

FY2004 ended March 2005
Non-Consolidated Results Bulletin
Tokyo Gas Co., Ltd.

April 28, 2005

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Date of the board meeting for settlement: April 27, 2005

Date of the regular general meeting of stockholders: June 29, 2005

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 FY2004 ended March 2005 (April 1, 2004 to March 31, 2005)

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

	Sales		Operating Income		Ordinary Income	
	(Unit: million yen)	(%)	(Unit: million yen)	(%)	(Unit: million yen)	(%)
FY2004 ended March 2005	1,013,993	0.0	120,167	-5.3	117,192	1.2
FY2003 ended March 2004	1,013,754	2.2	126,954	26.8	115,859	45.4

	Net Income	Net income per share	Net income per share adjusted for latent shares	Net rate of return on shareholders' equity	Ratio of ordinary income to total capital	Ratio of ordinary income to sales
	(Unit: million yen) (%)	(Unit: yen) 29.46	(Unit: yen) 26.47	(%) 14.1	(%) 8.4	(%) 11.6
FY2004 ended March 2005	78,666	95.3	14.78	7.5	8.3	11.4
FY2003 ended March 2004	40,273	24.9	13.52	7.5	8.3	11.4

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

FY2004 ended March 2005 2,668,495,540 shares

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

2. Changes in accounting methods: No

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 dividend (annual)	Payout ratio	Dividend rate for shareholders' equity
	(Unit: yen)	Interim dividend	Year-end dividend			
FY2004 ended March 2005	7.00	3.50	3.50	18,557	23.8	3.2
FY2003 ended March 2004	7.00	3.00	4.00	18,908	47.4	3.5

(3) Financial position

	Total assets	Shareholders' equity	Ratio to shareholders' equity	Shareholders' equity per share
	(Unit: million yen)	(Unit: million yen)	(%)	(Unit: yen)
FY2004 ended March 2005	1,382,265	574,059	41.5	216.54
FY2003 ended March 2004	1,410,023	540,217	38.3	199.97

Note: 1. Number of outstanding shares as of:

FY2004 ended March 2005: 2,650,734,212 shares

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

2. Number of treasury stock as of:

FY2004 ended March 2005: 159,437,083 shares

FY2003 ended March 2004: 109,025,943 shares

2. Forecast for FY2005 ending March 2006 (April 1, 2005 to March 31, 2006)

	Sales	Ordinary income	Net income	Annual dividend per share		
				Mid-term	Year-end	
	(Unit: million yen)	(Unit: million yen)	(Unit: million yen)	(Unit: yen)	(Unit: yen)	(Unit: yen)
Mid-term	443,000	22,000	16,000	3.50	-	-
Full term	1,004,000	96,000	65,000	-	3.50	7.00

- Reference:
1. Forecast net earnings per share (full year): ¥24.50
 2. Breakdown of sales (full year): Gas: ¥822,000 million, Others: ¥182,000 million
 3. Forecast operating income(year): ¥98,000 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 23.

1. Business performance

(1) Gas sales volume

Gas sales volume for the year under review was 11,934 million m³, rising 6.5% compared with the previous year. Residential demand fell 1.8% compared with the previous year because demand for hot water was sluggish as a result of hotter summer although demand for hot water and heating rose due to low temperatures during winter. Moreover, commercial and other business demand was up 6.9% and 9.0% respectively compared to the previous year because of higher temperature in summer and lower temperature in winter in addition to increased demand by new customers.

Industrial demand was up 10.2% compared with the previous year due to increased demand by both existing and new customers.

In addition, supplies to other gas utilities rose 13.5% compared with the previous year due to an increase in demand by customers of those utilities.

<Gas sales for FY2004>

			FY2004 (actual)	FY2003 (actual)	Change	% change	
No. of customers		Thousand	9,639	9,445	194	2.1	
Gas sales volume	Residential		m ³	32.74	33.86	-1.12	-3.3
			Mil. m ³	3,186	3,244	-58	-1.8
	Business	Commercial	Mil. m ³	1,924	1,800	124	6.9
		Other	Mil. m ³	877	805	72	9.0
	Industrial		Mil. m ³	4,589	4,166	423	10.2
	Sub total		Mil. m ³	7,390	6,771	619	9.1
	Wholesale to other utilities		Mil. m ³	1,358	1,196	162	13.5
Total		Mil. m ³	11,934	11,211	723	6.5	
Average temperature		°C	17.1	16.3	0.8	—	

- 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 was ¥825.3 billion, a rise of ¥1.8 billion or 0.2% compared with the previous year although gas rate reduction was executed starting from Jan. 1, 2005.

