

FY2003 ended March 2004
Non-Consolidated Results Bulletin
Tokyo Gas Co., Ltd.

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Date of the board meeting for settlement: April 27, 2004

Date of the regular general meeting of stockholders: June 29, 2004

Presence or absence of instatement of the unit stock system

Shares listed on:

Tokyo Stock Exchange, Osaka Securities Exchange,
Nagoya Stock Exchange

Location of head office (prefecture): Tokyo

The company has an interim dividend scheme.

Present (1 unit = 1,000 shares)

1. Results for FY2003 ended March 2004 (April 1, 2003 to March 31, 2004)

(1) Business results (Rounded down to the nearest ¥million)

	Sales		Operating profits		Ordinary profits	
	(Unit: ¥1 million)	(%)	(Unit: ¥1 million)	(%)	(Unit: ¥1 million)	(%)
FY2003 ended March 2004	1,013,754	2.2	126,954	26.8	115,859	45.4
FY2002 ended March 2003	992,236	1.8	100,108	8.5	79,680	10.3

	Current net profits		Net earnings per share	Net earnings per share adjusted for latent shares	Net rate of return on shareholders' equity	Ratio of current profits to total capital	Ratio of current profits to sales
	(Unit: ¥1 million)	(%)	(Unit: ¥1)	(Unit: ¥1)	(%)	(%)	(%)
FY2003 ended March 2004	40,273	-24.9	14.78	13.52	7.5	8.3	11.4
FY2002 ended March 2003	53,633	10.7	19.19	17.38	10.3	5.7	8.0

Notes: 1. Average number of shares outstanding during the term:

FY2003 ended March 2004 2,721,032,069 shares

FY2002 ended March 2003 2,791,588,384 shares

2. Changes in accounting methods: Yes

3. Percentage figures for sales, operating profits, ordinary profits and current net profits indicate the percentage change on the previous year.

(2) Dividends

	Annual dividend per share			Total dividends (annual)	Dividend payout ratio	Dividend rate for shareholders' equity
	(Unit: ¥1)	Interim dividend (Unit: ¥1)	Year-end dividend (Unit: ¥1)			
FY2003 ended March 2004	7.00	3.00	4.00	18,908	47.4	3.5
FY2002 ended March 2003	6.00	3.00	3.00	16,672	31.3	3.2

(3) Financial position

	Total assets	Shareholders' equity	Ratio to shareholders' equity	Shareholders' equity per share
	(Unit: ¥1 million)	(Unit: ¥1 million)	(%)	(Unit: ¥1)
FY2003 ended March 2004	1,410,023	540,217	38.3	199.97
FY2002 ended March 2003	1,381,359	528,264	38.2	190.14

Note: 1. Number of outstanding shares as of:

FY2003 ended March 2004: 2,701,145,351 shares

FY2002 ended March 2003: 2,777,997,987 shares

2. Number of treasury stock as of:

FY2003 ended March 2004: 109,025,944 shares

FY2002 ended March 2003: 32,173,308 shares

2. Results forecast FY2004 ending March 2005 (April 1, 2004 to March 31, 2005)

	Sales	Ordinary profits	Net current profits	Annual dividend per share		
				Mid-term	Year-end	
	(Unit: ¥1 million)	(Unit: ¥1 million)	(Unit: ¥1 million)	(Unit: ¥1)	(Unit: ¥1)	(Unit: ¥1)
Mid-term	443,000	35,000	24,000	3.50	—	—
Full term	1,006,000	119,000	79,000	—	3.50	7.00

- Reference:
1. Forecast net earnings per share (full year): ¥29.22
 2. Breakdown of sales (full year): Gas ¥817,000 million, Miscellaneous ¥189,000 million
 3. Forecast operating profit (full year): ¥125,000 million

- * The forecast above was prepared on the basis of information available at the time of the release of this document. Due to various factors, the actual result may vary from these forecast data.
- * The date of the regular general meeting of shareholders is scheduled to be formally resolved at the meeting of the board of directors on May 17.

1. Business performance

(1) Gas sales volume

Gas sales volume for the year under review was 11,211 million m³, rising 7.1% compared with the previous year. Residential demand fell 0.3% compared with the previous year because demand for hot water and heating was flat as a result of warmer than usual winter temperatures although demand rose due to low temperatures at the beginning of the year and in the summer.

Moreover, commercial and other business demand was up 3.7% and 4.9% respectively compared to the previous year due to additional demand by new customers.

