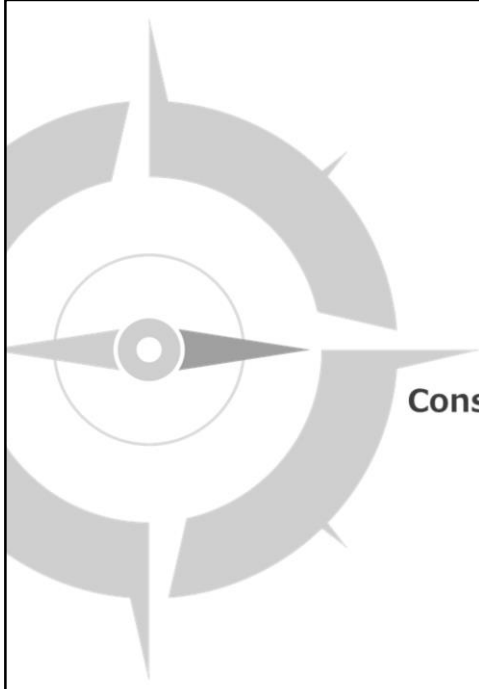




**FY2021 2Q Financial Results**  
ended September, 2021

October 28, 2021





**01**

**FY2021  
Consolidated Financial Results  
ended September, 2021**

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**Highlights: Sales Up, Profit UP**

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

	FY2021 2Q	FY2020 2Q	Change	%	
<b>Net sales</b>	+44.6				Increase in sales from consolidation of upstream business company in North America, etc.
<b>Operating expenses</b>	-50.8				Impact from the increase in crude oil prices, etc.
<b>Operating profit</b>	-6.3				Decrease in gross margin from the change in city gas unit prices due to the impact from the economic framework assumptions, etc.
<b>Extraordinary profit/loss</b>	+11.9				FY2021 2.8: (Extraordinary profit) Profit on sales of investment securities +2.8 FY2020 -9.1: (Extraordinary loss) Impairment loss -6.4, loss on valuation of investment securities -4.6, (Extraordinary profit) Gain on negative goodwill 2.0
(Unit: billion yen)					
	FY2021 2Q	FY2020 2Q	Change	%	
City gas sales volume (million m <sup>3</sup> , 45MJ)	5,719	5,569	150	2.7	Economic framework
Electricity sales volume (million kWh)	13,245	11,801	1,444	12.2	FY2021 2Q
(Breakdown)					FY2020 2Q
Retail (million kWh, receiving end)	4,949	4,885	64	1.3	Exchange rate (¥/\$)
Wholesale, etc. (million kWh)	8,296	6,917	1,379	19.9	109.81 (+2.88)
Net sales	872.6	828.0	44.6	5.4	Crude oil price (\$/bbl)
Operating expenses	827.2	776.4	50.8	6.6	70.29 (+33.82)
Operating profit	45.3	51.6	-6.3	-12.2	Avg. air temp (°C)
Segment profit (operating profit + equity income of subsidiaries)	47.4	51.3	-3.9	-7.7	21.5 (+0.2)
Ordinary profit <sup>(1)</sup>	46.3	49.7	-3.4	-6.9	
Extraordinary profit/loss	2.8	-9.1	11.9	—	Pension assets
Profit attributable to owners of parent	31.8	27.8	4.0	14.5	FY2021 2Q
Temperature effect <sup>(2)</sup>	-3.1	0	-3.1	—	Investment yield (costs deducted)
Sliding time lag effect <sup>(3)</sup> (city gas + LNG sales)	-30.9	8.4	-39.3	—	1.73%
(Adjustment items)					Year-end assets (billion yen)
Amortization of actuarial differences <sup>(4)</sup>	(-27.8 + -3.1)	(6.4 + 2.0)	(-34.2 + -5.1)	—	264.0
Adjusted ordinary profit (1)-((2)+(3)+(4))	5.4	0.4	5.0	—	<Expected annual rate of return: 2%>
	74.9	40.9	34.0	83.1	

\*The provisional accounting treatment pertaining to business combinations was determined in FY2020 and the figures for the second quarter of FY2020 reflect the determined contents of the provisional accounting treatment.

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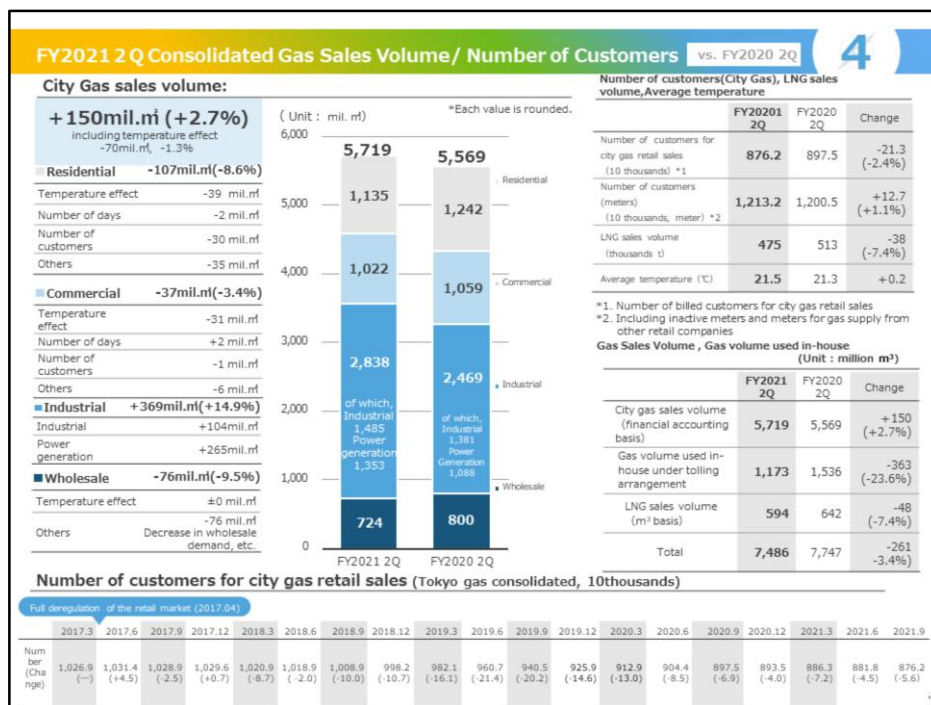
Both sales and profits increased in 2Q FY2021.

Net sales increased by ¥44.6 billion. This was mainly attributable to the fact that, in the overseas segment, a company engaged in upstream business in North America that became a consolidated subsidiary in 3Q FY2020 contributed to sales from the first half in FY2021.

Operating expenses increased by ¥50.8 billion. This mainly reflected the effect of the rise in crude oil prices of the gas segment.

As a result, while both operating profit and ordinary profit decreased, by ¥6.3 billion and ¥3.4 billion, respectively, extraordinary profit/loss increased by ¥11.9 billion as a ¥2.8 billion profit on sales of investment securities was recorded this year, whereas a ¥9.1 billion loss was recorded last year, which included impairment loss related to overseas businesses and a loss on valuation of investment securities after making Castleton Resources a subsidiary.

