47	96	-49	-51.0%	Gain on settlement of contracts -96, Gain on sales of investment securities +47	30	17	56.7%	Gain on sale of investment securities +17
Extraordinary loss	-	-	-	-		0	20	-20	-100.0%	Loss on valuation of investment securities -20	0	0	-	
Taxes	106	73	33	45.9%		107	192	-85	-44.3%		160	-53	-33.1%	
Net profit	382	235	147	62.3%		470	567	-97	-17.1%		510	-40	-7.8%	
Net profit	382	235	147	62.3%		470	567	-97	-17.1%		510	-40	-7.8%	
Depreciation(*2)	936	947	-11	-1.2%		1,290	1,285	5	0.4%		1,300	-10	-0.8%	
Operating cash flows (Net profit+ Depreciation)	1,319	1,183	136	11.5%		1,760	1,852	-92	-5.0%		1,810	-50	-2.8%	

(\*1)Change from standard average resource cost

(\*2)Depreciation includes amortization of long-term prepaid expenses.

6. <Non-consolidated> Breakdown of Gas Sales & Gross Profit Analysis

(1) Breakdown of Gas Sales

100 million yen

	<FY2020 3Q vs. FY2019 3Q>				<FY2020 Forecast vs. FY2019 Results>				<FY2020 Forecast vs. Previous Forecast(Oct.)>					
	FY20 3Q	FY19 3Q	Change		change factors	(100 million yen)	(million m3)	FY20 Forecast	FY19	Change		Previous	Change	
Residential	2,732	2,912	-180	-6.2%	Volume, etc.	-6	24	4,222	4,425	-203	-4.6%	4,058	164	4.0%
					(Temp. effect)	(13)	(10)							
					Sliding	-174								
Others (Commercial·Industrial·Wholesale)	3,701	4,907	-1,206	-24.6%	Volume, etc.	-593	-1,030	5,118	6,640	-1,522	-22.9%	5,072	46	0.9%
					(Temp. effect)	(9)	(16)							
					Sliding	-721								
Total	6,433	7,819	-1,386	-17.7%	Volume, etc.	-599	-1,006	9,340	11,065	-1,725	-15.6%	9,130	210	2.3%
					(Temp. effect)	(22)	(26)							
					Sliding	-895								
					Other	108								

(2) Gas Gross Profit Analysis

100 million yen

	Change <FY20 3Q vs. FY19 3Q>						Change<FY2020 Forecast vs. FY2019 Results>						Change<FY2020 Forecast vs. Previous Forecast(Oct.)>														
	Volume, etc.	(Breakdown)		Unit price	(Breakdown)		Other	Total	Volume, etc.	(Breakdown)		Unit price	(Breakdown)		Total	Volume, etc.	(Breakdown)		Unit price	(Breakdown)		Total					
Gas Business Sales	-599	Temp. effect	22	-895	Sliding	-895	108	-1,386	-300	Temp. effect	166	-1,425	Sliding	-1,425	-1,725	281	Temp. effect	-26	-71	Sliding	-71	210					
		Other	-621		Other	0				Other	-466		Other	0			Other	307		Other	0						
		Raw materials and supplies	-382		Temp. effect	12				-976	Sliding		-976	0			-1,358	-293		Temp. effect	79		-1,401	Sliding	-1,401	-1,694	183
Other	-394	(crude oil price)		(- 803)	(exchange rate)	(- 60)	Other	-372	(crude oil price)		(- 1,157)	(exchange rate)	(- 108)		Other	196			(crude oil price)	(- 4)	(exchange rate)	(- 95)					
Gross profit	-217	Temp. effect		10	81	Sliding	81	108	-28		-7	Temp. effect	87		-24	Sliding			-24	-31	98	Temp. effect		-13	-11		
Other		-227	Other	0		Other	0			Other		-94	Other	0		Other	111	Other	0								

7. <Assumptions> Oil Price and Currency Forecasts, and Their Impacts on Gross Profit

(1) Economic Frame<Consolidated/Non-consolidated>

	FY20 Results	FY20 Forecast				
		1Q	3Q	3Q	4Q	Full-year
FY20 Forecast as of Jul.2020	JCC \$/bbl	32.22	45.00			41.38
	EX Rate ¥/\$	107.64	110.00			109.41
	FY20 Results	FY20 Forecast				
		1Q	3Q	3Q	4Q	Full-year
FY20 Forecast as of Oct. 2020	JCC \$/bbl	36.45	45.00			40.34
	EX Rate ¥/\$	106.93	110.00			108.46
	FY20 Results	FY20 Forecast				
		1Q	2Q	3Q	4Q	Full-year
FY20 Forecast as of Jan. 2021	JCC \$/bbl	39.04		50.00		41.29
	EX Rate ¥/\$	106.10		105.00		105.84

(2) Gross Profit Sensitivity<Non-consolidated>

■ Gross Profit Sensitivity to Changes in Oil Price			100 million yen
	4Q	Full-year	
Net sales	0	0	
Gas resource cost	1	1	
Gross profit	-1	-1	

\* Impact on JCC increase by \$1

■ Gross Profit Sensitivity to Changes in EX Rate			100 million yen
	4Q	Full-year	
Net sales	2	2	
Gas resource cost	10	10	
Gross profit	-8	-8	

\* Impact on a one-yen depreciation

< Cautionary Statement regarding Forward-looking Statements >

Statements made in this presentation with respect to Tokyo Gas's present plans, forecasts, strategies, and other information herein that are not expressions of historical fact are forward-looking statements about the future performance of the Company. The Company's actual performance may greatly differ from these projections due to critical factors which include 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.