Total sales including construction orders, gas appliance sales, and sales of associated businesses was ¥1.139 trillion, which was almost the same as the last year.

Expenses

Due to the increase in gas sales volume and high rise in crude oil price, raw material expenses rose, meaning that the cost of sales increased by ¥18.8 billion or 6.1% 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 ¥6.7 billion or 0.9% compared to the previous year.

Total expenses, which also include other expenses for construction orders, gas appliance sales and associated businesses, rose by ¥7.1 billion or 0.8% compared with the previous year to ¥893.8 billion.

Income

As a result of the foregoing factors, operating income decreased ¥6.8 billion or 5.3% compared with the previous year to ¥120.1 billion.

Ordinary income, which include non-operating income, increased by ¥1.3 billion or 1.2% compared with the previous year to ¥117.1 billion.

Moreover, the company recorded extraordinary income and loss such as ¥5.1 billion in gains on sales of investment securities and ¥0.3 billion in loss of on sales of fixed assets. As a result, net income increased by ¥38.4 billion or 95.3% compared with the previous year to ¥117.1 billion. This is because the company recorded extraordinary income of ¥5.6 billion in gains from the breakdown of the retirement benefit reserve and extraordinary losses of ¥58.9 billion for the one-off write-off of unrecognized actuarial differences in pension benefits in FY 2003.

<FY2004 balance of payments >

(Unit: ¥100 million)

Income		Change from previous year	Rate (%)	Expenses		Change from previous year	Rate (%)		
Product	Gas sales	825.3	1.8	0.2	Operating expenses	Cost of sales	328.9	18.8	6.1
						Sales and administrative expenses	385.7	-12.1	-3.1
						Sub total	714.6	6.7	0.9
Other sales	Construction orders	57.4	-5.2	-8.3	Other expenses	Construction orders	54.3	-4.5	-7.6
	Gas appliances, etc.	113.4	1.8	1.6		Gas appliances	107.4	2.5	2.4
	Associated businesses	17.7	1.8	11.1		Subsidiary businesses	17.3	2.3	15.6
	Sub total	188.6	-1.6	-0.8		Sub total	179.2	0.4	0.2
Total sales		1,013.9	0.2	0.0	Total expenses		893.8	7.1	0.8
					Operating profit		120.1	-6.8	-5.3
Non-operating income		16.3	1.8	12.4	Non-operating expenses		19.2	-6.4	-24.7
					Ordinary profit		117.1	1.3	1.2
Extraordinary profit		5.2	-2.7	-33.6	Extraordinary loss		0.4	-61.8	-99.3
					Net Income		78.6	38.4	95.3

(Rounded down to nearest ¥100 million)

- Notes: [1] Cost of sales includes cost of raw materials of ¥298.0 billion (increase by ¥30.5 billion, or +11.4%, from the previous year).
 [2] Non-operating expenses include interest expenses of ¥10.1 billion (decrease by ¥0.9 billion, or -8.1%, from the previous year).

Crude-oil price (\$/bbl)	FY2004	FY2003	Change	¥/\$ rate	FY2004	FY2003	Change
	38.82	29.42	9.40		107.55	113.19	-5.64

(3) Capital expenses

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

(Unit: million yen)

	FY2003 (actual)		FY2004 (actual)		FY2005 (projection)	
		(%)		(%)		(%)
Production facilities	4,531	5.2	1,966	2.6	6,061	6.5
Distribution facilities	65,911	76.0	54,341	72.2	56,172	59.9
Business facilities	15,437	17.8	18,485	24.6	29,642	31.6
Associated business facilities	862	1.0	441	0.6	1,870	2.0
Total	86,743	100.0	75,236	100.0	93,745	100.0