As a result of these factors, profit attributable to owners of parent ended at ¥31.8 billion, up ¥4.0 billion.

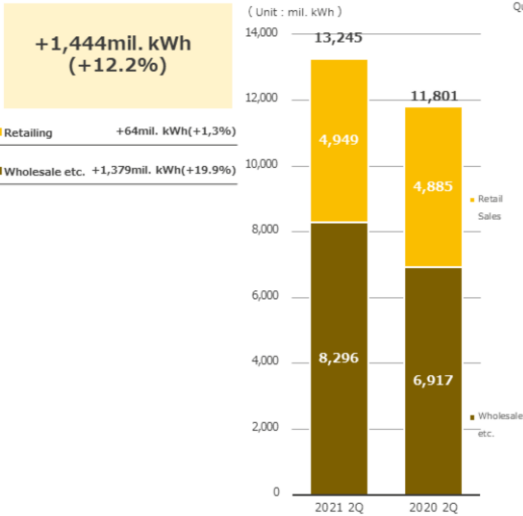


The city gas sales volume in 2Q FY2021 increased 2.7%.

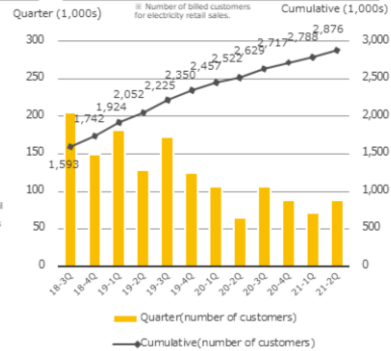
Although sales volume to residential customers decreased 8.6% due to the temperature effect, such as high temperatures in April, sales volume to industrial customers increased 14.9%. This was mainly attributable to the acquisition of power generation customers.

The impact of COVID-19 is partially included in the “others” category of residential, commercial and wholesale sales. The demand increase among residential customers as customers stayed at home due to the COVID-19 pandemic subsided. In addition, demand among commercial customers failed to recover especially at restaurants and hotels due to the extension of the state of emergency, which resulted in a drop in sales volume.

**Electricity sales volume :**



**New electricity retail customers won by Tokyo Gas**



**"Sales Campaign"**

FY2020	FY2021
Winter; From Jan. 7 to Feb. 22, 2021	Summer; From Jun. 23 to Sep. 30, 2021
Autumn; From Oct. 30 to Dec. 25, 2020	
Summer; From Jul. 30 to Oct. 26, 2020	
From Jun. 2 to Jul. 20, 2020	

\*Each value is rounded.

Total electricity sales volume in 2Q increased 12.2%. Despite a drop in sales volume due to changes in the accounting standard for revenue recognition, retail electricity sales increased 1.3% as a result of an increase in the number of customers. Wholesale and other electricity sales volumes increased 19.9% owing to an increase in sales to power producers & suppliers.

**FY2021 2Q Results : Sales and Operating Profit/Loss by Business Segments**

vs. FY2020 2Q

**6**

(unit : billion yen)

	Net sales				Segment Profit(Operating profit + Equity income/loss of subsidiary)			
	FY2021 2Q Results	FY2020 2Q Results	Change	%	FY2021 2Q Results	FY2020 2Q Results	Change	%
<b>Gas</b>	<b>561.8</b>	544.0	17.8	3.3	<b>34.4</b>	47.8	-13.4	-28.1
(City gas)	<b>445.4</b>	452.1	-6.7	-1.5	<b>7.4</b>	47.9	-40.5	-84.5
(LNG sales)	<b>70.4</b>	75.9	-5.5	-7.2	<b>0.9</b>	0	0.9	—
<b>Electric Power</b>	<b>193.7</b>	195.5	-1.8	-0.9	<b>8.2</b>	13.1	-4.9	-37.8
<b>Overseas business</b>	<b>37.8</b>	19.1	18.7	97.2	<b>10.5</b>	1.7	8.8	509.9
(equity income of subsidiaries)	—	—	—	—	<b>1.6</b>	-0.7	2.3	—
<b>Energy-related</b>	<b>147.7</b>	154.1	-6.4	-4.1	<b>6.7</b>	5.7	1.0	18.8
(Engineering Solutions)	<b>63.4</b>	63.6	-0.2	-0.3	<b>2.7</b>	2.1	0.6	30.0
<b>Real estate</b> (including equity income of subsidiaries)	<b>28.4</b>	22.9	5.5	24.2	<b>8.6</b>	4.2	4.4	102.5
<b>Others</b> (including equity income of subsidiaries)	<b>48.5</b>	52.4	-3.9	-7.4	<b>0.7</b>	1.5	-0.8	-48.9
<b>Adjustment</b>	<b>-145.6</b>	-160.2	14.6	—	<b>-21.8</b>	-22.8	1.0	—
<b>Consolidated</b>	<b>872.6</b>	828.0	44.6	5.4	<b>47.4</b>	51.3	-3.9	-7.7
(equity income of subsidiaries)	—	—	—	—	<b>2.1</b>	-0.2	2.3	—

**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.

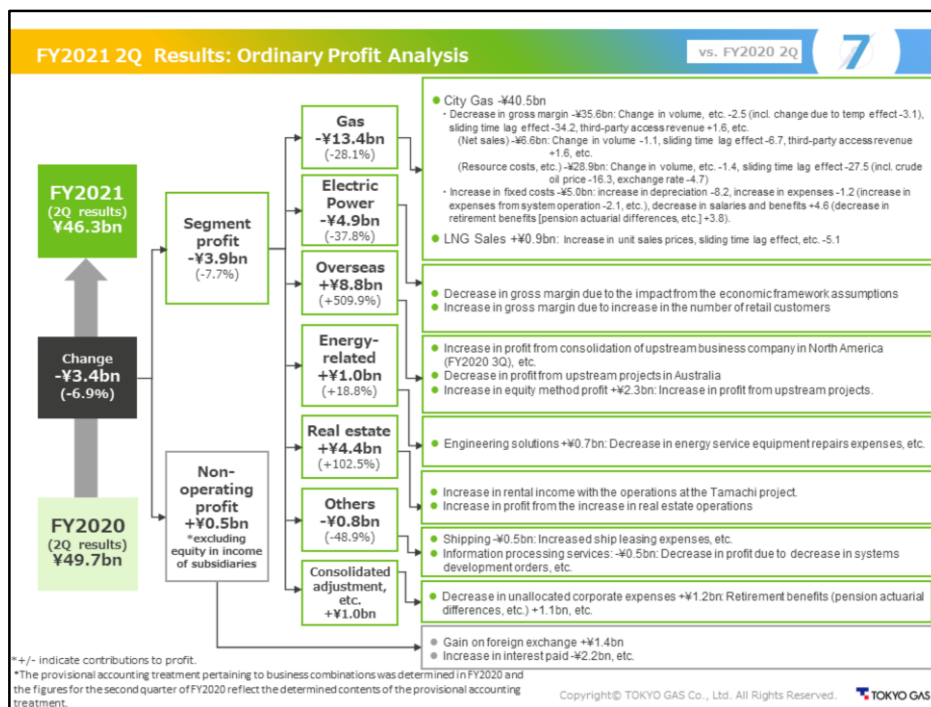
\* The provisional accounting treatment pertaining to business combinations was determined in FY2020 and the figures for the second quarter of FY2020 reflect the determined contents of the provisional accounting treatment.

