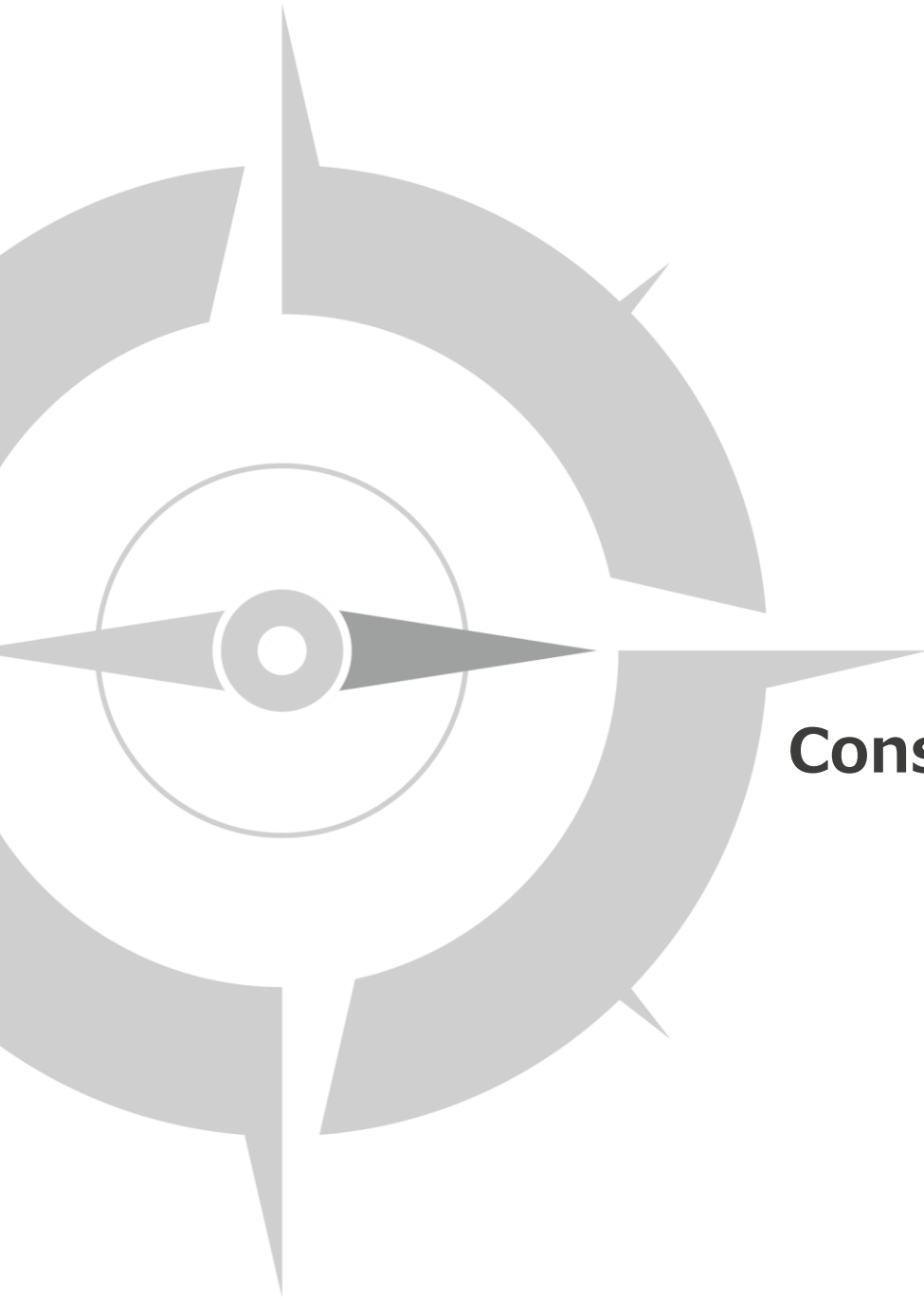




# **FY2020 Financial Results** **ended March, 2021**

**April 28, 2021**



# 01



## **FY2020 Consolidated Financial Results ended March, 2021**

## Highlights: Sales Down, Profit Up

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

<b>Net sales</b>	-160.1	Decrease in city gas unit price due to resource costs adjustment, decrease in city gas sales volume, etc.
<b>Operating expenses</b>	+136.4	The impact from the decline in crude oil prices, decrease in city gas sales volume, etc.
<b>Operating profit</b>	-23.8	Decrease in gross margin from the change in the city gas unit price due to economic framework assumptions, decrease in city gas sales volume, decrease in fixed costs, etc.
<b>Extraordinary profit/loss</b>	+30.8	FY2020 -¥4.3: (Extraordinary loss) Impairment loss: -¥10.2, loss on valuation of investment securities -¥4.4 (Extraordinary profit) Gain on sales of investment securities ¥5.2, gain on sale of non-current assets ¥3.1, Gain on negative goodwill ¥2.0 FY2019 -¥35.1: (Extraordinary loss) Impairment loss: -¥28.1, loss on valuation of investment securities -¥18.6 (Extraordinary profit) Gain on settlement of contract ¥11.6

		(Unit: billion yen)			
		FY2020	FY2019	Change	%
<b>City gas sales volume (million m3, 45MJ)</b>		<b>12,990</b>	13,855	-865	-6.2%
<b>Electricity sales volume (million kWh)</b>		<b>24,761</b>	20,604	4,157	20.2%
<b>(Breakdown)</b>	Retail (million kWh, receiving end)	<b>10,482</b>	8,522	1,960	23.0%
	Wholesale, etc. (million kWh)	<b>14,279</b>	12,082	2,197	18.2%
<b>Net sales</b>		<b>1,765.1</b>	1,925.2	-160.1	-8.3%
<b>Operating expenses</b>		<b>1,687.4</b>	1,823.8	-136.4	-7.5%
<b>Operating profit</b>		<b>77.6</b>	101.4	-23.8	-23.4%
<b>Segment profit (operating profit + equity income of subsidiaries)</b>		<b>79.1</b>	106.6	-27.5	-25.8%
<b>Ordinary profit<sup>(1)</sup></b>		<b>70.5</b>	102.6	-32.1	-31.3%
<b>Extraordinary profit/loss</b>		<b>-4.3</b>	-35.1	30.8	—
<b>Profit attributable to owners of parent</b>		<b>49.5</b>	43.2	6.3	14.3%
<b>(Adjustment items)</b>	Temperature effect <sup>(2)</sup>	<b>-6.0</b>	-9.8	3.8	—
	Sliding time lag effect <sup>(3)</sup> (city gas + LNG sales)	<b>-12.1</b> <b>(-12.0+ -0.1)</b>	1.3 (0+1.3)	-13.4 (-12.0+ -1.4)	—
	Amortization of actuarial differences <sup>(4)</sup>	<b>0.8</b>	-7.6	8.4	—
<b>Adjusted ordinary profit (1)-((2)+(3)+(4))</b>		<b>87.8</b>	118.7	-30.9	-26.0%

Economic framework	FY2020	FY2019
Exchange rate (¥/\$)	<b>106.10</b> (-2.61)	108.71
Crude oil price (\$/bbl)	<b>43.35</b> (-24.41)	67.76
Avg. air temp (°C)	<b>16.5</b> (-0.2)	16.7

Pension assets	FY2020 (as of Mar. 31, 2021)
Investment yield (costs deducted)	<b>4.94%</b>
Year-end assets (billion yen)	<b>263.0</b>

&lt;Expected annual rate of return: 2%&gt;

\* 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.

## City Gas sales volume:

**-865mil.m<sup>3</sup> (-6.2%)**  
including temperature effect  
+73mil.m<sup>3</sup>, +0.5%

### Residential +83mil.m<sup>3</sup>(+2.7%)

Temperature effect	+42 mil.m <sup>3</sup>
Number of days	-1 mil.m <sup>3</sup>
Number of customers	-149 mil.m <sup>3</sup>
Others	+191 mil.m <sup>3</sup>

### Commercial -236mil.m<sup>3</sup>(-9.4%)

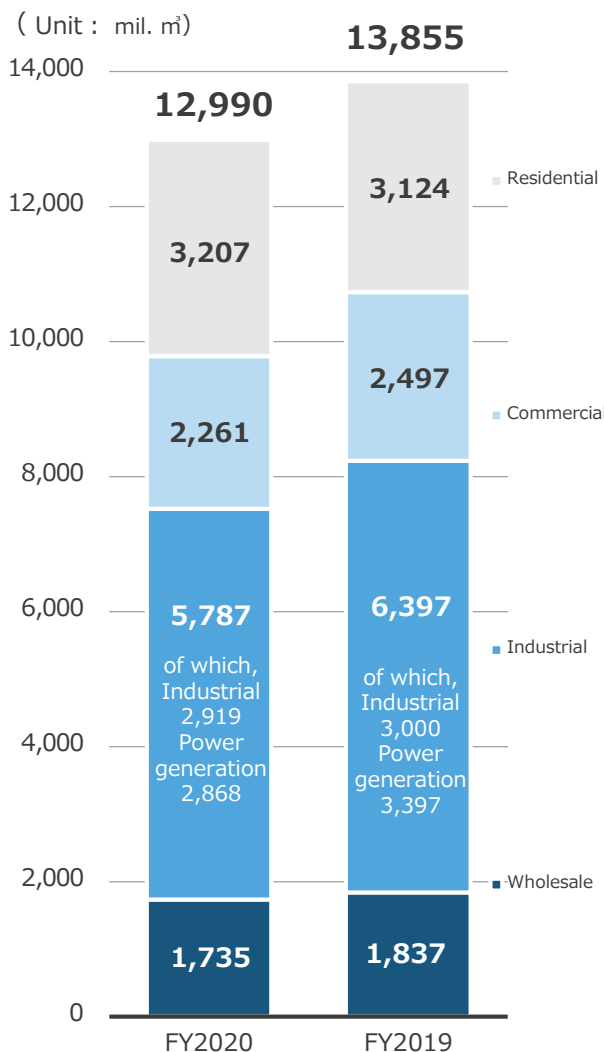
Temperature effect	+26 mil.m <sup>3</sup>
Number of days	-12 mil.m <sup>3</sup>
Number of customers	-28 mil.m <sup>3</sup>
Others	-222 mil.m <sup>3</sup>

### Industrial -610mil.m<sup>3</sup>(-9.5%)

Industrial	-81 mil.m <sup>3</sup>
Power generation	-529 mil.m <sup>3</sup>

### Wholesale -102mil.m<sup>3</sup>(-5.6%)

Temperature effect	+5 mil.m <sup>3</sup>
Others	-107 mil.m <sup>3</sup>
Decrease in wholesale demand, etc.	



\*Each value is rounded.