Industrial demand was up 15.8% compared with the previous year due to an expansion in supplies for power generation and other factors.

In addition, supplies to other gas utilities rose 8.0% compared with the previous year due to an increase in demand by customers of those utilities.

<Gas sales for FY2003>

			FY2003 (actual)	FY2002 (actual)	Change	% change	
No. of gas users		Thousand	9,445	9,244	201	2.2	
Gas sales volume	Residential		m ³	33.86	34.56	-0.70	-2.0
			Mil. m ³	3,244	3,254	-10	-0.3
	Business	Commercial	Mil. m ³	1,800	1,737	63	3.7
		Other	Mil. m ³	805	767	38	4.9
	Industrial		Mil. m ³	4,166	3,599	567	15.8
	Sub total		Mil. m ³	6,771	6,103	668	11.0
	Supplies to other utilities		Mil. m ³	1,196	1,107	89	8.0
Total		Mil. m ³	11,211	10,464	747	7.1	
Ave. temperature		°C	16.3	16.1	0.2	—	

- Notes: 1. The upper row of figures for residential demand indicates gas sales per meter read (m³/household/month)
2. "Other" for business demand indicates sales to public and medical institutions.

(2) Summary of incomes and expenditures

Sales

Gas sales were ¥823.5 billion, a rise of ¥38.5 billion or 4.9% compared with the previous year, due to the 7.1% growth in gas sales volume and other factors.

Total sales, which also include construction orders, gas appliance sales, and sales of associated businesses, were ¥1.137 trillion, a rise of ¥21.5 billion or 2.2% compared with the previous year, due to a decline in gas appliance sales and the spin off of the district heating and cooling businesses.

Expenses

Due to the increase in gas sales volume and other factors, raw material expenses rose, meaning that the cost of sales increased by ¥21.3 billion or 7.3% compared with the previous year. Meanwhile, in supply and sales expenses and general and administrative expenses, the company worked to reduce expenses, managing to contain increase in operating expenses overall to ¥12.4 billion or 1.8% compared to the previous year.

Total expenses, which also include other expenses for construction orders, gas appliance sales and associated businesses, fell by ¥5.4 billion or 0.6% compared with the previous year to ¥886.7 billion.

Profits

As a result of the foregoing factors, operating profits rose ¥26.8 billion or 26.8% compared with the previous year to ¥126.9 billion.

Ordinary profits, which include non-operating profits, increased by ¥36.2 billion or 45.4% compared with the previous year to ¥115.8 billion.

Moreover, the company recorded extraordinary profits of ¥1.6 billion in gains on sales of fixed assets, ¥0.5 billion in gains on sales of investment securities, and ¥5.6 billion in gains from the breakdown of the retirement benefit reserve. It recorded extraordinary losses of ¥1.6 billion for the compression of fixed assets, ¥1.6 billion for the impairment of fixed assets, and ¥58.9 billion for the one-off write-off of unrecognized actuarial differences in pension benefits. As a result, net income declined by ¥13.4 billion or 24.9% compared with the previous year to ¥40.2 billion.

<FY2003 balance of payments >

(Unit: ¥100 million)

Income		Change from previous year	Rate (%)	Expenses		Change from previous year	Rate (%)		
Product	Gas sales	8,235	385	4.9	Operating expenses	Cost of sales	3,101	213	7.3
						Sales and administrative expenses	3,978	-88	-2.2
						Sub total	7,079	124	1.8
Other sales	Construction orders	626	-15	-2.4	Other expenses	Construction orders	588	-24	-3.9
	Gas appliances, etc.	1,116	-104	-8.6		Gas appliances	1,049	-107	-9.3
	Associated businesses	159	-49	-23.5		Subsidiary businesses	150	-46	-23.4
	Sub total	1,902	-169	-8.2		Sub total	1,788	-177	-9.0
Total sales		10,137	215	2.2	Total expenses		8,867	-54	-0.6
					Operating profit		1,269	268	26.8
Non-operating income		145	20	15.6	Non-operating expenses		256	-73	-22.4
					Ordinary profit		1,158	362	45.4
Extraordinary profit		79	-7	-8.5	Extraordinary loss		622	578	--
					Net Income		402	-134	-24.9

(Rounded down to nearest ¥100 million)

Notes: [1] Cost of sales includes cost of raw materials of ¥267.5 billion (increase by ¥13.3 billion, or +5.2%, from the previous term).

[2] Non-operating expenses include interest expenses of ¥11.0 billion (decrease by ¥1.6 billion, or -13.0%, from the previous term).