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This slide shows net sales by segment and segment profit, which is operating profit plus equity income/loss of subsidiaries, and changes thereof.

Segment profit was down ¥3.9 billion. Although the ¥8.8 billion increase in the overseas segment boosted the overall profit, the total segment profit decreased due to a ¥13.4 billion decrease in the gas segment.

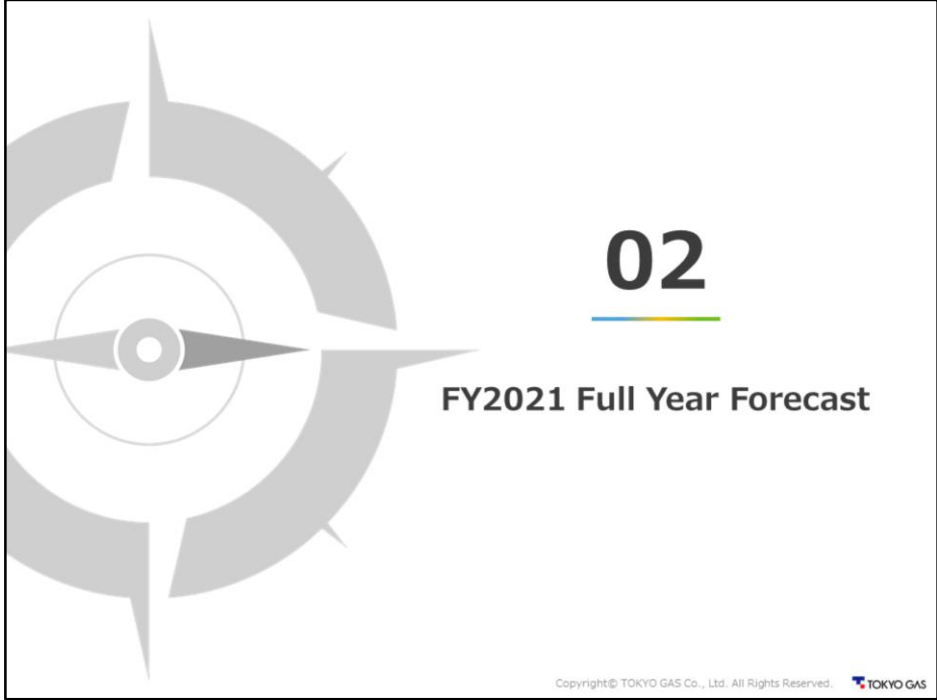


The ¥13.4 billion drop in profit of the gas segment mainly reflected a drop in gross margin due to the greater sliding time lag effect caused by resource price fluctuation and a rise in fixed costs due to an increase in depreciation.

In the electric power segment, profit decreased by ¥4.9 billion due to a drop in gross margin mainly from the impact from economic framework assumptions, despite a rise in profit due to an increase in retail customers.

In the overseas segment, profit increased by ¥8.8 billion mainly due to an increase in profit from the new consolidated subsidiary engaged in upstream business in North America, which was partially offset by a drop in profit of an upstream project caused by lower oil prices than in the previous year.

The real estate segment saw its profit increase by ¥4.4 billion due to an increase in rent income following the launch of the Tamachi project.



**02**

**FY2021 Full Year Forecast**

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**Highlights: Sales UP, Profit UP** (vs. Previous Forecast)

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

	vs. Previous Forecast	
<b>Net sales</b>	+18.0	Increase in city gas unit price due to resource costs adjustment, increase in city gas sales volume, etc.
<b>Operating expenses</b>	-10.0	Impact from the increase in crude oil prices, increase in city gas sales volume, etc.
<b>Operating profit</b>	+8.0	Increase in profit from overseas upstream projects (Australia, North America), etc.
<b>Extraordinary profit/loss</b>	+2.8	Forecast 2.8 (Extraordinary profit) Profit on sales of investment securities +2.8 Previous Forecast 0

(Unit: billion yen)							
	Forecast	Previous Forecast	Change	%	FY2020 Result	Change	%
City gas sales volume (million m <sup>3</sup> , 45MJ)	12,382	12,276	106	0.9	12,990	-608	-4.7
Electricity sales volume (million kWh)	26,964	27,579	-615	-2.2	24,761	2,203	8.9
<b>Net sales</b>	<b>1970.0</b>	<b>1,952.0</b>	<b>18.0</b>	<b>0.9</b>	<b>1,765.1</b>	<b>204.9</b>	<b>11.6</b>
<b>Operating expenses</b>	<b>1870.0</b>	<b>1,860.0</b>	<b>10.0</b>	<b>0.5</b>	<b>1,687.4</b>	<b>182.6</b>	<b>10.8</b>
<b>Operating profit</b>	<b>100.0</b>	<b>92.0</b>	<b>8.0</b>	<b>8.7</b>	<b>77.6</b>	<b>22.4</b>	<b>28.7</b>
Segment profit (operating profit + equity income of subsidiaries)	103.7	94.8	8.9	9.4	79.1	24.6	31.0
<b>Ordinary profit<sup>(1)</sup></b>	<b>93.0</b>	<b>83.0</b>	<b>10.0</b>	<b>12.0</b>	<b>70.5</b>	<b>22.5</b>	<b>31.9</b>
<b>Extraordinary profit/loss</b>	<b>2.8</b>	<b>0</b>	<b>2.8</b>	<b>—</b>	<b>-4.3</b>	<b>7.1</b>	<b>—</b>
<b>Profit attributable to owners of parent</b>	<b>67.0</b>	<b>60.0</b>	<b>7.0</b>	<b>11.7</b>	<b>49.5</b>	<b>17.5</b>	<b>35.3</b>
Temperature effect <sup>(2)</sup>	-3.1	-3.9	0.8	—	-5.4	2.3	—
(Adjustment items)	-24.2	-24.8	0.6	—	-12.1	-12.1	—
Sliding time lag effect <sup>(3)</sup> (city gas + LNG sales)	(-21.4)	(-22.4)	(1.0)	(-0.4)	(-12.0)	(-9.4)	(-2.7)
Amortization of actuarial differences <sup>(4)</sup>	11.1	11.1	0	—	0.8	10.3	—
<b>Adjusted ordinary profit (1)-(2)+(3)+(4)</b>	<b>109.2</b>	<b>100.6</b>	<b>8.6</b>	<b>8.5</b>	<b>87.2</b>	<b>22.0</b>	<b>25.2</b>

Economic framework	Forecast	Previous forecast	FY2020 results
Exchange rate (¥/\$)	109.91 (+0.03)	109.88	106.10
Crude oil price (\$/bbl)	70.15 (+4.67)	65.48	43.35
Avg. air temp (°C)	16.3 (-0.1)	16.4	16.5

Pension assets	FY2020	FY2019	FY2018
Investment yield (costs deducted)	4.94%	0.33%	1.65%
Discount rate	0.318%	0.264%	0.156%
Year-end assets (billion yen)	263.0	259.0	267.0

\*3Q~\$70/bbl, ¥110/\$  
<Expected annual rate of return: 2%>

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For the FY2021 full-year, we are forecasting an increase in both sales and profit. The economic framework for October onward, which serves as a basis of our forecast, has been changed as follows: crude oil price has been revised from \$65/barrel to \$70/barrel. The foreign exchange rate is unchanged at ¥110/\$.