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

	FY2020	FY2019	Change
Number of customers for city gas retail sales (10 thousands) *1	886.3	912.9	-26.6 (-2.9%)
Number of customers (meters) (10 thousands, meter) *2	1,208.3	1,195.4	+12.9 (+1.1%)
LNG sales volume (thousands t)	1,103	1,183	-80 (-6.8%)
Average temperature (°C)	16.5	16.7	-0.2

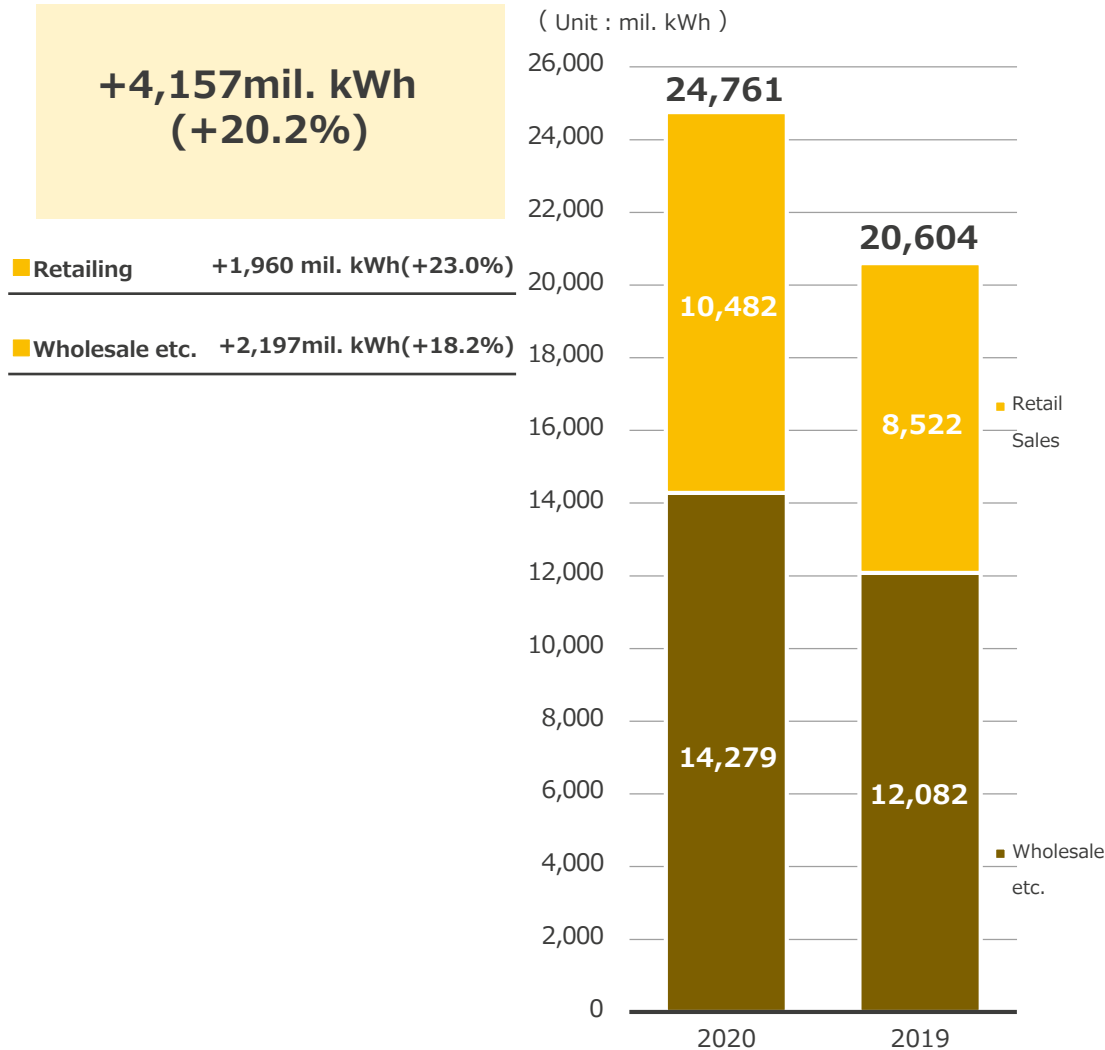
\*1. Number of billed customers for city gas retail sales

\*2. Including inactive meters and meters for gas supply from other retail companies

## Gas Sales Volume , Gas volume used in-house (Unit : million m<sup>3</sup>)

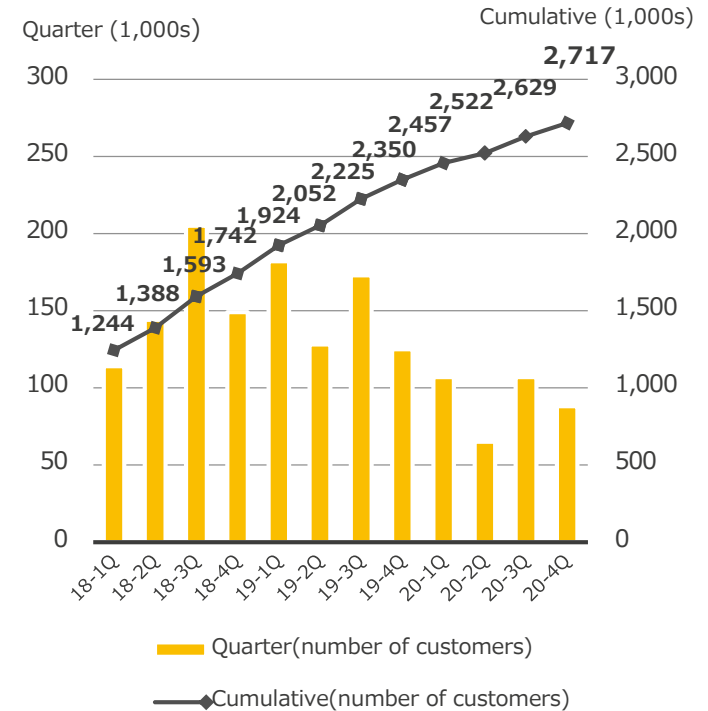
	FY2020	FY2019	Change
City gas sales volume (financial accounting basis)	12,990	13,855	-865 (-6.2%)
Gas volume used in-house under tolling arrangement	3,208	2,333	+875 (+37.5%)
LNG sales volume (m <sup>3</sup> basis)	1,379	1,479	-100 (-6.8%)
<b>Total</b>	<b>17,577</b>	<b>17,666</b>	<b>-89 (-0.5%)</b>

## Electricity sales volume :



\*Each value is rounded.

## New electricity retail customers won by Tokyo Gas



### "Sales Campaign"

#### FY2019

Winter;  
 From Jan. 06 to Apr. 30, 2020  
 Autumn;  
 From Oct. 15 to Dec. 23, 2019  
 Summer;  
 From Jun. 17 to Oct. 08, 2019  
 Spring;  
 From May. 2 to May. 31, 2019

#### FY2020

Winter;  
 From Jan. 7 to Feb. 22, 2021  
 Autumn;  
 From Oct. 30 to Dec. 25, 2020  
 Summer;  
 From Jul. 30 to Oct. 26, 2020  
 From Jun. 2 to Jul. 20, 2020

	Net sales				Segment Profit(Operating profit + Equity income/loss of subsidiary)			
	FY2020 Results	FY2019 Results	Change	%	FY2020 Results	FY2019 Results	Change	%
<b>Gas</b>	<b>1,146.7</b>	1,355.4	-208.7	-15.4	<b>88.4</b>	102.4	-14.0	-13.6
(City gas)	<b>967.7</b>	1,142.8	-175.1	-15.3	<b>95.6</b>	97.8	-2.2	-2.2
(LNG sales)	<b>139.4</b>	169.9	-30.5	-18.0	<b>-7.4</b>	3.9	-11.3	—
<b>Electric Power</b>	<b>395.9</b>	358.6	37.3	10.4	<b>8.6</b>	10.0	-1.4	-13.5
<b>Overseas business</b>	<b>45.9</b>	43.9	2.0	4.4	<b>3.8</b>	13.2	-9.4	-70.6
(equity income of subsidiaries)	—	—	—	—	<b>0.4</b>	4.6	-4.2	-89.3
<b>Energy-related</b>	<b>339.4</b>	351.9	-12.5	-3.5	<b>17.0</b>	16.9	0.1	0.3
(Engineering Solutions)	<b>139.7</b>	139.4	0.3	0.2	<b>6.6</b>	5.8	0.8	13.6
<b>Real estate</b> (including equity income of subsidiaries)	<b>48.4</b>	44.5	3.9	8.7	<b>7.5</b>	9.6	-2.1	-22.2
<b>Others</b> (including equity income of subsidiaries)	<b>110.4</b>	123.2	-12.8	-10.4	<b>3.8</b>	5.7	-1.9	-34.0
<b>Adjustment</b>	<b>-321.8</b>	-352.4	30.6	—	<b>-50.2</b>	-51.5	1.3	—
<b>Consolidated</b>	<b>1,765.1</b>	1,925.2	-160.1	-8.3	<b>79.1</b>	106.6	-27.5	-25.8
(equity income of subsidiaries)	—	—	—	—	<b>1.4</b>	5.2	-3.8	-71.6