	FY2003	FY2002	Change		FY2003	FY2002	Change
Crude-oil price (\$/bbl)	29.42	27.40	2.02	Yen/dollar rate	113.19	121.98	-8.79

(3) Capital expenses

The tables below present figures for capital investment in FY2003 and FY2004.

(Unit: ¥1 million)

	FY2002 (actual)		FY2003 (actual)		FY2004 (plan)	
		(%)		(%)		(%)
Production facilities	7,640	8.1	4,531	5.2	2,757	3.1
Distribution facilities	71,659	76.4	65,911	76.0	60,476	67.3
Business facilities	13,561	14.5	15,437	17.8	24,851	27.5
Associated business facilities	909	1.0	862	1.0	1,870	2.1
Total	93,770	100.0	86,743	100.0	89,954	100.0

(Unit: ¥1 million)

Terminal-related facilities (production facilities)	FY2002 (actual)		FY2003 (actual)		FY2004 (plan)	
Sodegaura Terminal	687		399		1,202	
Negishi Terminal	1,043		391		587	
Ohgishima Terminal	5,870		3,403		2	
Total	7,601		4,194		1,792	
Mains and branches (distribution facilities)	FY2002 (actual)		FY2003 (actual)		FY2004 (plan)	
Demand-development mains and branches	(626km)	26,379	(668km)	23,906	(668km)	23,636
Safety measure mains and branches	(176km)	11,030	(148km)	9,410	(121km)	8,285
Planned mains and branches	(74km)	13,917	(71km)	12,790	(57km)	10,876
Urban development mains and branches	(107km)	2,893	(93km)	2,068	(100km)	1,478
Total	(983km)	54,221	(980km)	48,177	(946km)	44,275

2. Outlook for FY2004 (Tokyo Gas only)

(Unit: ¥100 million)

	Sales	Operating profit	Ordinary profit	Current net profit
FY2004 (estimate)	10,060	1,250	1,190	790
FY2003 (actual)	10,137	1,269	1,158	402
Change (increase/decrease)	-77	-19	32	388
Rate of change	-0.8%	-1.5%	2.7%	96.2%

We estimate that gas sales volume in FY2004 will grow by 279 million m³ or 2.5% compared with FY2003 to 11.49 billion m³ due to our efforts to acquire new customers and to popularize and expand gas appliances. We forecast that gas sales in response to this will decline by ¥6.5 billion or 0.8% to ¥817 billion with the impact of rate unit price adjustments based on the raw material expense adjustment system.

Meanwhile, in expenses, forecasting the price of crude oil to be roughly the same as FY2003 at USD 30/bbl, and the exchange rate to see an appreciation in the yen to ¥110/USD, we expect that raw material expenses will rise by ¥900 million or 0.3% compared with FY2003 to ¥268.4 billion.

Moreover, the company will contain increase in expenses by working for greater efficiency in management including greater reductions in miscellaneous expenses than hitherto.

As a result, in our full year forecasts for FY2004 including construction orders, gas appliance sales and associated businesses, we expect total sales to fall by ¥7.7 billion or 0.8% compared with FY2003 to ¥1,006 billion and ordinary profits to rise by ¥3.2 billion or 2.7% to ¥119 billion.

In addition, we expect full year net income to increase by ¥38.8 billion or 96.2% to ¥79 billion due to the effect of extraordinary losses in FY2003.

<Gas sales forecast for FY2004>

			FY2004 (estimate)	FY2003 (actual)	Change	Rate of change (%)	
No. of gas customers		Thousand	9,629	9,445	184	1.9	
Gas sales volume	Residential	Mil. m ³	3,265	3,244	21	0.7	
	Business	Commercial	Mil. m ³	1,915	1,800	115	6.4
		Other	Mil. m ³	868	805	63	7.9
		Industrial	Mil. m ³	4,139	4,166	-27	-0.6
	Sub total		Mil. m ³	6,922	6,771	151	2.2
	Supplies to other utilities		Mil. m ³	1,303	1,196	107	8.9
	Total		Mil. m ³	11,490	11,211	279	2.5
Ave. temperature		°C	16.8	16.3	0.5	—	
Crude oil price		\$/bbl	30.0	29.42	0.58	2.0	
Exchange rate		¥/\$	110.00	113.19	-3.19	-2.8	

Balance Sheet

(Unit: ¥1 million)