Our forecast for net sales is +¥18.0 billion. This is mainly attributable to a rise in city gas unit price due to resource cost adjustment and an increase in city gas sales volume in the gas segment.

We expect operating expenses to increase by ¥10.0 billion mainly as a result of the impact of crude oil price rises and an increase in city gas sales volume.

As a result, our forecast of operating profit and ordinary profit is +¥8.0 billion and +¥10.0 billion, respectively. We expect profit attributable to owners of parent to increase by ¥7.0 billion to ¥67.0 billion.

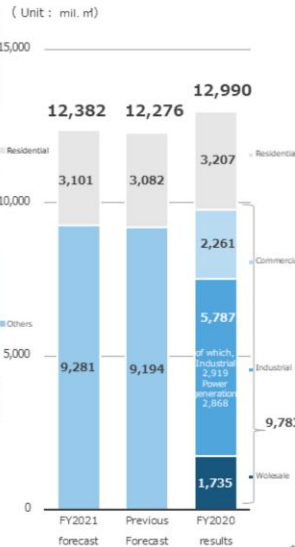
City Gas sales volume:

**VS. Previous Forecast**  
**+106mil.m<sup>3</sup> (+0.9%)**  
 including temperature effect  
 -1mil.m<sup>3</sup>, -0.0%

Residential +19mil.m<sup>3</sup>(+0.6%)  
 Others +87mil.m<sup>3</sup>(+0.9%)

**VS. FY2020 Results**  
**-608mil.m<sup>3</sup> (-4.7%)**  
 including temperature effect  
 +41mil.m<sup>3</sup>, +0.3%

Residential -106mil.m<sup>3</sup>(-3.3%)  
 Others -502mil.m<sup>3</sup>(-5.1%)



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

	Forecast	Previous Forecast	Change	FY2020 Results	Change
Number of customers (meters) (10 thousands, meter) *1	1,221.3	1,221.3	0	1,208.3	+13.0 (+1.1%)
LNG sales volume (thousands t)	1,151	1,146	+5 (+0.5%)	1,103	+48 (+4.4%)
Average temperature (°C)	16.3	16.4	-0.1	16.5	-0.2

\*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	Previous Forecast	Change	FY2020 Results	Change
City gas sales volume (financial accounting basis)	12,382	12,276	+106 (+0.9%)	12,990	-608 (-4.7%)
Gas volume used in-house under tolling arrangement	2,492	3,009	-517 (-17.2%)	3,208	-716 (-22.3%)
LNG sales volume (m <sup>3</sup> basis)	1,439	1,432	+7 (+0.5%)	1,379	+60 (+4.4%)
<b>Total</b>	<b>16,313</b>	<b>16,717</b>	<b>-404 (-2.4%)</b>	<b>17,577</b>	<b>-1,264 (-7.2%)</b>

\*Each value is rounded.

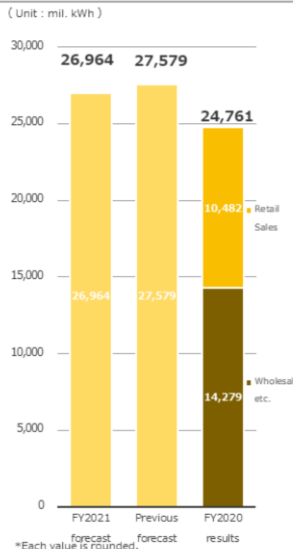
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We expect city gas sales volume to be 0.9% more than our previous forecast. The main factor for the increase in the expected increase in sales volume to industrial customers, such as due to a rise in operation at power generation customers.

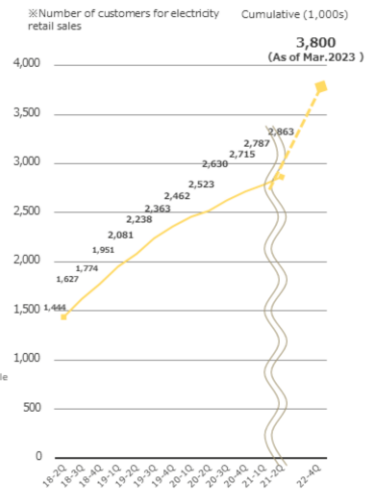
**Electricity sales volume :**

**VS. Previous Forecast**  
-615mil. kWh  
(-2.2%)

**VS. FY2020 Results**  
+2,203mil. kWh  
(+8.9%)



**New electricity retail customers won by Tokyo Gas**



This slide shows our electricity sales volume forecast.

We expect electricity sales volume to be 2.2% less than our previous forecast, which is mainly attributable to a decrease in wholesale and other electricity sales volumes.

**FY2021 Full Year Forecast: Sales and Operating Profit/Loss by Business Segments**

vs. Previous Forecast

**12**

(unit : billion yen)

	Net sales				Segment Profit(Operating profit + Equity income/loss of subsidiary)			
	FY2021 Forecast	Previous Forecast	Change	%	FY2021 Forecast	Previous Forecast	Change	%
<b>Gas</b>	<b>1274.0</b>	1,261.5	12.5	1.0	<b>80.5</b>	76.8	3.7	4.8
(City gas)	<b>1065.0</b>	1,032.6	32.4	3.1	<b>70.4</b>	70.6	-0.2	-0.4
(LNG sales)	<b>164.2</b>	184.3	-20.1	-10.9	<b>-0.1</b>	2.9	-3.0	—
<b>Electric Power</b>	<b>429.9</b>	428.6	1.3	0.3	<b>20.0</b>	16.7	3.3	19.8
<b>Overseas business</b>	<b>81.6</b>	78.9	2.7	3.4	<b>23.2</b>	17.6	5.6	31.8
(equity income of subsidiaries)	—	—	—	—	<b>2.7</b>	1.8	0.9	—
<b>Energy-related</b>	<b>315.9</b>	335.6	-19.7	-5.9	<b>13.7</b>	16.6	-2.9	-17.5
(Engineering Solutions)	<b>125.0</b>	135.8	-10.8	-7.9	<b>2.6</b>	4.1	-1.5	-37.3
<b>Real estate</b> (including equity income of subsidiaries)	<b>56.5</b>	57.8	-1.3	-2.2	<b>12.9</b>	12.7	0.2	1.6
<b>Others</b> (including equity income of subsidiaries)	<b>102.3</b>	99.6	2.7	2.7	<b>-0.2</b>	-0.1	-0.1	—
<b>Adjustment</b>	<b>-290.3</b>	-310.0	19.7	—	<b>-46.4</b>	-45.5	-0.9	—
<b>Consolidated</b>	<b>1970.0</b>	1,952.0	18.0	0.9	<b>103.7</b>	94.8	8.9	9.4
(equity income of subsidiaries)	—	—	—	—	<b>3.7</b>	2.7	1.0	34.4