(Unit: million yen)

Terminal-related facilities (production facilities)	FY2003 (actual)		FY2004 (actual)		FY2005 (projection)	
Sodegaura Terminal		399		937		2,703
Negishi Terminal		391		469		538
Ohgishima Terminal		3,403		47		1,362
Total		4,194		1,455		4,604
Mains and branches (distribution facilities)	FY2003 (actual)		FY2004 (actual)		FY2005 (projection)	
Demand-development mains and branches	(668km)	23,906	(606km)	18,639	(641km)	21,343
Safety measure mains and branches	(148km)	9,410	(130km)	8,669	(115km)	8,996
Planned mains and branches	(71km)	12,790	(51km)	10,356	(27km)	8,222
Urban development mains and branches	(93km)	2,068	(84km)	1,521	(81km)	2,131
Total	(980km)	48,177	(874km)	39,188	(866km)	40,693

2. Outlook for FY2005 (Non-consolidated)

(Unit: billion yen)

	Sales	Operating Income	Ordinary Income	Net income
FY2005 (projection)	1,004.0	98.0	96.0	65.0
FY2004 (actual)	1,013.9	120.1	117.1	78.6
Change	-9.9	-22.1	-21.1	-13.6
Rate of change	-1.0%	-18.4%	-18.1%	-17.4%

We estimate that gas sales volume in FY2005 will grow by 75 million m³ or 0.6% compared with FY2004 to 12.09 billion m³ due to our efforts to acquire new customers and to expand gas appliances sales. We forecast that gas sales in response to this will decline by ¥3.3 billion or 0.4% to ¥822 billion with the impact of rate reduction throughout the year.

Meanwhile, in expenses, forecasting the price of crude oil to be roughly the same as FY2004 at USD 38/bbl, and the exchange rate to see an appreciation in the yen to ¥105/USD, we expect that raw material expenses will rise by ¥3 billion or 1.0% compared with FY2004 to ¥301.0 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 ¥9.9 billion or 1.0% compared with FY2003 to ¥1,004 billion and ordinary income to fall by ¥21.1 billion or 18.1% to ¥96 billion.

In addition, we expect net income to decrease by ¥13.6 billion or 17.4% to ¥65 billion compared with FY2003.

<Gas sales projection for FY2005>

			FY2005 (projection)	FY2004 (actual)	Change	Rate of change (%)	
No. of gas customers		Thousand	9,804	9,639	165	1.7	
Gas sales volume	Residential	Mil. m ³	3,238	3,186	52	1.6	
	Business	Commercial	Mil. m ³	1,950	1,924	26	1.4
		Other	Mil. m ³	888	877	11	1.3
		Industrial	Mil. m ³	4,533	4,589	-56	-1.2
	Sub total		Mil. m ³	7,371	7,390	-19	-0.3
	Supplies to other utilities		Mil. m ³	1,400	1,358	42	3.1
	Total		Mil. m ³	12,009	11,934	75	0.6
Ave. temperature		°C	17.0	17.1	-0.1	-	
Crude oil price		\$/bbl	38.00	38.82	-0.82	-2.1	
Exchange rate		¥/\$	105.00	107.55	-2.55	-2.4	

Balance Sheet

(Unit: million yen)