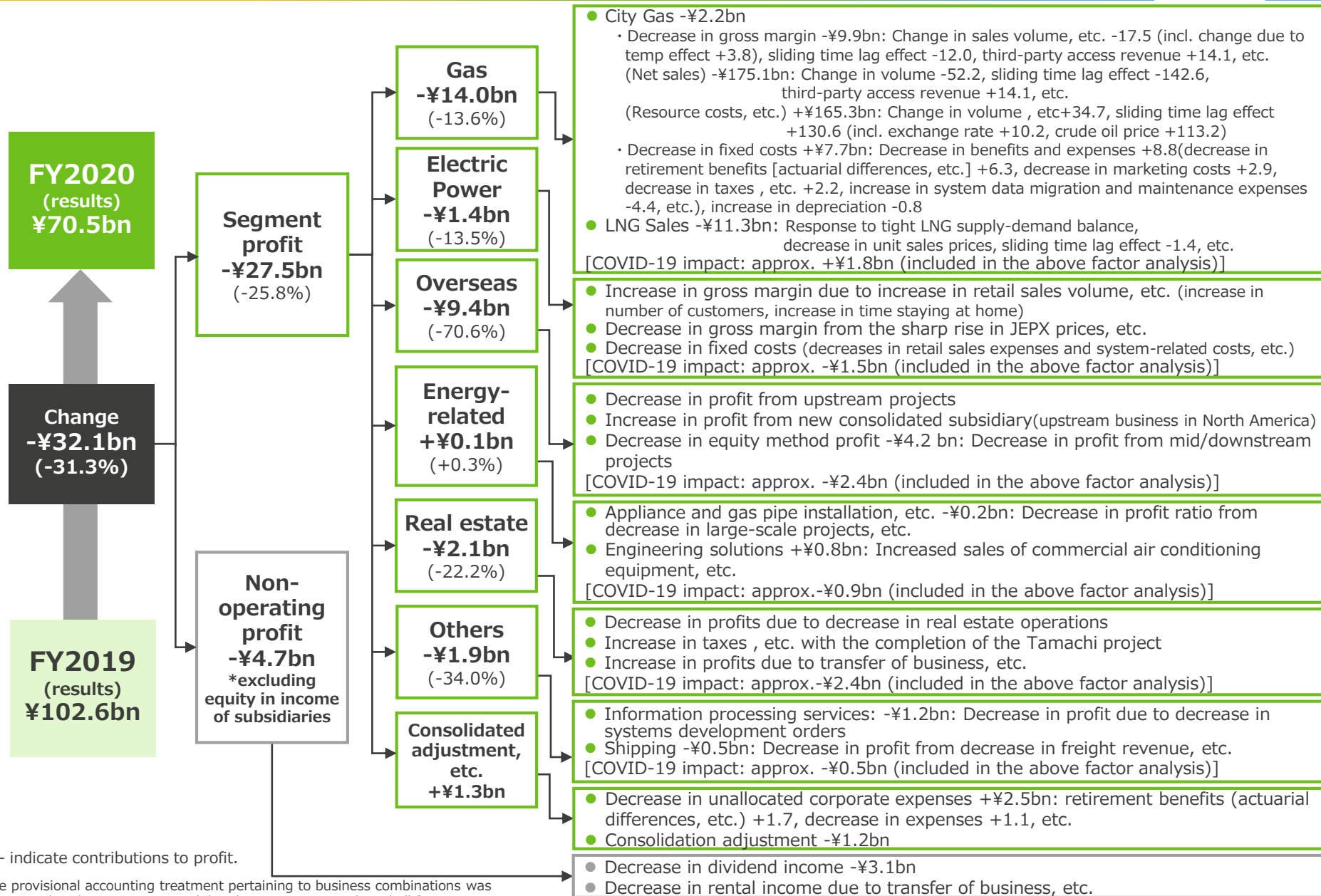
**Notes**

- Net sales by business segments include internal transactions.
- “Gas” includes businesses in city gas, liquefied petroleum gas, industrial gas, LNG sales, trading, etc.. “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.

\* 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.

# FY2020 Results: Ordinary Profit Analysis

vs. FY2019



\*+/- indicate contributions to profit.

\* 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.

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

Item	Main contents	Forecast as of 1Q Impact*1	Forecast as of 2Q Impact*2	Forecast as of 3Q Impact*3	Result as of FY2020 Impact
<b>Sliding time lag effect, etc.</b>	(-) Sliding time lag (+) City gas temperature affect (+) Pension actuarial differences	Approx. +22.0	Approx. +17.0	Approx. +15.0	Approx. -1.0
<b>Cost Structure reform</b>	(+) Rationalization of expenses, etc.	Approx. +10.0	Approx. +10.0	Approx. +10.0	Approx. +12.0
<b>One-time expenses</b>	(-) Data migration expenses due to operation of core system (-) Superannuated assets retirement expenses, etc.	Approx. -11.0	Approx. -11.0	Approx. -11.0	Approx. -12.0
<b>Other profit increase and decrease</b>	(+) Increase in electric power retail sales volume (-) Impact from the sharp rise in JEPX prices (-) Decrease in sales volume from decline in gas demand from customers switching to other providers (-) Increase in depreciation (-) Increase in new service area development expenses (DX-related expenses, etc.) (-) Decrease in profits on overseas projects, etc.	Approx. -22.0	Approx. -12.0	Approx. -36.0	Approx. -20.0
<b>Impact of COVID-19</b>	(-) LNG supply and demand adjustment expenses (-) Decrease in profits from business segments other than gas (appliances, construction, hotels, etc.) (+) Increase in city gas gross margin(Sales volume: Residential up, Others down) (+) Postponement and restriction of expenses with the impact of COVID-19 (+) Increase in electric power retail sales volume from more time staying at home, etc.	Approx. -30.0	Approx. -22.0	Approx. -6.0	Approx. -6.0

\*1. Economic framework from July: crude oil price \$45/bbl; exchange rate ¥110/\$.

\*2. Economic framework from October: crude oil price \$45/bbl; exchange rate ¥110/\$.

\*3. Economic framework from January: crude oil price \$50/bbl; exchange rate ¥105/\$.

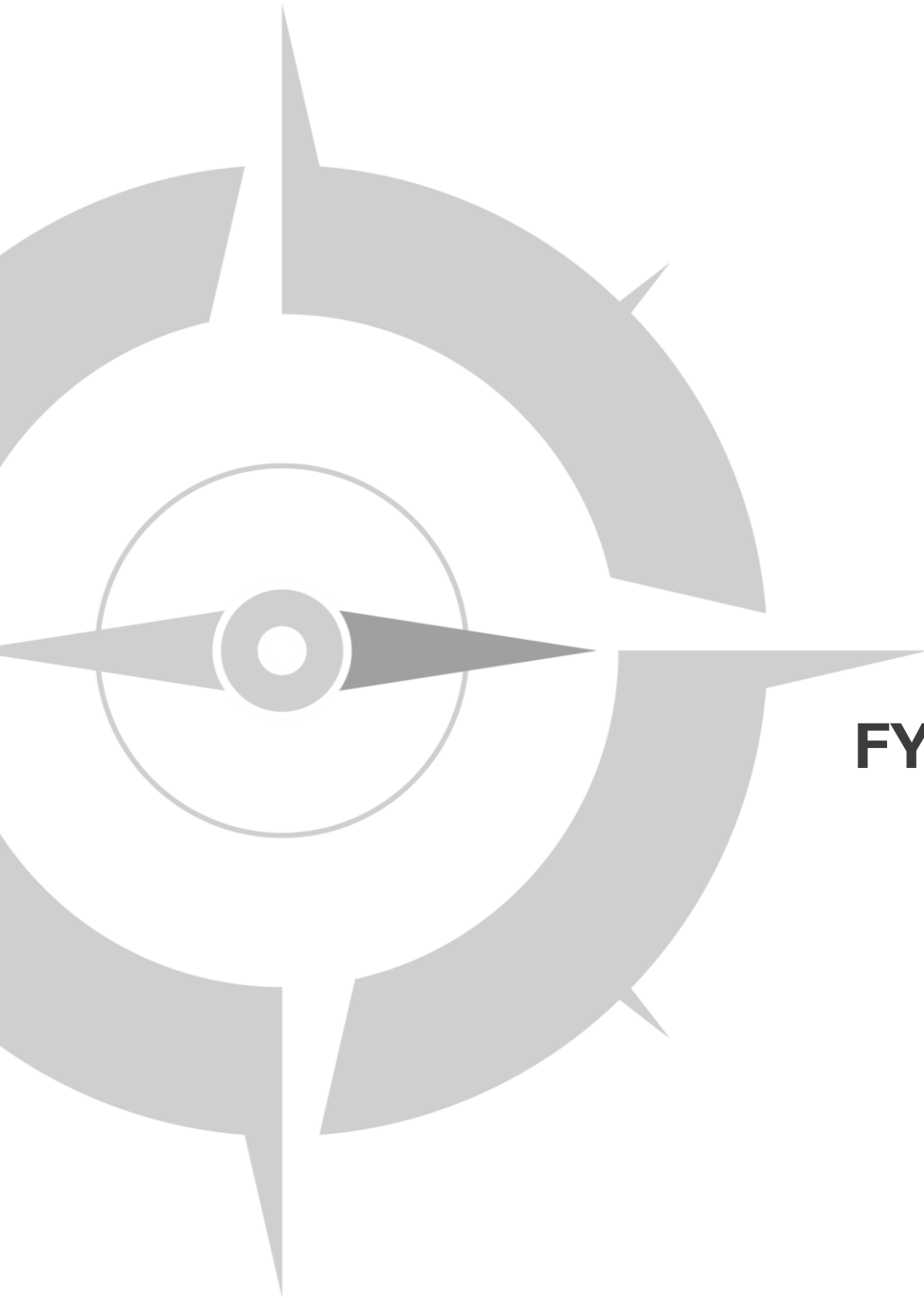


- In the Tokyo Gas Group FY 2020 - 2022 Medium-term Management Plan, regarding shareholder returns, Tokyo Gas presented a target total payout ratio of approximately 60% in each fiscal year up through FY2022, but Management Reform Initiatives of the Tokyo Gas Group in View of the COVID-19 Pandemic published on November 30, 2020 states that “we will consider reviewing our shareholder return policy.”
- Regarding the FY2020 settlement, because the review of our shareholder return policy is still ongoing, the shareholder returns will be as follows based on the “approximately 60% total payout ratio” in the FY 2020 – 2022 Medium-term Management Plan.

- **Continuation of annual dividend of ¥60 per share (total dividends ¥26.4 billion)**
- **Treasury stock purchases presuming retirement of a maximum of ¥3.3 billion / 1.7 million shares (0.4%)**

$$\begin{array}{rcl}
 \text{Total payout ratio} & = & \frac{\text{FY2020 Dividend} + \text{FY2021 Stock repurchases}}{\text{FY2020 Profit attributable to owners of parent}} \\
 60.1\% & & \frac{\text{¥ 26.4 billion} + \text{¥ 3.3 billion}}{\text{¥ 49.5 billion}}
 \end{array}$$

※Total number of shares outstanding : 442,436,059  
(as of March 31, 2021)



**02**



## **FY2021 Full Year Forecast**

## Highlights: Sales UP, Profit UP

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

	vs. FY2020	
<b>Net sales</b>	+50.9	Increase in sales from FY2020 consolidated subsidiary (upstream business in North America), increase in rental income from real estate operations, etc.
<b>Operating expenses</b>	-41.6	Increase in expenses from FY2020 consolidated subsidiary (upstream business in North America), impact of crude oil price increase, etc.
<b>Operating profit</b>	+9.4	Increase in gross margin from easing of sharp rise in JEPX prices, increase in profits from increase in rental income from real estate operations and decrease in taxes, increase in profits from FY2020 consolidated subsidiary (upstream business in North America), etc.
<b>Extraordinary profit/loss</b>	+4.3	Forecast 0 FY2020 -¥4.3: (Extraordinary loss) Impairment loss: -¥10.2, Loss on valuation of investment securities -¥4.4 (Extraordinary profit) Gain on sales of investment securities ¥5.2, Gain on sale of non-current assets ¥3.1, Gain on negative goodwill ¥2.0