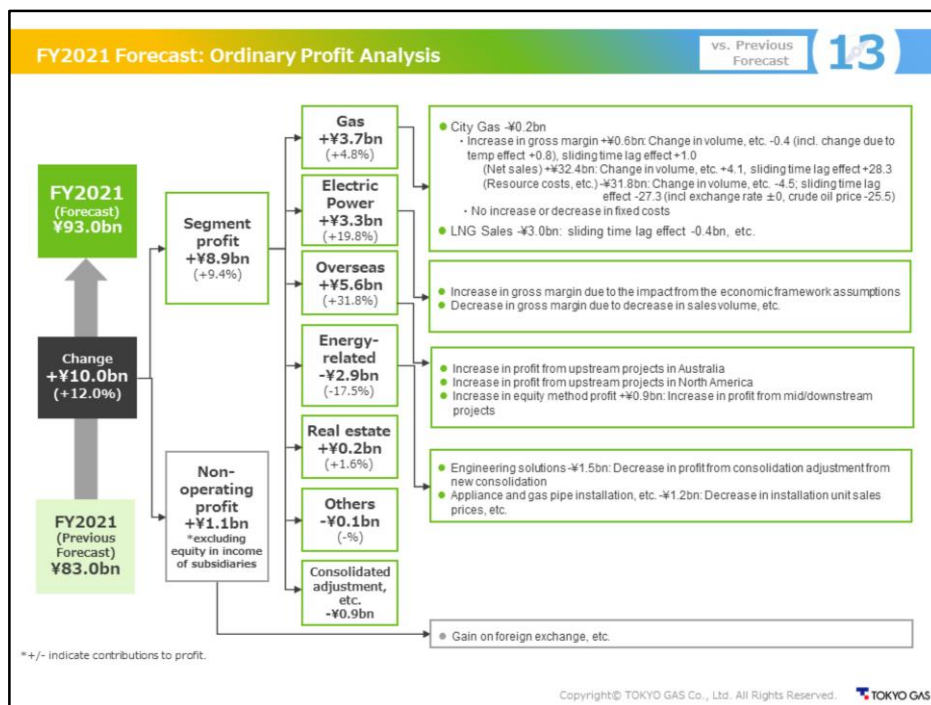
**Notes**

- 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.

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This slide shows segment sales and profit forecasts and changes from the previous forecast.

We expect segment profit to be ¥8.9 billion more than the previous forecast.



I would like to explain the main factors of the changes in segment profit forecasts.

We expect a ¥3.7 billion increase in the gas segment forecast compared to the previous forecast. This is mainly attributable to trading and other businesses other than city gas and LNG sales, which we expect to decrease from the previous forecast.

We expect a rise in the profit forecast of trading due to the expected expansion in trading volume through TG Global Trading Co., Ltd. and by responding appropriately to the recent price fluctuations in the LNG market. However, we will refrain from disclosing the specific trading details, volume, and profit amount since they will affect future trading.

We expect a ¥3.3 billion increase in the electric power segment forecast mainly due to an expected rise in gross margin from the impact of the economic framework assumption.

In the overseas segment, we expect a ¥5.6 billion increase in the forecast mainly due to an expected rise in profits from the upstream projects in Australia and North America following changes in the economic framework assumption.

**FY2021 Full Year Forecast: Sales and Operating Profit/Loss by Business Segments**

 vs. FY2020  
Results

**14**

(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>1274.0</b>	1,146.7	127.3	11.1	<b>80.5</b>	88.4	-7.9	-9.0
(City gas)	<b>1065.0</b>	967.7	97.3	10.1	<b>70.4</b>	95.6	-25.2	-26.4
(LNG sales)	<b>164.2</b>	139.4	24.8	17.8	<b>-0.1</b>	-7.4	7.3	—
<b>Electric Power</b>	<b>429.9</b>	395.9	34.0	8.6	<b>20.0</b>	8.6	11.4	130.0
<b>Overseas business</b>	<b>81.6</b>	45.9	35.7	77.6	<b>23.2</b>	3.8	19.4	495.5
(equity income of subsidiaries)	—	—	—	—	<b>2.7</b>	0.4	2.3	456.4
<b>Energy-related</b>	<b>315.9</b>	339.4	-23.5	-6.9	<b>13.7</b>	17.0	-3.3	-19.6
(Engineering Solutions)	<b>125.0</b>	139.7	-14.7	-10.5	<b>2.6</b>	6.6	-4.0	-60.6
<b>Real estate</b> (including equity income of subsidiaries)	<b>56.5</b>	48.4	8.1	16.7	<b>12.9</b>	7.5	5.4	71.0
<b>Others</b> (including equity income of subsidiaries)	<b>102.3</b>	110.4	-8.1	-7.4	<b>-0.2</b>	3.8	-4.0	—
<b>Adjustment</b>	<b>-290.3</b>	-321.8	31.5	—	<b>-46.4</b>	-50.2	3.8	—
<b>Consolidated</b>	<b>1970.0</b>	1,765.1	204.9	11.6	<b>103.7</b>	79.1	24.6	31.0
(equity income of subsidiaries)	—	—	—	—	<b>3.7</b>	1.4	2.3	153.3

**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.

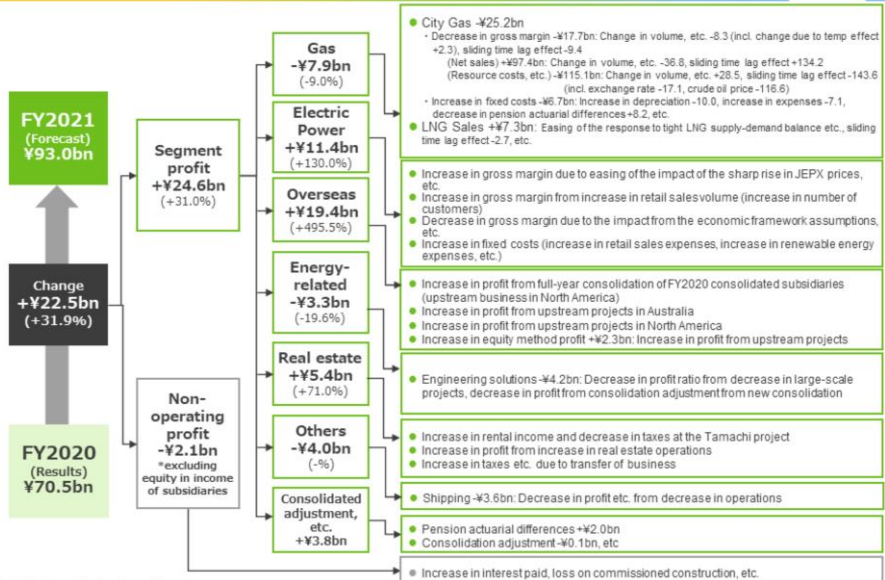
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This slide shows comparisons with FY2020 results and the main factors for the changes. We expect segment profit to increase ¥24.6 billion from FY2020.