Account	FY2003 (ended March 31, 2004)	FY2002 (ended March 31, 2003)	Change
(Assets)			
Fixed assets	1,193,530	1,184,773	8,757
Tangible fixed assets	869,849	910,530	-40,681
Production facilities	245,572	244,370	1,202
Distribution facilities	527,829	532,098	-4,269
Business facilities	59,256	69,044	-9,788
Associated business facilities	5,147	5,034	113
Idle facilities	—	5	-5
Construction in progress	32,042	59,977	-27,935
Intangible fixed assets	14,645	16,138	-1,493
Leaseholds	1,135	1,255	-120
Software	—	14,069	-14,069
Other intangible fixed assets	13,509	814	12,695
Investments etc.	309,035	258,103	50,932
Investment securities	68,891	45,720	23,171
Investments in affiliates	123,908	112,133	11,775
Long-term loans receivable	178	191	-13
Long-term loans within company	4,250	4,542	-292
Long-term loans to affiliates	28,388	17,081	11,307
Investments in partnership	6	5	1
Long-term prepaid expenses	35,495	37,166	-1,671
Deferred tax assets	43,998	37,299	6,699
Miscellaneous investments	5,282	5,330	-48
Allowances for doubtful accounts	-1,365	-1,367	2
Current assets	216,492	196,585	19,907
Cash and deposits	36,119	14,901	21,218
Trade notes receivable	1,392	1,564	-172
Accounts receivable	83,749	91,627	-7,878
Accounts receivable from affiliates	9,534	9,444	90
Uncollected accounts	10,818	7,334	3,484
Negotiable securities	1	1	—
Finished products	76	83	-7
Raw materials	10,976	9,345	1,631
Supplies	6,500	6,046	454
Prepaid expenses	221	238	-17
CMS short-term loans to affiliates	18,188	—	18,188
Short-term credits against affiliates	3,170	2,251	919
Deferred tax assets	9,181	9,099	82
Short-term loans	—	17,000	-17,000
Other current assets	27,487	28,457	-970
Allowances for doubtful accounts	-927	-809	-118
Total assets	1,410,023	1,381,359	28,664

(Unit: ¥1 million)

Account	FY2003 (ended March 31, 2004)	FY2002 (ended March 31, 2003)	Change
(Liabilities)			
Fixed liabilities	599,866	610,408	-10,542
Straight bonds	266,033	236,833	29,200
Convertible bonds	99,928	182,814	-82,886
Long-term bank loans payable	74,367	65,998	8,369
Long-term obligations to affiliates	598	639	-41
Retirement benefit reserve	149,408	112,020	37,388
Allowances for repairs of gas holders	3,253	3,298	-45
Other fixed liabilities	6,277	8,804	-2,527
Current liabilities	269,938	242,686	27,252
Fixed liabilities due within one year	90,465	74,432	16,033
Accounts payable	18,336	19,821	-1,485
Other accounts payable	27,406	35,124	-7,718
Accrued expenses	38,130	39,332	-1,202
Corporation tax payable, etc.	35,015	36,257	-1,242
Advances received	7,351	7,913	-562
Deposits received	1,567	1,537	30
CMS short-term borrowings (affiliates)	22,474	—	22,474
Short-term obligations to affiliates	18,569	16,583	1,986
Other current liabilities	10,621	11,683	-1,062
Total liabilities	869,805	853,094	16,711
(Shareholders' equity)			
Common stock	141,844	141,844	—
Common stock	141,844	141,844	—
Capital surplus	2,065	2,065	—
Capital reserve	2,065	2,065	—
Earned surplus	403,442	379,668	23,774
Earned surplus reserve	35,454	35,454	—
Expropriation etc. compression reserve	976	985	-9
Reserve against losses on foreign investments etc.	—	19	-19
Reserve against depreciation of construction of specified gas pipes	3,317	4,067	-750
Raw material cost fluctuation adjustment reserve	141,000	141,000	—
General reserves			
Unappropriated profits of current year	149,000	119,000	30,000
Unrealized gains on shares, etc., available for sale	73,694	79,141	-5,447
Unrealized gains on other securities	31,673	15,548	16,125
Treasury stock	31,673	15,548	16,125
Treasury stock	-38,808	-10,862	-27,946
	-38,808	-10,862	-27,946
Total shareholders' equity	540,217	528,264	11,953
Total liabilities and shareholders' equity	1,410,023	1,381,359	28,664

Statement of Income

(Unit: ¥1 million)