(Unit: billion yen)					
	Forecast	FY2020 Result	Change	%	
<b>City gas sales volume (million m3, 45MJ)</b>	<b>12,054</b>	12,990	-936	-7.2%	
<b>Electricity sales volume (million kWh)</b>	<b>26,640</b>	24,761	1,879	7.6%	
<b>Net sales</b>	<b>1,816.0</b>	1,765.1	50.9	2.9%	
<b>Operating expenses</b>	<b>1,729.0</b>	1,687.4	41.6	2.5%	
<b>Operating profit</b>	<b>87.0</b>	77.6	9.4	12.0%	
<b>Segment profit (operating profit + equity income of subsidiaries)</b>	<b>86.5</b>	79.1	7.4	9.3%	
<b>Ordinary profit<sup>(1)</sup></b>	<b>72.0</b>	70.5	1.5	2.1%	
<b>Extraordinary profit/loss</b>	<b>0</b>	-4.3	4.3	—	
<b>Profit attributable to owners of parent</b>	<b>52.0</b>	49.5	2.5	5.0%	
	<b>Temperature effect<sup>(2)</sup></b>	0	-5.4	5.4	—
<b>(Adjustment items)</b>	<b>Sliding time lag effect<sup>(3)</sup> (city gas + LNG sales)</b>	<b>-18.5</b>	-12.1	-6.4	—
		<b>(-16.9+ -1.6)</b>	(-12.0+ -0.1)	(-4.9+ -1.5)	
	<b>Amortization of actuarial differences<sup>(4)</sup></b>	<b>11.1</b>	0.8	10.3	—
<b>Adjusted ordinary profit (1)-((2)+(3)+(4))</b>	<b>79.4</b>	87.2	-7.8	-8.9%	

Economic framework	Forecast	FY2020 results
Exchange rate (¥/\$)	<b>105.00</b> (-1.10)	106.10
Crude oil price (\$/bbl)	<b>55.00</b> (+11.65)	43.35
Avg. air temp (°C)	<b>16.1</b> (-0.4)	16.5

	FY2020	FY2019	FY2018
Pension assets			
Investment yield (costs deducted)	<b>4.94%</b>	0.33%	1.65%
Discount rate	Annuity portion	0.318%	0.264%
	Lump-sum portion	<b>0.075%</b>	0.012%
Year-end assets (billion yen)	<b>263.0</b>	259.0	267.0

&lt;Expected annual rate of return: 2%&gt;

\* 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.

## City Gas sales volume:

### VS. FY2020 Results

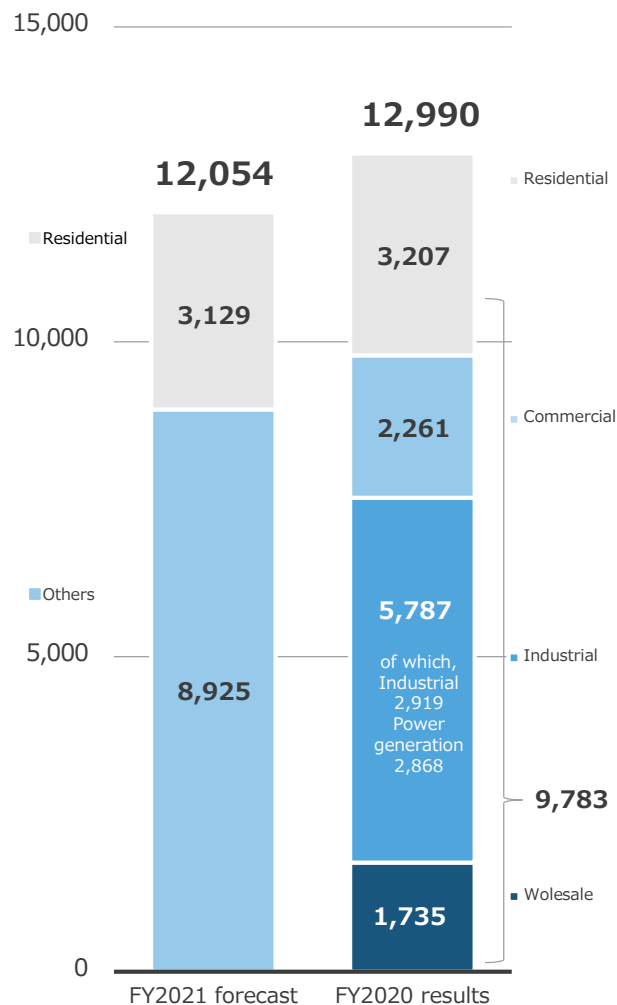
**-936mil.m<sup>3</sup> (-7.2%)**

including temperature effect  
+108mil.m<sup>3</sup>, +0.8%

**Residential** -78mil.m<sup>3</sup>(-2.4%)

**Others** -858mil.m<sup>3</sup>(-8.7%)

( Unit : mil. m<sup>3</sup> )



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

	Forecast	FY2020 Results	Change
Number of customers (meters) (10 thousands, meter) *1	1,221.3	1,208.3	+13.0 (+1.1%)
LNG sales volume (thousands t)	1,121	1,103	+18 (+1.6%)
Average temperature (°C)	16.1	16.5	-0.4

\*1. Including inactive meters and meters for gas supply from other retail companies

### Gas Sales Volume , Gas volume used in-house (Unit : million m<sup>3</sup>)

	Forecast	FY2020 Results	Change
City gas sales volume (financial accounting basis)	12,054	12,990	-936 (-7.2%)
Gas volume used in-house under tolling arrangement	2,975	3,208	-233 (-7.3%)
LNG sales volume (m <sup>3</sup> basis)	1,401	1,379	+22 (+1.6%)
<b>Total</b>	<b>16,430</b>	<b>17,577</b>	<b>-1,147</b> <b>(-6.5%)</b>

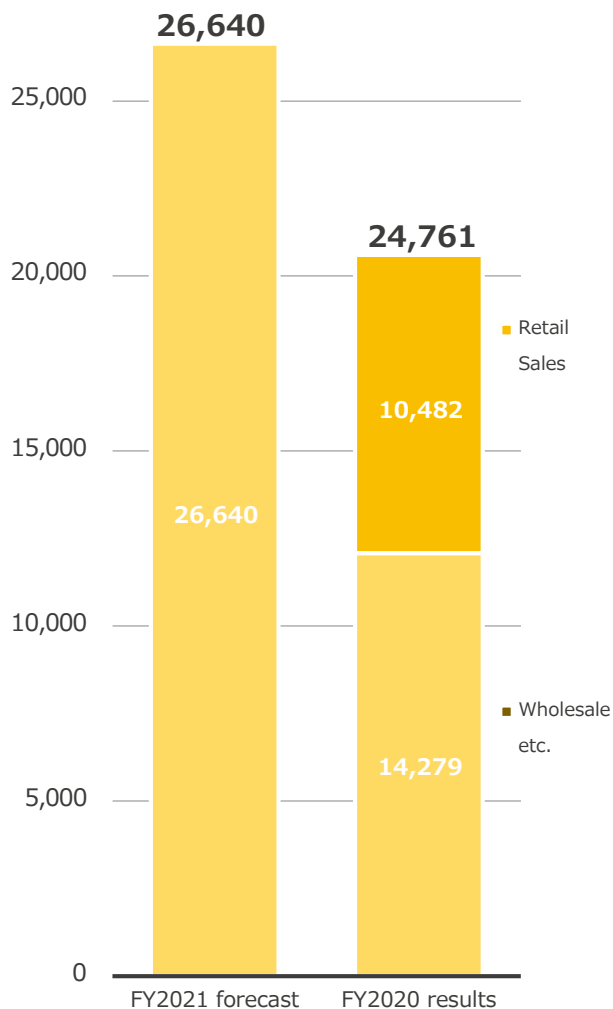
\*Each value is rounded.

## Electricity sales volume :

### VS. FY2020 Results

**+1,879mil. kWh  
(+7.6%)**

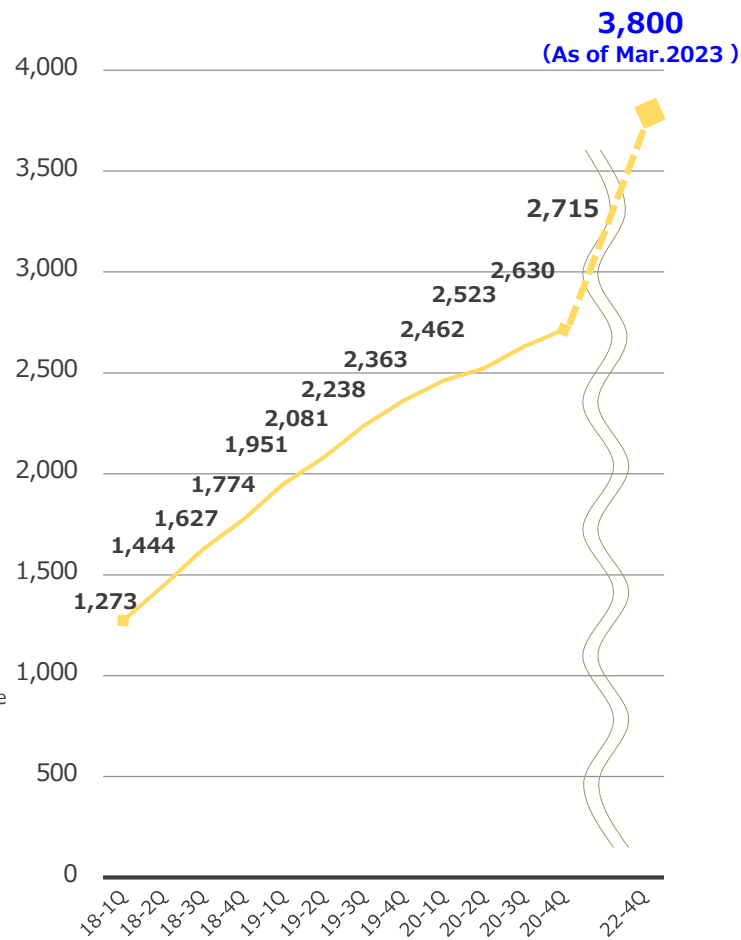
( Unit : mil. kWh )



\*Each value is rounded.