FY2021 Forecast: Ordinary Profit Analysis

vs. FY2020 Results

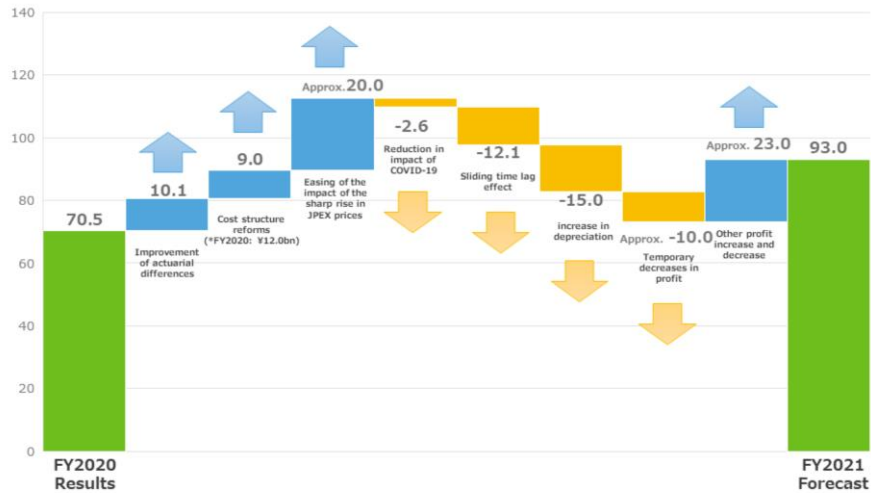
15



\*+/- indicate contributions to profit.

Factors for Changes from FY2020 Ordinary profit

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



This slide illustrates the profit change forecasts for the main factors for change from the FY2020 ordinary profit.



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

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(Unit: billion yen)

	Forecast	Main Items	Previous Forecast	Change	%	FY2020 Results	Change	%
<b>Capital Expenditure</b>								
Gas	133.0	Production facilities : 8.9(-1.5) Other Production facilities, etc. Distribution facilities : 86.1(+1.1) New demand development, etc. Service and maintenance facilities : 37.9(+1.6) System related, etc.	134.0	-1.0	-0.8	149.0	-16.0	-10.8
Electric Power	14.9	Domestic renewable power etc.	13.5	1.4	10.2	14.5	0.4	2.9
Overseas	64.9	Upstream(Australia, North America), Global renewable power etc.	58.7	6.2	10.6	48.8	16.1	32.9
Energy-related	23.7	Energy Service(TGES) etc.	23.7	0	-0.3	15.5	8.2	52.4
Real Estate	11.9	Real estate leasing business, building renovations, etc.	18.4	-6.5	-35.1	17.3	-5.4	-31.0
Others	1.6		2.2	-0.6	-27.3	4.3	-2.7	-62.7
Adjustment	-4.2		-4.8	0.6	—	-3.3	-0.9	—
Sub Total	246.0		246.0	0	—	246.4	-0.4	-0.2
<b>Investment and Financing (before offset)</b>								
Gas	0		0	0	—	0	0	—
Electric Power	6.9	Domestic renewable power, investment in overseas electricity retail company etc.	6.9	0	—	60.1	-53.2	-88.5
Overseas	29.6	Upstream(Australia), Mid/Downstream(Asia), Global renewable power etc.	30.2	-0.6	-1.9	14.2	15.4	108.4
Energy-related	7.8	Engineering business (TGES) etc.	8.2	-0.4	-4.8	10.2	-2.4	-23.5
Real Estate	1.2		1.2	0	—	0.3	0.9	300.0
Others *1	72.6		71.9	0.7	0.9	0.5	72.1	—
Sub Total	118.4		118.4	0	—	85.3	33.1	38.8
Capital Expenditure + Investments and Financing (before offset)	364.4		364.4	0	—	331.7	32.7	9.8
Collections Total	3.5		3.3	0.2	6.5	3.2	0.3	8.9
Capital Expenditure + Investments and Financing (after offset)	360.8		361.0	-0.2	-0.1	328.5	32.3	9.9

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This slide details the expected use of cash flow in FY2021.

## Key Indicators (Consolidated)

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(Unit: billion yen)

	FY2021 Forecast	FY2020 Results	FY2019 Results
Total assets (a)	2,920.0	2,738.3	2,539.9
Shareholders' equity (b)	1,209.0	1,153.8	1,147.7
Shareholders' equity ratio (b)/(a)	41.4%	42.1%	45.2%
Interest-bearing debt (c)	1,272.0	1,065.9	905.0
D/E ratio (c)/(b)	1.05	0.92	0.79
Profit attributable to owners of parents (d)	67.0	49.5	43.2
Profit per share (EPS, yen per share)	152.33	112.26	97.86
Depreciation (e)	195.0	179.8	169.8
Operating cash flow (d) + (e)	262.0	229.3	213.1
Capital Expenditure	246.0	246.4	227.0
Investment and Financing (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)	2.4%	1.9%	1.7%
ROE (d)/(b)	5.7%	4.3%	3.8%
WACC	2.4%	2.6%	2.7%
Total return 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 return ratio = [FY-N dividends + FY-(N+1) treasury stock purchased] / FY-N consolidated net profit

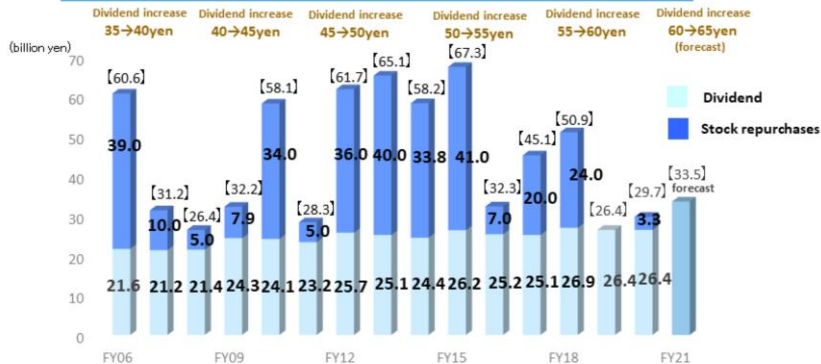
■ Items for WACC calculation (FY2021 forecast)  
 - Cost of interest-bearing debt : actual interest rate (0.71%, after tax)  
 - Cost rate for shareholders' equity  
   - Risk free rate : 10-year JGB yield 0.02%  
   - Market Risk premium : 5.5% β: 0.75

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This slide shows key indicators on a consolidated basis.