Account		FY2003 (Apr. 2003-Mar. 2004)	FY2002 (Apr. 2002-Mar.2003)	Change	
Ordinary profit or loss	Operating profit or loss	Product sales	823,509	785,079	38,430
		Gas sales	823,509	785,079	38,430
		Cost of sales	310,108	288,896	21,212
		(Gross profits)	(513,401)	(496,183)	(17,218)
		Supply and sales expenses	319,629	331,437	-11,808
		General and administrative expenses	78,257	75,256	3,001
		(Profits on core business)	(115,514)	(89,488)	(26,026)
		Miscellaneous operating revenues	174,261	186,270	-12,009
		Income of construction work received	62,639	64,176	-1,537
		Revenues from sales of appliances	111,081	121,597	-10,516
	Other miscellaneous operating revenues	540	496	44	
	Miscellaneous operating expenses	163,762	176,891	-13,129	
	Cost of construction work received	58,834	61,232	-2,398	
	Cost of sales of appliances	104,927	115,659	-10,732	
	Revenues from associated businesses	15,983	20,887	-4,904	
	Expenses from associated businesses	15,041	19,646	-4,605	
	(Operating profits)	(126,954)	(100,108)	(26,846)	
	Non-operating profit or loss	Non-operating income	14,510	12,552	1,958
		Interest income	849	576	273
		Divided income	1,945	1,709	236
Rental income		4,562	4,718	-156	
Environmental conditioning costs		1,650	—	1,650	
Miscellaneous revenues		5,502	5,548	-46	
Non-operating expenses		25,605	32,980	-7,375	
Interest paid		2,261	2,666	-405	
Interest on bonds		8,778	10,022	-1,244	
Amortization of bond issue costs		249	96	153	
Balance on commissioned construction	4,279	4,805	-526		
Loss from debenture redemption	6,574	6,327	247		
Environmental conditioning costs	—	5,656	-5,656		
Miscellaneous expenditures	3,461	3,404	57		
(Ordinary profit)		(115,859)	(79,680)	(36,179)	
Extraordinary profit or loss	Extraordinary profits	7,915	8,655	-740	
	Gain on sales of fixed assets	1,667	5,503	-3,836	
	Gain on sales of investment securities	583	3,152	-2,569	
	Gain on breakdown of retirement benefit reserve accompanying changes to corporate pension system	5,664	—	5,664	
	Extraordinary losses	62,215	4,477	57,738	
	Losses on sales of fixed assets	—	61	-61	
	Losses on compression of fixed assets	1,607	4,415	-2,808	
	Losses on impairment of fixed assets	1,651	—	1,651	
One-off write-off of retirement benefit actuarial differences	58,956	—	58,956		
(Net income before income tax)		(61,560)	(83,857)	(-22,297)	
Corporate taxes etc.		37,220	37,140	80	
Adjustment for corporation tax, etc.		-15,933	-6,915	-9,018	
Net income		40,273	53,633	-13,360	
Retained earnings at the beginning of year		41,516	33,839	7,677	
Breakdown of expropriation, etc., compression reserve		9	7	2	
Quotation difference losses on disposal of treasury stock		0	—	0	
Mid-term dividend		8,104	8,338	-234	
Unappropriated earnings at the end of year		73,694	79,141	-5,447	

Notes: 1. The figures in the sales column for “Results for FY2003 ended March 2004: (1) Business performance” are the total of product sales, miscellaneous operating revenues, and revenues from associated businesses.

<Significant accounting policy>

1. Criteria and methods of valuation of assets

(1) Securities

Bonds intended to be held to maturity:
Valuated on an amortized cost basis

The valuation of the stock of subsidiaries and affiliates is on the cost basis applying a moving average.

Shares of subsidiaries and affiliates:
Valued at cost using the moving average method

Other securities (whose current value can be estimated):
Valued by the market value method based on their market price on the interim-closing date (unrealized gains and losses on securities available for sale were determined by the full capital injection method, and the cost of securities sold was calculated by the moving average method)

Other securities (whose current value cannot be estimated):
Valued on a cost basis using the moving average method

(2) Derivatives

Valued by the market value method

(3) Inventories (products, feedstock and supplies):

Valued on a cost basis using the moving average method

2. Method of depreciation of fixed assets

(1) Tangible fixed assets

Tangible fixed assets are depreciated by the declining balance method. The calculation of durable periods and salvage value is based on the same standards as in the procedure stipulated in the Corporate Tax Law. However, the straight line method is applied for certain buildings (excluding ancillary equipment).

(2) Intangible fixed assets

Intangible fixed assets are depreciated by the straight line method. Software used by the Company is depreciated using the straight line method based on the usable life of the software in the company.