## New electricity retail customers won by Tokyo Gas

Cumulative (1,000s)

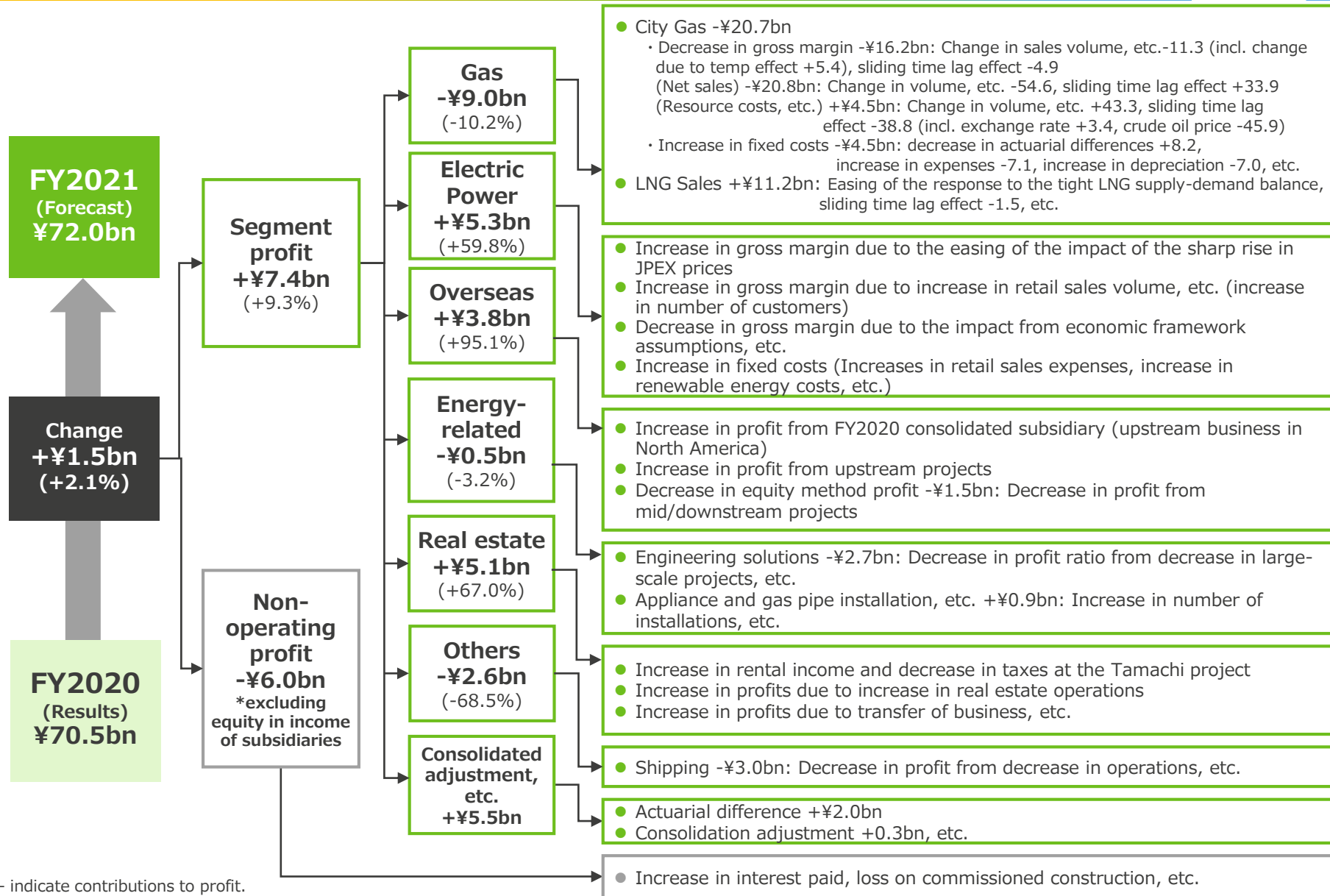


(unit : billion yen)

	Net sales				Segment Profit(Operating profit + Equity income/loss of subsidiary)			
	FY2021 Forecast	FY2020 Results	Change	%	FY2021 Forecast	FY2020 Results	Change	%
<b>Gas</b>	<b>1,144.0</b>	1,146.7	-2.7	-0.2	<b>79.4</b>	88.4	-9.0	-10.2
(City gas)	<b>946.9</b>	967.7	-20.8	-2.2	<b>74.9</b>	95.6	-20.7	-21.7
(LNG sales)	<b>154.3</b>	139.4	14.9	10.7	<b>3.8</b>	-7.4	11.2	—
<b>Electric Power</b>	<b>388.9</b>	395.9	-7.0	-1.8	<b>13.9</b>	8.6	5.3	59.8
<b>Overseas business</b>	<b>72.8</b>	45.9	26.9	58.5	<b>7.6</b>	3.8	3.8	95.1
(equity income of subsidiaries)	—	—	—	—	<b>-1.1</b>	0.4	-1.5	—
<b>Energy-related</b>	<b>329.7</b>	339.4	-9.7	-2.9	<b>16.5</b>	17.0	-0.5	-3.2
(Engineering Solutions)	<b>127.7</b>	139.7	-12.0	-8.6	<b>4.1</b>	6.6	-2.5	-37.9
<b>Real estate</b> (including equity income of subsidiaries)	<b>59.6</b>	48.4	11.2	23.1	<b>12.6</b>	7.5	5.1	67.0
<b>Others</b> (including equity income of subsidiaries)	<b>98.1</b>	110.4	-12.3	-11.2	<b>1.2</b>	3.8	-2.6	-68.5
<b>Adjustment</b>	<b>-277.1</b>	-321.8	44.7	—	<b>-44.7</b>	-50.2	5.5	—
<b>Consolidated</b>	<b>1,816.0</b>	1,765.1	50.9	2.9	<b>86.5</b>	79.1	7.4	9.3
(equity income of subsidiaries)	—	—	—	—	<b>-0.5</b>	1.4	-1.9	—

## Notes

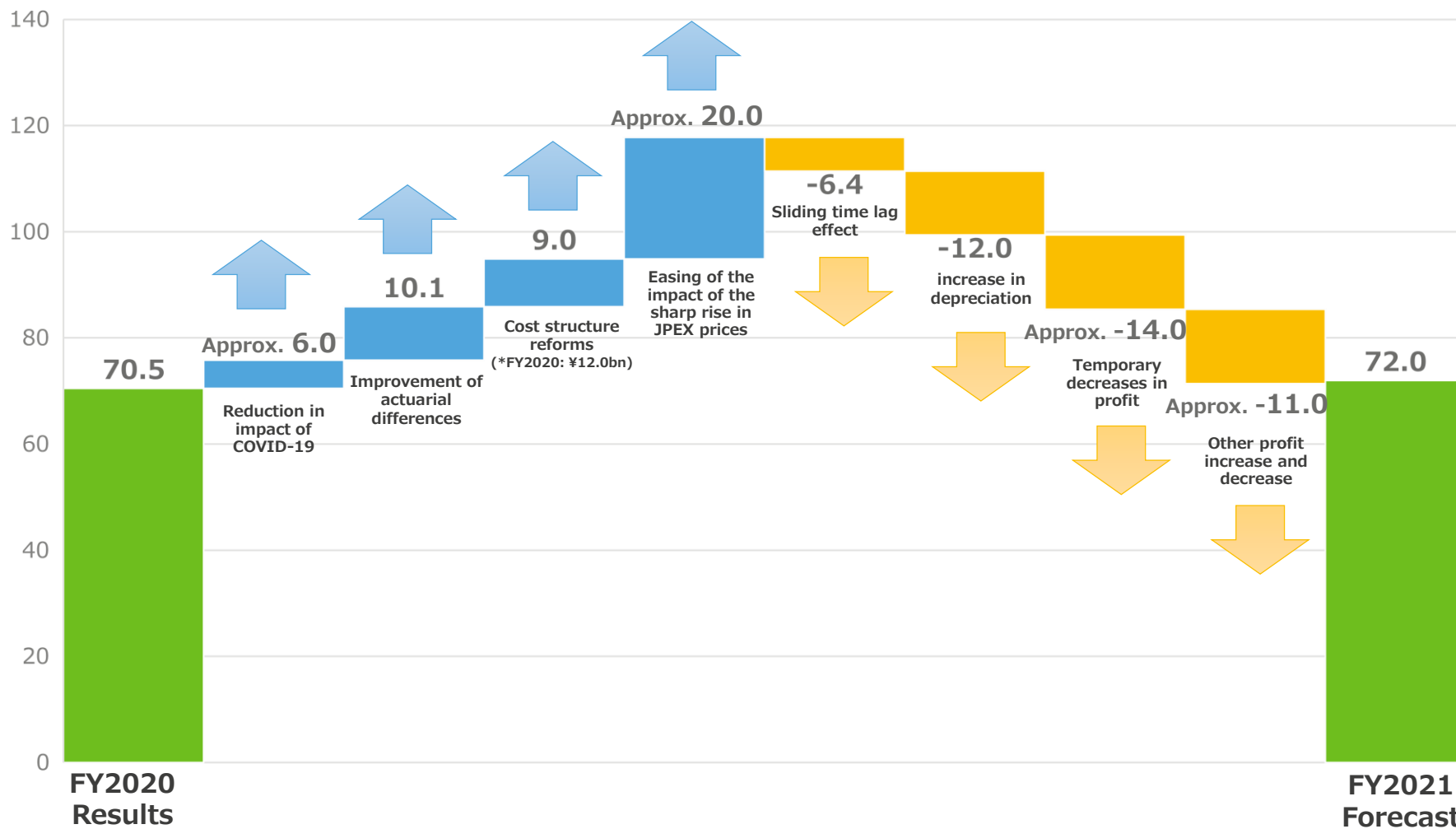
- Net sales by business segments include internal transactions.
- “Gas” includes businesses in city gas, liquefied petroleum gas, industrial gas, LNG sales, trading, etc.. “Energy-related” includes businesses in engineering solutions, gas appliances sales, gas pipe installation, construction and credit, 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.



\*+/- indicate contributions to profit.