Account	FY2004 (ended March 31, 2005)	FY2003 (ended March 31, 2004)	Change
(Assets)			
Fixed assets	1,150,993	1,193,530	-42,537
Tangible fixed assets	833,782	869,849	-36,067
Production facilities	229,052	245,572	-16,520
Distribution facilities	504,513	527,829	-23,316
Business facilities	57,224	59,256	-2,032
Associated business facilities	4,552	5,147	-595
Construction in progress	38,439	32,042	6,397
Intangible fixed assets	15,160	14,645	515
Leaseholds	1,162	1,135	27
Other intangible fixed assets	13,997	13,509	488
Investments, etc.	302,051	309,035	-6,984
Investment securities	66,373	68,891	-2,518
Investments in affiliates	109,756	123,908	-14,152
Long-term loans receivable	165	178	-13
Long-term loans within company	0	4,250	-4,250
Long-term loans to affiliates	47,842	28,388	19,454
Investments in partnership	3	6	-3
Long-term prepaid expenses	33,842	35,495	-1,653
Deferred tax assets	41,039	43,998	-2,959
Miscellaneous investments	3,540	5,282	-1,742
Allowances for doubtful accounts	-513	-1,365	852
Current assets	231,272	216,492	14,780
Cash and deposits	39,828	36,119	3,709
Trade notes receivable	1,582	1,392	190
Accounts receivable	87,775	83,749	4,026
Accounts receivable from affiliates	11,391	9,534	1,857
Uncollected accounts	10,075	10,818	-743
Negotiable securities	1	1	-
Finished products	77	76	1
Raw materials	13,200	10,976	2,224
Supplies	6,581	6,500	81
Prepaid expenses	165	221	-56
Short-term CMS lending to affiliates	18,567	18,188	379
Short-term credits against affiliates	2,853	3,170	-317
Deferred tax assets	9,002	9,181	-179
Commissioned construction expense	14,421	-	14,421
Other current assets	16,818	27,487	-10,669
Allowances for doubtful accounts	-1,072	-927	-145
Total assets	1,382,265	1,410,023	-27,758

(Unit: million yen)

Account	FY2004 (ended March 31, 2005)	FY2003 (ended March 31, 2004)	Change
(Liabilities)			
Fixed liabilities	577,104	599,866	-22,762
Straight bonds	287,700	266,033	21,667
Convertible bonds	89,885	99,928	-10,043
Long-term bank loans payable	59,107	74,367	-15,260
Long-term obligations to affiliates	361	598	-237
Retirement benefit reserve	130,844	149,408	-18,564
Allowances for repairs of gas holders	3,286	3,253	33
Other fixed liabilities	5,919	6,277	-358
Current liabilities			
Fixed liabilities due within one year	231,102	269,938	-38,836
Accounts payable	30,249	90,465	-60,216
Other accounts payable	27,206	18,336	8,870
Accrued expenses	25,089	27,406	-2,317
Corporation tax payable, etc.	35,355	38,130	-2,775
Advances received	37,526	35,015	2,511
Deposits received	6,405	7,351	-946
CMS short-term borrowings from affiliates	1,465	1,567	-102
Short-term obligations to affiliates	34,473	22,474	11,999
Commercial paper	18,420	18,569	-149
Other current liabilities	14,908	10,621	4,287
Total liabilities	808,206	869,805	-61,599
(Shareholders' equity)			
Common stock	141,844	141,844	-
Common stock	141,844	141,844	-
Capital surplus	2,067	2,065	2
Capital reserve	2,065	2,065	-
Other capital surplus	1	-	1
Gain on disposal of treasury stock	1	-	1
Earned surplus	461,959	403,442	58,517
Earned surplus reserve	35,454	35,454	-
Expropriation etc. compression reserve	976	976	-
Reserve against depreciation of construction of specified gas pipes	2,575	3,317	-742
Raw material cost fluctuation adjustment reserve	141,000	141,000	-
General reserves	169,000	149,000	20,000
Unappropriated profits of current year	112,953	73,694	39,259
Unrealized gains on shares, etc. available for sale	27,332	31,673	-4,341
Unrealized gains on other securities	27,332	31,673	-4,341
Treasury stock	-59,145	-38,808	-20,337
Treasury stock	-59,145	-38,808	-20,337
Total shareholders' equity	574,059	540,217	33,842
Total liabilities and shareholders' equity	1,382,265	1,410,023	-27,758

Statement of Income

(Unit: million yen)