- Tokyo Gas has considered acquisition of treasury stock for retirement as one way of providing shareholder return in addition to dividends and set a target for total return ratio to shareholders (ratio of dividends on current consolidated net income and acquisition of own shares) of roughly 50% in each fiscal year up through FY 2022.
- Considering the performance trends, Tokyo Gas has revised the year-end dividend forecast for the year ended on March 31, 2022 up to ¥35 through increasing it by ¥5 per share (annual dividend will be ¥65 including 2Q-end dividend ¥30)

Change in total return amount and dividend

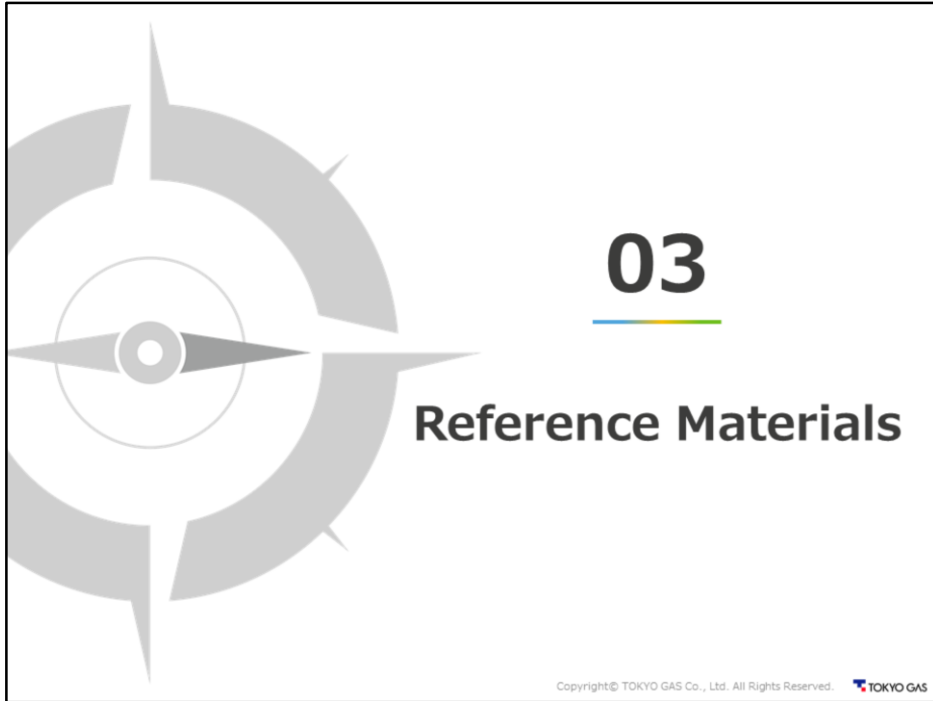


Total return ratio (%) (60.1) (73.6) (63.4) (60.1) (60.9) (61.4) (60.7) (60.0) (60.8) (60.1) (60.7) (60.2) (60.3) (61.0) (60.1)

\* 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

We have increased our year-end dividend forecast by ¥5, thereby revising our annual dividend forecast to ¥65.

Based on this outlook and our current number of shares, we expect the total return amount to be ¥33.5 billion, the total dividend amount to be ¥28.8 billion after the ¥5 increase, and stock repurchases based on a 50% total return ratio to be ¥4.7 billion.



The following reference materials include a table on the sensitivity to the economic framework assumption, plus the trend of crude oil prices and the exchange rate, a list of major year-to-date press releases, and a list of major overseas investment projects, etc.

Impact of rising JCC by \$1/bbl

(Unit: billion yen)

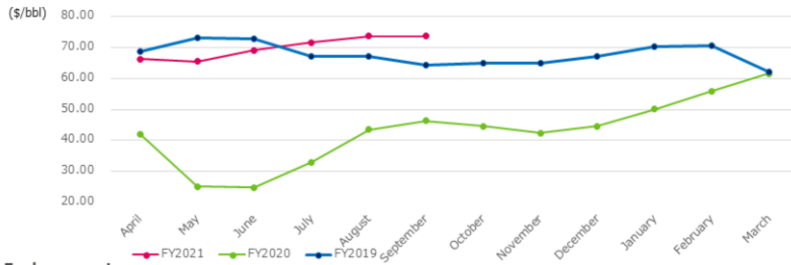
		Impact on earnings		
		3Q	4Q	Full year
Period	3Q	-0.1	-0.9	<b>-1.0</b>
	4Q	0	0	<b>0</b>
	Full year	<b>-0.1</b>	<b>-0.9</b>	<b>-1.0</b>

Impact of depreciation by ¥1/\$

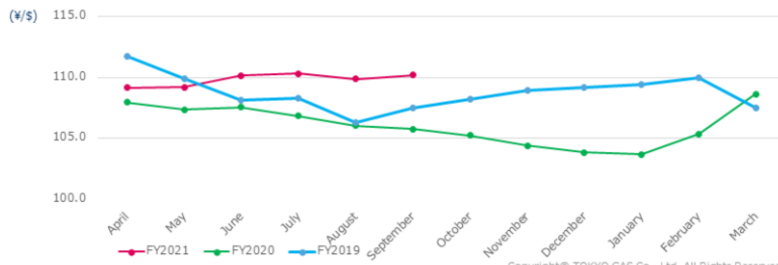
(Unit: billion yen)

		Impact on earnings		
		3Q	4Q	Full year
Period	3Q	-0.6	+0.6	<b>0</b>
	4Q	0	-0.9	<b>-0.9</b>
	Full year	<b>-0.6</b>	<b>-0.3</b>	<b>-0.9</b>

Crude oil price (Japan Crude Cocktail Prices)



Exchange rate



Key Topics in FY2021 (Excerpted from Press Releases up to 28th October.)