## Factors for Changes from FY2020 Ordinary profit

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





# FY2021 Uses of Cash Flow (Capex , Investment and financing)

17

(Unit: billion yen)

	Forecast	Main Items	FY2020 Results	Change	%
<b>Capital Expenditure</b>					
Gas	134.0	Production facilities : 10.4 (-0.7) Other Production facilities, etc. Distribution facilities : 87.2 (-13.5) New demand development, etc. Service and maintenance facilities : 36.3 (-0.8) System related, etc.	149.0	-15.0	-10.1
Electric Power	13.5	Domestic renewable power etc.	14.5	-1.0	-6.6
Overseas	58.7	Upstream(Australia, North America), Global renewable power etc.	48.8	9.9	20.2
Energy-related	23.7	Energy Service(TGES) etc.	15.5	8.2	52.9
Real Estate	18.4	Real estate leasing business, building renovations, etc.	17.3	1.1	6.3
Others	2.2		4.3	-2.1	-48.7
Adjustment	-4.8		-3.3	-1.5	—
Sub Total	246.0		246.4	-0.4	-0.2
<b>Investment and Financing(before offset)</b>					
Gas	0		0	0	—
Electric Power	6.9	Domestic renewable power, investment in overseas electricity retail company etc.	60.1	-53.2	-88.5
Overseas	29.2	Upstream(Australia), Mid/Downstream(Asia),Global renewable power etc.	14.2	15.0	105.6
Energy-related	8.7	Engineering business (TGES) etc.	10.2	-1.5	-14.7
Real Estate	1.2		0.3	0.9	300
Others *1	72.4		0.5	71.9	—
Sub Total	118.4		85.3	33.1	38.8
<b>Capital Expenditure +Investments and Financing (before offset)</b>	364.4		331.7	32.7	9.8
<b>Collections Total</b>	3.0		3.2	-0.2	-7.4
<b>Capital Expenditure +Investments and Financing (after offset)</b>	361.4		328.5	32.9	10.0

\*1 Including a budget with an undetermined investment target

(Unit: billion yen)

	FY2021 Forecast	FY2020 Results	FY2019 Results
Total assets (a)	2,865.0	2,738.3	2,539.9
Shareholders' equity (b)	1,176.0	1,153.8	1,147.7
Shareholders' equity ratio (b)/(a)	41.0%	42.1%	45.2%
Interest-bearing debt (c)	1,242.0	1,065.9	905.0
D/E ratio (c)/(b)	1.06	0.92	0.79
Profit attributable to owners of parents (d)	52.0	49.5	43.2
Profit per share (EPS, yen per share)	117.91	112.26	97.86
Depreciation (e)	192.0	179.8	169.8
Operating cash flow (d) + (e)	244.0	229.3	213.1
Capital Expenditure	246.0	246.4	227.0
Investment and Fainacing (before offset)	118.4	85.3	59.8
<b>Total</b>	<b>364.4</b>	<b>331.7</b>	<b>286.8</b>
ROA (d)/(a)	1.9%	1.9%	1.7%
ROE (d)/(b)	4.5%	4.3%	3.8%
WACC	2.4%	2.6%	2.7%
Total payout ratio	—	60.1%	61.0%

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

- Items for WACC calculation (FY2021 forecast)
  - Cost of interest-bearing debt : forecast interest rate (0.98%, after tax)
  - Cost rate for shareholders' equity
    - Risk free rate : 10-year JGB yield 0.02%
    - Market Risk premium : 5.5% β: 0.75

\* 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.

(unit : billion yen)

		FY2020 Results	FY2022 Target
<b>KGI</b>	<b>Operating profits +equity method income (¥ billion)</b>	79.1	140.0
<b>Financial indicators</b>	<b>ROE (%)</b>	4.3%	Approx. 8.0%
	<b>ROA (%)</b>	1.9%	Approx. 4.0%
	<b>D/E Ratio(times)</b>	0.92	Approx. 0.9
<b>KPI</b>	<b>No. of customer accounts(million) *1</b>	12.31	14.80
	<b>Natural gas transaction volume(million tons) *2</b>	18.20	17.00
	<b>Segment profit from Overseas Business (¥ billion)</b>	3.8	16.0
	<b>Contribution to CO2emission reductions (million tons) *3</b>	6.68	6.5
	<b>Renewable energy transaction volume (million kW) *4</b>	1.383	2.00
	<b>Cost structure reform (¥ billion) *5</b>	-12.0	-30.0

		FY2020 Results	FY2022 Target
<b>Capital Expenditure · Investments and Financing</b>	<b>Overseas business</b>	63.0	200.0
	Breakdown) renewable energy	20.2	110.0
	<b>Solutions, etc.</b>	43.0	200.0
	<b>Energy</b>	167.0	380.0
	Breakdown) renewable energy	50.9	30.0
	<b>Common</b>	58.3	220.0
<b>Total</b>		331.7	1,000.0

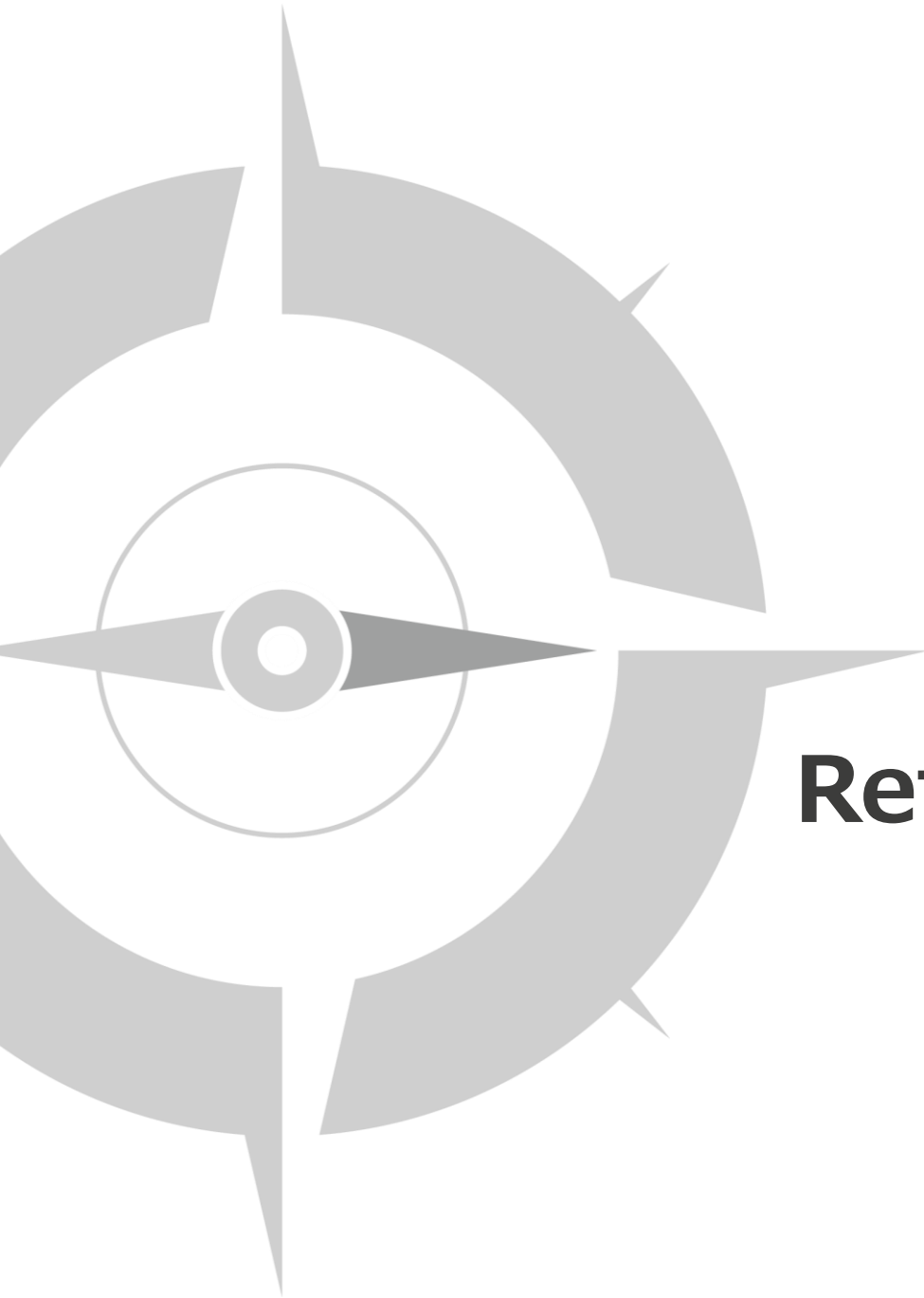
\*1 as of the end of FY

\*2 LNG equivalent (including overseas business)

\*3 as compared to FY 2013 levels

\*4 as of the end of FY

\*5 compared to FY2019



**03**



# Reference Materials

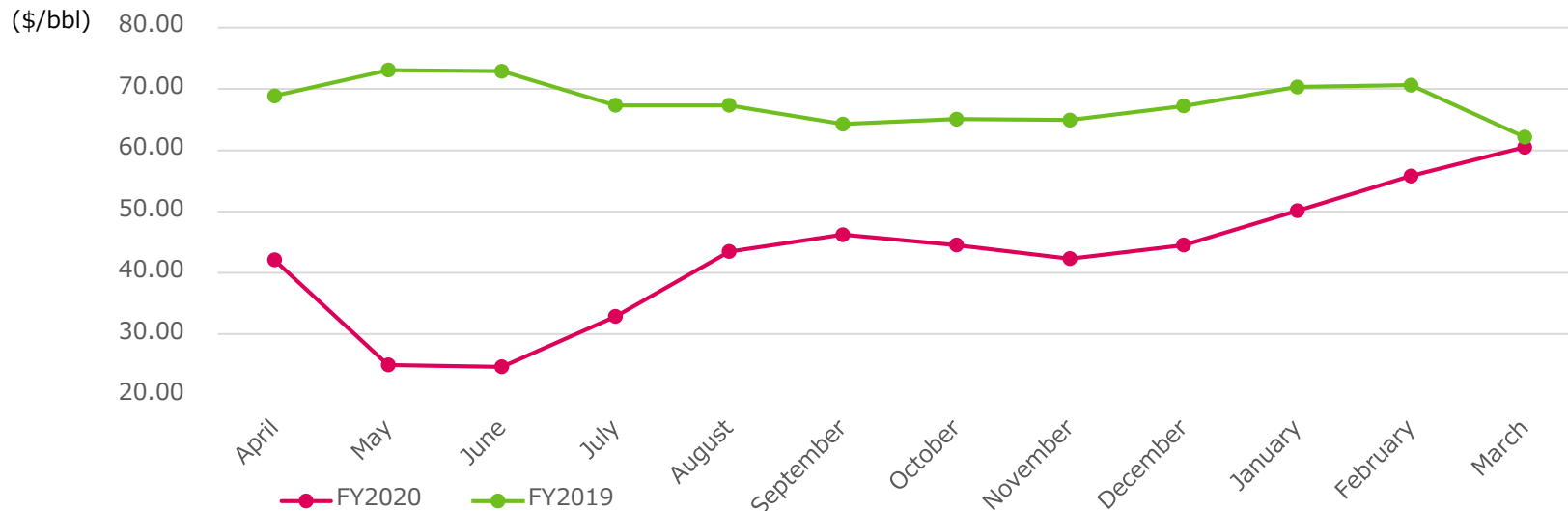
## Impact of rising JCC by \$1/bbl

		Impact on earnings				(Unit: billion yen)
		1Q	2Q	3Q	4Q	Full year
Period	1Q	-0.1	-0.5	+0.4	+0.3	<b>+0.1</b>
	2Q	—	-0.2	-0.7	+0.6	<b>-0.3</b>
	3Q	—	—	-0.1	-0.9	<b>-1.0</b>
	4Q	—	—	—	-0.2	<b>-0.2</b>
	Full year	<b>-0.1</b>	<b>-0.7</b>	<b>-0.4</b>	<b>-0.2</b>	<b>-1.4</b>