3. Standards for declaration of reserves

(1) Allowances for doubtful accounts

In order to provide for losses due to credit losses such as accounts receivable and loans, the reserve for bad debts calculates the forecast irrecoverable amount based on the credit loss rate for general claims and taking into account the possibility of recovery for specific claims, including claims against bankrupt debtors.

(2) Retirement benefit reserve

In order to provide for employees' retirement benefits, the retirement benefit reserve is calculated on the basis of retirement benefit liabilities and forecast pension assets at the end of the year under review.

With the implementation of the Defined-Benefit Corporate Pension Law, the company has implemented substantial reforms to its pension system, shifting from the tax qualified pension system to the contract type corporate pension and introducing a cash balance plan this fiscal year.

This will result in a reduction of the benefit rate, and we will record an extraordinary profit of ¥5,664 million yen

from the breakdown of the retirement benefit reserve. In addition, on the reform of the pension system, we will change the number of years over which unrecognized actuarial differences are written off from the previous ten years to one year. This fiscal year we will record a one-off expense of ¥58,956 million in recognized actuarial differences as an extraordinary loss. This change will reflect the status of our retirement benefit liabilities in our financial statements in a timely manner as well as promoting greater soundness in our financial structure. As a result, compared with the previous method, ordinary income will increase by ¥6,315 million, and net income will decline by ¥52,640 million.

(3) Allowances for repairs of gas holders

To provide against spending on periodical repairs of spherical gas holders, an allowance for repairs of gas holders is entered equal to the estimated cost of the next round of repairs during the period up to the next round of repairs.

4. Treatment of leases

For accounting purposes, finance leases which do not transfer ownership of leased assets to lessees are treated as ordinary leases.

5. Significant method of hedge accounting

(1) Method of hedge accounting

Hedge accounting is based on deferral method. Currency swaps satisfying the conditions of allotment processing, are based on allotment processing.

(2) Hedge means and subjects

a. Hedge means: currency swap transactions

Hedge subjects: corporate bonds denominated in foreign currency

b. Hedge means: interest-rate swap transactions

Hedge subjects: corporate bonds

c. Hedge means: commodity swap transactions

Hedge subjects: fees for purchase of feedstock

d. Hedging method: exchange contract transactions

Object of hedging: foreign currency denominated purchases of affiliated company shares, raw material purchases

(3) Hedge policy

In accordance with internal rules regarding risks, hedging is performed within a certain scope for risks associated with fluctuation in exchange rates, interest rates, and commodity prices.

(4) Method of assessing hedge efficacy

The assessment is made by confirming the relationship of correspondence between hedge means and hedge subjects. However, the assessment is not made for currency swaps satisfying the conditions of allotment processing.

6. Treatment of consumption tax, etc.

Consumption tax, etc. is accounted for by the net-of-tax method.

7. Change in accounting methods

The company will apply "Accounting Standards on the Impairment of Fixed Assets" from this fiscal year. As a result of the application of the standards, we will record an extraordinary loss of ¥1,651 million in losses on impairment of fixed assets.

<Notes>

1. Cumulative depreciation of tangible fixed assets totaled ¥2,068,473 million (FY2002: ¥1,976,297 million).
2. Contingent liabilities
 - Liabilities for guarantee: ¥17,839 million (FY2002: ¥13,101 million)
 - (Of which Tokyo Gas: ¥17,438 million) (FY2002: ¥12,541 million)
 - Joint and several liabilities: ¥14,404 million (FY2002: ¥14,687 million)
 - (Bonds, etc approved by Energy Advance Co., Ltd., due to company split)
 - Contingent liabilities relating to bond obligation performance underwriting contracts: ¥38,700 million (FY2002: ¥50,000 million)

<Proposed profit distribution>

(Unit: ¥1 million)

Items	FT2003 (Apr. 2003-Mar. 2004)	FY2002 (Apr. 2002-Mar. 2003)
Unappropriated earnings at the end of year	73,694	79,141
Deduction from the reserve against losses on foreign investment, etc.	-	19
Deduction from the reserve against depreciation of construction of specified gas pipes	741	750
Total	74,435	79,911
Profit distribution		
Dividends	10,804 (¥4 per share)	8,333 (¥3 per share)
Bonuses for directors	65	61
General reserves	20,000	30,000
Retained earnings forward to the next term	43,566	41,516

Note: The company paid a midterm dividend of ¥8,104 million (¥3 per share) on November 25, 2003.