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<p><b>Management Strategy</b> (Including ESG)</p>	<ul style="list-style-type: none"> <li>• Notice regarding Partial Changes to Articles of Incorporation (Apr. 28)</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> <li>• Establishment of new low-voltage electricity rate plan "basic plan" (May 13)</li> <li>• Tokyo Gas launches substantially 100% renewable energy electricity rate plan "Sasuteria Denki" (Jun. 3)</li> <li>• Receipt of Third-party Validation Report for Japan's First Carbon Neutral city Gas Plan (Jun. 15)</li> <li>• Implementation of sustainable urban development at KAWASAKI DELTA city block (Jun. 25)</li> <li>• Launch of Commercial Solar Power Operations Begins in Iwakuni, Yamaguchi Prefecture (Jul. 1)</li> <li>• Tokyo Gas to supply carbon-neutral city gas to the Tokyo 2020 Summer Olympics athletes' village (Jul. 13)</li> <li>• Establishment of Utsunomiya Light &amp; Power Co., Inc. (Jul. 13)</li> <li>• Tokyo Gas launches verification of residential demand-response (Jul. 20)</li> <li>• Launch of de-facto renewable energy electricity for the common areas of newly constructed condominium buildings (Sept. 13)</li> <li>• Acceleration of industry-academia joint research toward early realization of Japanese offshore wind power electricity generation (Sept. 30)</li> <li>• Transfer and acquisition of shares of Tokyo Gas Yokosuka Power Company, Ltd. (Sept. 30)</li> <li>• Introduction of Japan's largest-scale carbon-neutral city gas (Oct. 18)</li> <li>• Notice regarding joint implementation of the Sakaide biomass power generation project (Oct. 22)</li> </ul>
<p><b>Gas Electric Power</b> (Including ESG)</p>	<ul style="list-style-type: none"> <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> <li>• Establishment of new low-voltage electricity rate plan "basic plan" (May 13)</li> <li>• Tokyo Gas launches substantially 100% renewable energy electricity rate plan "Sasuteria Denki" (Jun. 3)</li> <li>• Receipt of Third-party Validation Report for Japan's First Carbon Neutral city Gas Plan (Jun. 15)</li> <li>• Implementation of sustainable urban development at KAWASAKI DELTA city block (Jun. 25)</li> <li>• Launch of Commercial Solar Power Operations Begins in Iwakuni, Yamaguchi Prefecture (Jul. 1)</li> <li>• Tokyo Gas to supply carbon-neutral city gas to the Tokyo 2020 Summer Olympics athletes' village (Jul. 13)</li> <li>• Establishment of Utsunomiya Light &amp; Power Co., Inc. (Jul. 13)</li> <li>• Tokyo Gas launches verification of residential demand-response (Jul. 20)</li> <li>• Launch of de-facto renewable energy electricity for the common areas of newly constructed condominium buildings (Sept. 13)</li> <li>• Acceleration of industry-academia joint research toward early realization of Japanese offshore wind power electricity generation (Sept. 30)</li> <li>• Transfer and acquisition of shares of Tokyo Gas Yokosuka Power Company, Ltd. (Sept. 30)</li> <li>• Introduction of Japan's largest-scale carbon-neutral city gas (Oct. 18)</li> <li>• Notice regarding joint implementation of the Sakaide biomass power generation project (Oct. 22)</li> </ul>
<p><b>Services</b> (Including ESG)</p>	<ul style="list-style-type: none"> <li>◆ Engineering Solutions</li> <li>• Establishment of Tokyo Gas Nomura Real Estate Energy Co., Ltd. (Apr. 5)</li> <li>• 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) *1</li> <li>• Implementation of verification project for upgrading solar power generation asset management operations (Apr. 26)*1</li> <li>• Commencement of verification of virtual power plant using ENE-Farm residential fuel cells and residential storage batteries group control (Jun. 8)</li> <li>• Launch of operations of 3,800kW solar power generation plant for in-house consumption at the Honda Kumamoto factory (Oct. 4) *1</li> <li>• Establishment of the Joint Venture with the PTT Group Company (Oct.5) *1</li> <li>◆ Others</li> <li>• Tokyo Gas launches rental management support service "Mamo ROOM" (Apr. 8)</li> <li>• Tokyo Gas launches house cleaning service (May 11)</li> <li>• Tokyo Gas launches electricity outage countermeasures with solar power and storage batteries "Anshin W Denchi" (May 27)</li> <li>• Tokyo Gas forms capital and business alliance with Ubiden Inc. toward commercializing multiple dwelling building use EV charging services (Jun. 28)</li> <li>• Tokyo Gas reaches basic agreement with Japan Tobacco Group regarding acquisition of top domestic share software business (Jul. 8)</li> </ul> <p>*1 Press releases issued by Tokyo Gas Engineering Solutions.</p>
<p><b>Overseas</b> (Including ESG)</p>	<ul style="list-style-type: none"> <li>• Tokyo Gas to divest its share in MT Falcon Holdings (Sept.16)</li> </ul>
<p><b>Development of decarbonization technology</b> (Including ESG)</p>	<ul style="list-style-type: none"> <li>• Tokyo Gas and SCREEN Agree to Jointly Develop a Water Electrolysis Cell Stack for Low-cost Green Hydrogen Production (May 26)</li> <li>• World's 1st! Commence Manufacturing of CO2-absorbing Concrete that Uses Exhaust Gas Emitted During the Use of City Gas Devices (Jul. 7)</li> <li>• Launch Methanation Verification Test in FY2021 (Jul. 7)</li> <li>• Commencing hydrogen demonstration experiment using megawatt-class water electrolyser (Jul. 7)</li> <li>• Development of onsite CO2 recycling technology (sept.28)</li> <li>• Launch of industry-academia joint research toward technology verification of methanation using bioreactors (Oct. 13)</li> </ul>

Key Topics in FY2021 (Excerpted from Press Releases up to 28th October.)

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ESG	<ul style="list-style-type: none"> <li>Additional special measures pertaining to gas and electricity bill payments in relation to the 2021 COVID-19 outbreak (Apr. 23, May 12, Jun. 14, Jul. 15, Aug. 23, Sept. 16, Oct. 21)</li> <li>Publication of Tokyo Gas Group Sustainability Report 2021 (Aug. 31)</li> </ul>
Finance and shareholder Returns	<ul style="list-style-type: none"> <li>Notification of Resolution to Acquire of Treasury Shares (Apr. 28), notice of share buyback (May 19), notice of retirement of treasury stock (Jul. 28)</li> <li>Announcement of issue of the 67th, the 68th, the 69th and the 70th Domestic unsecured notes (Jul. 7)</li> <li>Revisions to the Shareholder-Return Policy (sept. 29)</li> <li>Notice of Revision of Dividend Forecasts for the year ended on March 31, 2022 (Oct. 28)</li> </ul>



# Overseas Projects

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Area	No	Country	Subject	Main Business	Participation year		
North America	1	U.S.A	Eagle Ford	Upstream	Shale gas	2016	
			TG Natural Resources	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	
	Southeast Asia	3	Malaysia	Heolios EnTG	Downstream	Renewable venture(Solar・wind power generation)	2019
				GAS MALASIA Bhd.	Downstream	City gas	1992
4		Thailand	GAS MALASIA ENERGY ADVANCE Sdn.Bhd.	Downstream	Energy Service	2014	
			Bang bo	Downstream	Natural gas power	2016	
5		Vietnam	GWHANT	Downstream	Gas Supply	2018	
			One Bangkok	Downstream	District Cooling Solutions and power distribution	2020	
6		Indonesia	PVGD	Downstream	CNG Supply	2017	
			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	

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**< Cautionary Statement regarding Forward-looking Statements >**

Statements made in this presentation with respect to Tokyo Gas's present plans, forecasts, strategies and beliefs, and other statements herein that are not expressions of historical fact are forward-looking statements about the future performance of the Company. As such, they are based on management's assumptions and opinions stemming from currently available information and therefore involve risks and uncertainties.

The Company's actual performance may greatly differ from these projections, due to these risks and uncertainties which include without limitation general economic conditions in Japan, crude oil prices, the weather, changes in the foreign exchange rate of the yen, rapid technological innovations and the Company's responses to the progress of deregulation.

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