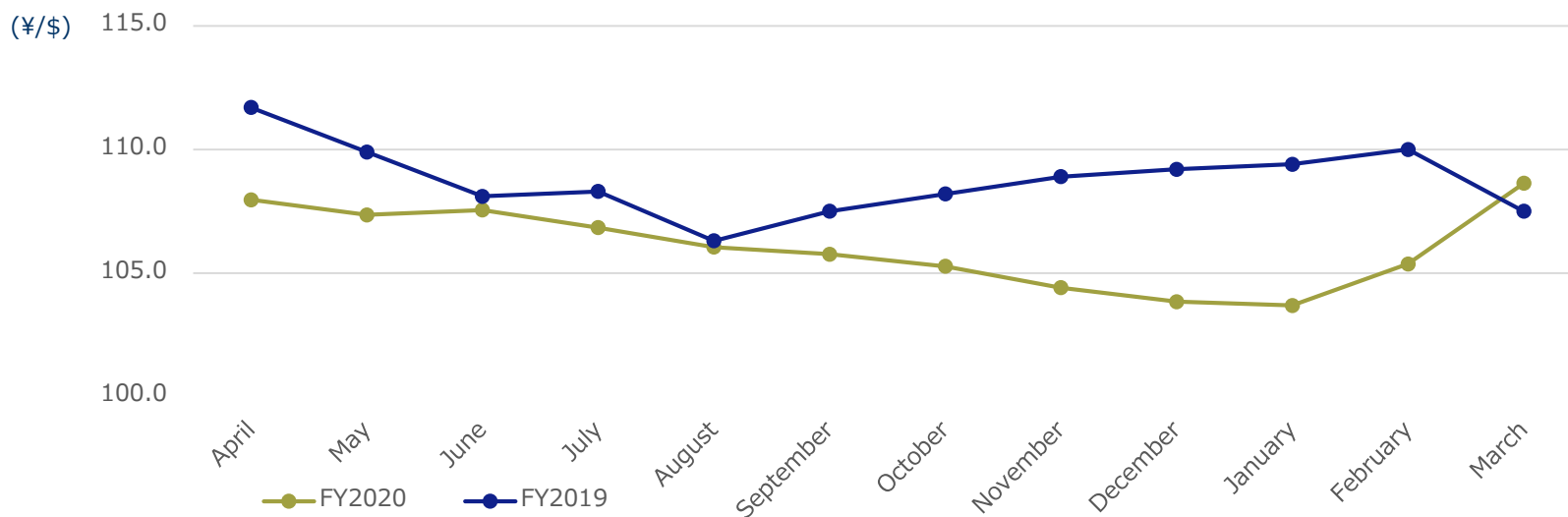
## Impact of depreciation by ¥1/\$

		Impact on earnings				(Unit: billion yen)
		1Q	2Q	3Q	4Q	Full year
Period	1Q	-0.4	+0.3	+0.1	+0.1	<b>+0.1</b>
	2Q	—	-0.4	+0.3	+0.1	<b>0</b>
	3Q	—	—	-0.5	+0.5	<b>0</b>
	4Q	—	—	—	-0.6	<b>-0.6</b>
	Full year	<b>-0.4</b>	<b>-0.1</b>	<b>-0.1</b>	<b>+0.1</b>	<b>-0.5</b>

## Crude oil price (Japan Crude Cocktail Prices)



## Exchange rate



<b>Management Strategy (Including ESG)</b>	<ul style="list-style-type: none"> <li>• Management Reform Initiatives of the Tokyo Gas Group in View of the COVID-19 Pandemic (Nov.30)</li> <li>• Notice of Transition to a Company with a Nominating Committee, etc. (Nov.30)</li> <li>• Notice regarding Company Form after Split of Gas Pipeline Business and Company Split Method (Nov.30)</li> <li>• Notice regarding Establishment of Spin-off Preparatory Company for Separation of Pipeline Division (Mar.24)</li> <li>• Notice regarding Partial Changes to Articles of Incorporation (Apr.28)</li> <li>• Notice regarding Spin-off (Absorption-type Company Split) (Apr.28)</li> </ul>
<b>Gas Electric Power (Including ESG)</b>	<ul style="list-style-type: none"> <li>• Launched free solar power system provision service “Zuttomo Solar × Toyota Home” (Apr.20)</li> <li>• Tokyo Gas Invests In Principle Power, A Leading Floating Wind Power Technology Company (May.27)</li> <li>• Tokyo Gas began handling the first effective renewable energy electricity using Feed-in Tariff Scheme for Renewable Energy (FIT) non-fossil fuel energy certificates (Jul.2)</li> <li>• Tokyo Gas acquisition of wood pellet biomass power generation facilities in Toyama and Chiba Prefecture (Aug.26)</li> <li>• Establishment of the “TG Global Trading” (Sep.1)</li> <li>• Progress Report about Electricity Sales for Retail Market(Sep.3)</li> <li>• Launched “HUS ECO ZERO × Zuttomo Solar” – providing two solar power generation service plans including one with Ene-Farm home fuel cells (Sept.8)</li> <li>• Began carbon neutral city gas supply service first in the hotel industry (Oct.8)</li> <li>• Launched the “Hinatao Solar” solar energy service for condominiums and buildings (Oct.14) *1</li> <li>• Commencing Acceptance of Applications for New Electricity Rate Plan, “Moraeru Denki,” for Which Subscribers Will Receive an AmazonGift Card Every Month—Tokyo Gas’ First Sales of Low-pressure Electric Power Outside the Kanto (Oct.15)</li> <li>• Expansion of surplus solar power buyback service – commencing storage battery purchase support plan and Amazon gift card payment plan (Oct.16)</li> <li>• Tokyo Gas to Join Joint Venture for Offshore Wind Projects in Japan (Nov.25)</li> <li>• Joint development of smart meter systems (Dec.2)</li> <li>• Establishment of a Subsidiary in the United Kingdom and Formation of Strategic Alliance with UK-based Octopus Energy (Dec.23)</li> <li>• Began first carbon neutral city gas supply to a school educational facility (Feb. 2)</li> <li>• Concluded power purchase agreement for not-FIT solar power plants with Renewable Japan Co., Ltd. (Feb. 4)</li> <li>• Began first carbon neutral city gas supply to the food and beverage industry (Feb. 8)</li> <li>• Launched sales of “suidel” small hydrogen generator (Feb. 9)</li> <li>• Began first carbon neutral city gas supply to the shopping center industry at LUMINE Omiya (Mar. 9)</li> <li>• Establishment of a Carbon Neutral LNG Buyers Alliance(Mar.9)</li> <li>• Acceleration of the Development of Kashima Port Offshore Wind Project(Apr.5)</li> <li>• Tokyo Gas to participate in joint industry-academia research with Kyushu University toward the early implementation of Japanese offshore wind power generation (Apr. 19)</li> <li>• Tokyo Gas and Nippon Telegraph And Telephone East Corporation (NTT EAST) begin joint acceptance of applications for on-site examinations for objects buried under roads and road construction observation (Apr. 26)</li> </ul>

\*1 Press releases issued by HINATAO ENERGY.

## Services (Including ESG)

- ◆ Engineering Solutions
  - Establishment of Ekimachi Energy Create (Apr.7)
  - Establishment of Ryukyu Energy Service LLC. (May 11)\*2
  - Began verification of virtual power plants using Ene-Farm home fuel cells (Jun.1)
  - Initiation of energy service to the “Kirameki Terrace” redevelopment project at the site of the former Kagoshima City Transportation Bureau using a smart energy network – Providing area energy that is environmentally friendly and disaster resistant (Jul.1)\*2
  - Initiation of energy service to the Miyazaki Medical Association Hospital (Jul.1)\*2
  - Tokyo Gas Invests in Heila Technologies (Nov.20)
  - Achieved CO<sub>2</sub> emissions reductions and improved resilience from local production/consumption of energy using gas co-generation systems: advancing environmentally friendly manufacturing at the Panasonic Oizumi Base (Dec.11)\*2
  - Implemented environmental initiative using renewable energy at Tokyo Tatemono’s “T-LOGI” logistics facility – Tokyo Gas and Tokyo Tatemono sign basic agreement (Jan.13)
  - Basic agreement concluded on special high-voltage joint power receipt business at Mizunosato Industrial Park, Uonuma City, Niigata Prefecture - initiative to upgrade energy supply infrastructure through public-private collaboration (Jan.14)\*2
  - Receipt of second order for services to develop LNG terminal in Bangladesh (Jan. 29)\*2
  - Tokyo Gas selected to introduce renewable energy to 65 municipal primary and junior high schools in Yokohama City (Mar. 17)
  - Establishment of Tokyo Gas Nomura Real Estate Energy Co., Ltd. (Apr. 5)
  - Tokyo Gas receives consignment contract for owner-support and operations management works at biomass single-fuel combustion thermal power plant in Sendai City, Miyagi Prefecture (Apr. 7)
  - Implementation of verification project for upgrading solar power generation asset management operations (Apr. 26)\*2
- ◆ Others
  - Integration of Tokyo Gas Living Engineering Co., Ltd. and Tokyo Gas Remodeling Co., Ltd. (Apr.6)\*3
  - Tokyo Gas venture Sumilena Co., Ltd. initiates “fixed monthly fees appliances rental services” and implements “Rest HOME” campaign in collaboration with 4 companies, mostly startups (Jun. 17)\*4
  - Completion of Station Tower N of the “msb Tamachi” large-scale joint development project directly connected to the east exit of JR Tamachi Station (Jul.15)\*5
  - LINE Pay and Tokyo Gas sign basic agreement to make payment forms paperless – industry first from gas & electricity charges through to customer payments complete on LINE (Sept.10)
  - Expanded “Gas Appliance Special Support” menu – peace of mind with fixed-fee system! Launched plumbing and electric equipment repair service (Oct.1)
  - Began large-scale office project at the international business hub for the new era “Toranomom 2 Chome Redevelopment Project Office Building” (Oct.19) \*5
  - Tokyo Gas invests in SIRC Co., Ltd. (Jan.15)
  - Cumulative sales of ENE-FARM residential fuel cell systems surpass 140,000 units (Jan.19)
  - Tokyo Gas launches “Life Rhythm Navi + HOME” senior care support service (Feb. 3)
  - Tokyo Gas launches sales of new ENE-Farm home fuel cell for detached houses (Feb. 17)
  - Tokyo Gas launches rental management support service “Mamo ROOM” (Apr. 8)

\*2 Press releases issued by Tokyo Gas Engineering Solutions.