Account		FY2004 (Apr. 2004-Mar. 2005)	FY2003 (Apr. 2003-Mar.2004)	Change			
Ordinary income or loss	Operating income or loss	Product sales	825,341	823,509	1,832		
		Gas sales	825,341	823,509	1,832		
		Cost of sales	328,910	310,108	18,802		
		(Gross profit)	(496,430)	(513,401)	(-16,971)		
		Supply and sales expenses	307,961	319,629	-11,668		
		General and administrative expenses	77,745	78,257	-512		
		(Profit on gas sales)	(110,722)	(115,514)	(-4,792)		
		Miscellaneous operating revenues	170,898	174,261	-3,363		
		Income of construction work received	57,456	62,639	-5,183		
		Revenues from sales of gas appliances	112,881	111,081	1,800		
		Other revenues	560	540	20		
		Miscellaneous operating expenses	161,819	163,762	-1,943		
		Cost of construction work	54,345	58,834	-4,489		
		Cost of sales of gas appliances	107,473	104,927	2,546		
		Revenues from associated business	17,753	15,983	1,770		
		Revenue from remote control services	2,324	-	-		
		Revenue from power sales	3,909	-	-		
		Revenue from other associated business	11,519	-	-		
		Expenses for associated business	17,387	15,041	2,346		
		Expense for remote control services	1,757	-	-		
		Expense for power sales	3,954	-	-		
		Expenses for other associated business	11,675	-	-		
		(Operating income)	(120,167)	(126,954)	(-6,787)		
		Ordinary income or loss	Non-operating income or loss	Non-operating income	16,302	14,510	1,792
				Interest income	1,019	849	170
				Divided income	1,807	1,945	-138
				Rental income	4,069	4,562	-493
				Balance on weather derivatives	2,740	-	2,740
Environmental conditioning costs	-			1,650	-1,650		
Miscellaneous revenues	6,664			5,502	1,162		
Non-operating expenses	19,277			25,605	-6,328		
Interest paid	1,907			2,261	-354		
Interest on bonds	8,239			8,778	-539		
Amortization of bond issue costs	203			249	-46		
Balance on commissioned construction	4,229			4,279	-50		
Loss from debenture redemption	2,879			6,574	-3,695		
Miscellaneous expenditures	1,818			3,461	-1,643		
(Ordinary income)		(117,192)	(115,859)	(1,333)			
Extraordinary income or loss	Extraordinary income or loss	Extraordinary incomes	5,256	7,915	-2,659		
		Gain on sales of fixed assets	87	1,667	-1,580		
		Gain on sales of investment securities	5,169	583	4,586		
		Gain on breakdown of retirement benefit reserve accompanying changes to corporate pension system	-	5,664	-5,664		
		Extraordinary losses	430	62,215	-61,785		
		Losses on sales of fixed assets	350	-	350		
		Losses on compression of fixed assets	80	1,607	-1,527		
		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)		(122,018)	(61,560)	(60,458)	
Corporate taxes etc.		37,750	37,220	530			
Adjustment for corporate tax, etc.		5,601	-15,933	21,534			
Net income		78,666	40,273	38,393			
Retained earnings at the beginning of period		43,566	41,516	2,050			
Breakdown of expropriation, etc., compression reserve		-	9	-9			
Quotation difference losses on disposal of treasury stock		-	0	-0			
Mid-term dividend		9,279	8,104	1,175			
Unappropriated income at the end of period		112,953	73,694	39,259			

Notes: 1. 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 policies]

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.

<Notes>

1. Collateral assets
 - Tangible fixed assets: ¥56 million
 - Investments, etc.: ¥40 million
2. Cumulative depreciation of tangible fixed assets totaled ¥2,115,913 million (FY2003: ¥2,068,473 million).
3. Contingent liabilities
 - Liabilities for guarantee: ¥16,592 million (FY2003: ¥17,839 million)
 - (Of which Tokyo Gas: ¥16,351 million) (FY2003: ¥17,438 million)
 - Joint and several liabilities: ¥14,208 million (FY2003: ¥14,404 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 (FY2003: ¥38,700 million)

<Proposed profit distribution>

(Unit: million yen)

Items	FT2004 (Apr. 2004-Mar. 2005)	FY2003 (Apr. 2003-Mar. 2004)
Unappropriated earnings at the end of year	112,953	73,694
Deduction from the reserve against depreciation of construction of specified gas pipes	621	741
Total	113,574	74,435
Profit distribution		
Dividends	9,277 (¥3.5 per share)	10,804 (¥4 per share)
Bonuses for directors	65	65
General reserves	50,000	20,000
Retained earnings forward to the next term	54,231	43,566

Note: The company paid a midterm dividend of ¥9,279 million (¥3.5 per share) on November 25, 2004.