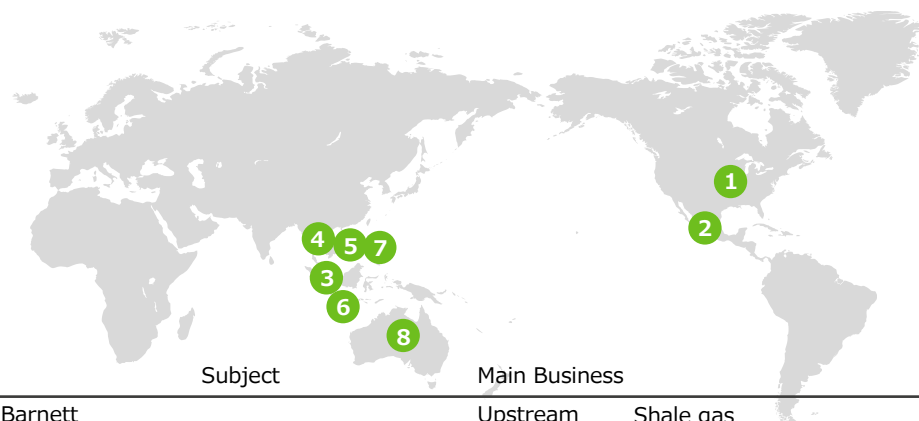
\*3 Press releases issued by Tokyo Gas Living Engineering and Tokyo Gas Remodeling.

\*4 Press releases issued by Sumilena.

\*5 Press releases issued by Tokyo Gas Real Estate.

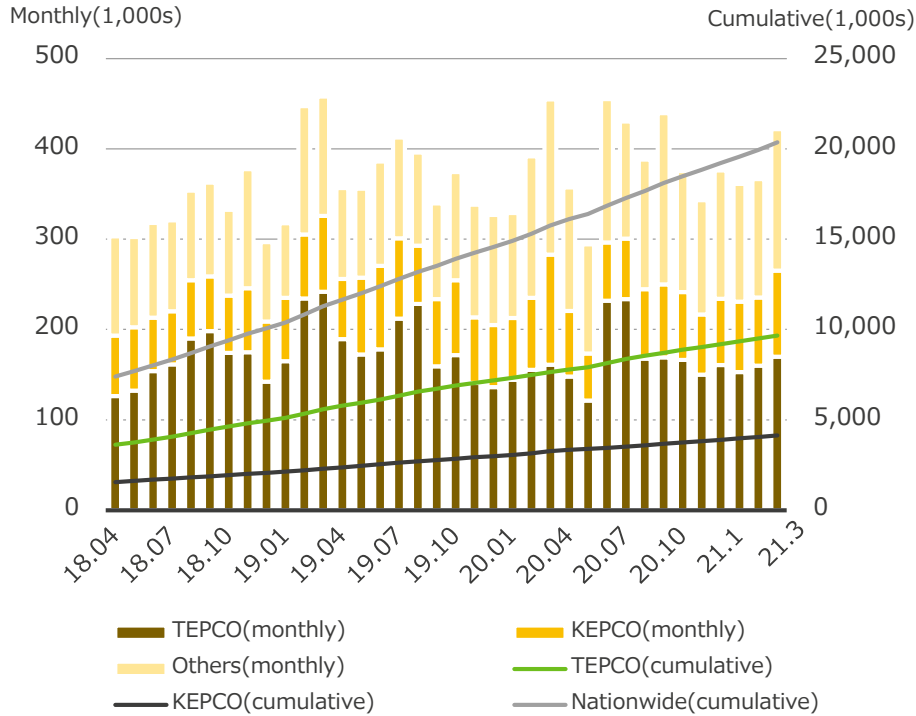


<b>Overseas (Including ESG)</b>	<ul style="list-style-type: none"> <li>• Establishment of a Subsidiary in the United States and the Acquisition of a 500MW Solar Power Project(Jul.29)</li> <li>• Tokyo Gas Acquires Oil and Gas Assets in Louisiana Through Castleton Resources and Takes Majority Interest in Castleton Resources(Jul.29)</li> <li>• Signing of a Joint Cooperation Agreement with First Gen to Pursue Construction and Operation of Interim Offshore LNG Terminal in the Philippines(Oct.7)</li> <li>• Investment in gas distribution company in Indonesia (Nov. 26)</li> </ul>
<b>ESG</b>	<ul style="list-style-type: none"> <li>• Tokyo Gas Group's Interim Initiatives Based on the Emergency Declaration(Apr.7)</li> <li>• Additional special measures pertaining to gas and electricity bill payments in relation to the 2020 COVID-19 outbreak(Apr.24)</li> <li>• Additional special measures pertaining to gas and electricity bill payments in relation to the 2020 COVID-19 outbreak(May.13)</li> <li>• Additional special measures pertaining to gas and electricity bill payments in relation to the 2020 COVID-19 outbreak(Jun.24)</li> <li>• Conclusion of the "Basic Agreement on Mutual Assistance During Disasters" with Tochigi Prefecture (Jul.3)</li> <li>• Additional special measures pertaining to gas and electricity bill payments in relation to the 2020 COVID-19 outbreak(Jul.20)</li> <li>• President's Message to Our Stakeholders duringtheCOVID-19Pandemic (Jul.29)</li> <li>• Additional special measures pertaining to gas and electricity bill payments in relation to the 2020 COVID-19 outbreak (Aug.6)</li> <li>• Tokyo Gas selected in "Digital Transformation Stock Selection 2020" (Aug.25)</li> <li>• Publication of Tokyo Gas Group Sustainability Report 2020 (Aug.31)</li> <li>• Additional special measures pertaining to gas and electricity bill payments in relation to the 2020 COVID-19 outbreak (Sep.2)</li> <li>• Additional special measures pertaining to gas and electricity bill payments in relation to the 2020 COVID-19 outbreak (Oct.14)</li> <li>• Five companies agree to joint examinations of "FOURE Concept" for reciprocal and regional revitalization with renewable energy (Oct.19)</li> <li>• Additional special measures pertaining to gas and electricity bill payments in relation to the 2020 COVID-19 outbreak (Nov.18)</li> <li>• Additional special measures pertaining to gas and electricity bill payments in relation to the 2020 COVID-19 outbreak (Dec.21)</li> <li>• Additional special measures pertaining to gas and electricity bill payments in relation to the 2021 COVID-19 outbreak (Jan.22)</li> <li>• Additional special measures pertaining to gas and electricity bill payments in relation to the 2021 COVID-19 outbreak (Feb.24)</li> <li>• Additional special measures pertaining to gas and electricity bill payments in relation to the 2021 COVID-19 outbreak (Mar.15)</li> <li>• Tokyo Gas selected as a "Nadeshiko Brand" for the fifth consecutive year (Mar. 22)</li> <li>• Additional special measures pertaining to gas and electricity bill payments in relation to the 2021 COVID-19 outbreak (Apr.23)</li> </ul>
<b>Finance and shareholder returns</b>	<ul style="list-style-type: none"> <li>• Notice of Posting Extraordinary Loss and Revision to Results Forecast(Apr.23)</li> <li>• Announcement of issue of the 58th, the 59th, the 60th and the 61th Domestic unsecured notes (May.22)</li> <li>• Announcement of issue of the 62th, the63th, the 64thand the 65th Domestic unsecured notes (Sep.4)</li> <li>• First Issuance of Green Bonds by Tokyo Gas (Oct.29)</li> <li>• Green Bond Issuance (66th Unsecured Bonds) (Dec.4)</li> <li>• Notification of Resolution to Acquire of Treasury Shares(Apr.28)</li> </ul>



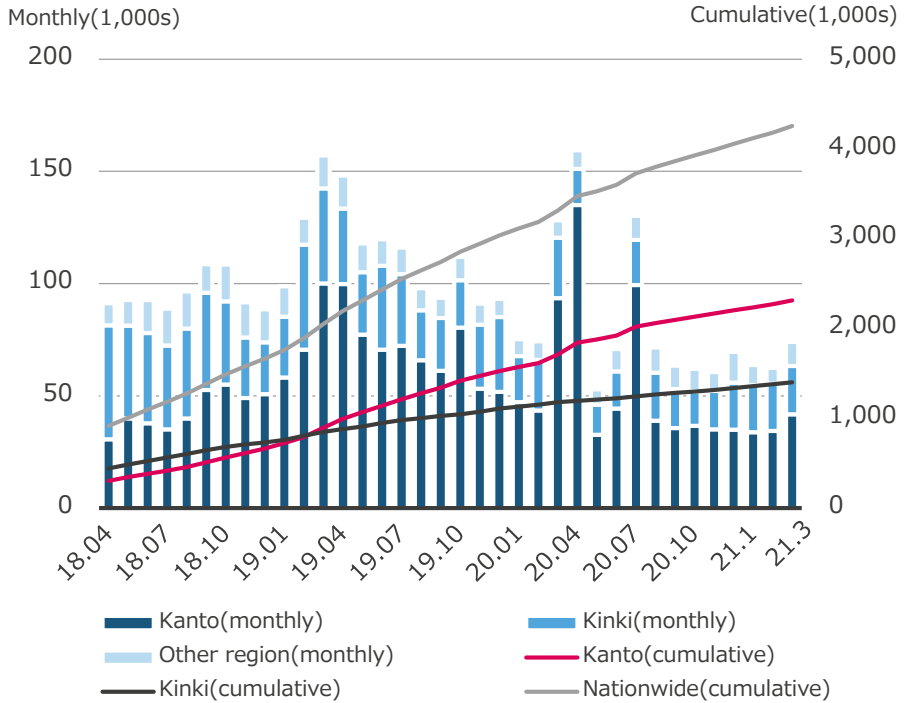
Area	No	Country	Subject	Main Business	Participation year	
North America	①	U.S.A	Barnett	Upstream	Shale gas	2013
			Eagle Ford	Upstream	Shale gas	2016
			East Texas	Upstream	Shale gas	2017
			TGES America	Downstream	Energy Service	2015
			Birdsboro Power Plant	Downstream	Natural gas power	2017
			Aktina	Downstream	Solar power	2020
			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(Solar · wind power generation)	2019
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
			One Bangkok	Downstream	District Cooling Solutions and power distribution	2020
	⑤	Vietnam	PVGD	Downstream	CNG Supply	2017
	⑥	Indonesia	PRA	Downstream	Gas Supply, Transfer	2017
			Super Energy	Downstream	Gas Supply, Transfer	2020
⑦	Philippines	FGEN LNG	Downstream	Construction, operation and maintenance of the LNG terminal	2020	
Oceania	⑧	Australia	Darwin	Upstream	Production, liquefaction and sales of LNG	2003
			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

## 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)

Full deregulation of the retail market (2017.04)

	2017.3	2017.6	2017.9	2017.12	2018.3	2018.6	2018.9	2018.12	2019.3	2019.6	2019.9	2019.12	2020.03	2020.06	2020.09	2020.12	2021.03
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)	904.4 (-8.5)	897.5 (-6.9)	893.5 (-4.0)	886.3 (-7.2)



## < 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.