

# Summary of Consolidated 1st Quarter Results

## FY2006 ending March 2007

### Tokyo Gas Co., Ltd.

Code No.: 9531 Tokyo Stock Exchange (1st section)  
 (URL <http://www.tokyo-gas.co.jp/>)  
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#### 1. Items Used to Compile Financial Information for the Quarter

1) Adoption of simplified methods in accounting practices (yes/no): *Yes*

(Details)

• Basis for the calculation of corporation tax etc.:	Calculated by multiplying quarterly income before tax, etc., by the estimated effective consolidated tax rate at the end of the fiscal year.
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2) Any change in the accounting methods used here from those used in preparing consolidated accounts for the previous business year (yes/no): *No*

3) Scope of subsidiaries and affiliates and application of equity method

Consolidated subsidiaries: 52

Non-consolidated subsidiaries accounted for by equity method: nil

Affiliates accounted for by equity method: 1

4) Changes in the scope of consolidation and interests accounted for by the equity method (yes/no): *Yes*

(Changes)

Newly included subsidiaries in scope of consolidation:	3 companies
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Excluded:	1 company
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Newly included affiliates accounted for by equity method:	nil
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Excluded:	nil
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The 3 new consolidated subsidiaries are as follows:

Tokyo Gas Australia Pty Ltd, Tokyo Gas Darwin LNG Pty Ltd, Kawasaki Gas Pipeline Co., Ltd.

The excluded subsidiary is as follows:

Green Tech Tokyo Co., Ltd.

Management integrations among consolidated subsidiaries implemented on April 1<sup>st</sup>, 2006 are as follows:

Toyoko Engineering Co., Ltd. was merged into Kanpai Co., Ltd. and changed the company's name to Capty Co., Ltd.

Toyoko Living Co., Ltd. was merged into Kanpai Living Service Co., Ltd. and became Capty Livelic Co., Ltd.

Toyoko Customer Service Co., Ltd. was merged into Kanpai Customer Service and became Capty Customer Service Co., Ltd.

Dining Art Systems Co., Ltd. was merged into Park Tower Hotel Co., Ltd.

## 2. Summary of 1st Quarter Results for FY2006 ending March 2007 (April 1, 2006 - June 30, 2006)

### (1) Consolidated Business Results

(Rounded down to the nearest million yen)

	Sales	Operating Income	Ordinary Income	Net Income
	(Unit: million yen) (%)			
1st Quarter of FY2006	312,900 12.3	48,929 30.5	47,105 32.2	29,536 26.4
1st Quarter of FY2005	278,598 5.3	37,480 -12.5	35,643 -14.6	23,362 -9.8
Reference: FY2005 (full year)	1,266,501	112,345	98,689	62,114

	Net Earnings per Share	Net Earnings per Share Adjusted for Latent Shares
	(Unit: yen)	(Unit: yen)
1st Quarter of FY2006	10.94	10.34
1st Quarter of FY2005	8.81	8.07
Reference: FY2005 (full year)	23.48	21.70

Note: Figures in the percent columns indicate percentage changes in (quarterly) Sales, Operating Income, Ordinary Income, and Net Income compared with the same quarter of the previous year.

### Qualitative Data Concerning our Consolidated Business Performance

An increased demand in industrial sector and wholesale market has contributed to a steady growth of gas sales volume for the first-quarter (April – June 2006). The gas sales volume rose 5.8% compared to the first quarter of FY2005 to 3,155 million m<sup>3</sup>, and gas sales increased by 14.9% to ¥ 240.7 billion. With the increase in gas sales, consolidated sales overall rose 12.3% to ¥ 312.9 billion.

On the other hand, operating expenses rose 9.5% to ¥ 263.9 billion because of the increase in feedstock costs for gas despite our continuous efforts to control costs in order to promote even greater business efficiency.

Overall, operating income rose 30.5 % over the same quarter of FY2005 to ¥ 48.9 billion, and ordinary income was up 32.2% to ¥ 47.1 billion, and net income for the quarter increased by 26.4% to ¥ 29.5 billion.

Since gas is characterized by clear seasonal fluctuations and accounts for a high proportion of group sales, we expect to record a lot of sales in winter.

Note: Tokyo Gas Co., Ltd. has modified the calorific value of gas the company supplies to its customers from 46.04655MJ(Mega Joule)/m<sup>3</sup> to 45MJ/m<sup>3</sup> on Feb. 21st 2006, so that the notation for gas sales volume has been changed to 45MJ.

### (2) Changes in Consolidated Financial Position

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio	Shareholders' Equity per Share
	(Unit: million yen)	(Unit: million yen)	(Unit: %)	(Unit: yen)
1st Quarter of FY2006	1,677,113	755,038	44.4	275.84
1st Quarter of FY2005	1,619,577	661,984	40.9	249.74
Reference: FY2005 (full year)	1,693,898	728,231	43.0	270.46

### Qualitative Data Concerning Changes in our Consolidated Financial Position

Despite the increase in inventories, the decline in Cash, Deposits, and Accounts Receivable has reduced total assets, down ¥ 16.7 billion compared with the year ended March 2006 to ¥ 1,677.1 billion.

Although there were payments of dividends, net income for the quarter has been added to shareholders' equity, and the equity increased by ¥ 26.8 billion to ¥ 755.0 billion.

Also, despite the decrease in total assets, our shareholders' equity ratio rose by 1.4 percentage points to 44.4%, resulting from an increase in Capital Adequacy (the sum of Shareholders' Equity, Value Adjustment of Securities, etc.).

In addition, shareholders' equity per share rose ¥ 5.38 to ¥ 275.84.

**(3) Consolidated Cash Flow**

	Cash flow from operating activities	Cash flow from investment activities	Cash flow from financing activities	Balance of cash and cash equivalents as of end of term
	(Unit: million yen)	(Unit: million yen)	(Unit: million yen)	(Unit: million yen)
1st Quarter of FY2006	-12,238	-31,294	22,524	25,379
1st Quarter of FY2005	3,668	-25,025	-3,655	26,433
Reference: FY 2005 (full year)	181,529	-116,071	-83,041	45,633

**Reference 1: Summary of Non-consolidated 1st Quarter Results (April 1, 2006 - June 30, 2006)**

	Sales	Operating Income	Ordinary Income	Net Income
	(Unit: million yen)	(Unit: million yen)	(Unit: million yen)	(Unit: million yen)
1st Quarter of FY2006	273,834	43,958	43,843	28,044
1st Quarter of FY2005	242,837	33,219	33,516	22,066

	Total Assets	Shareholders' Equity
	(Unit: million yen)	(Unit: million yen)
1st Quarter of FY2006	1,370,373	660,021
1st Quarter of FY2005	1,324,325	586,108

**3. Consolidated results forecast for the year ending March 2007 (April 1, 2006 - March 31, 2007)**

	Sales	Ordinary Income	Net Income
	(Unit: billion yen)	(Unit: billion yen)	(Unit: billion yen)
Interim	602.0	43.0	26.0
Full year	1,394.0	126.0	82.0

Notes: 1) Forecast Net Income per Share (full year): ¥ 30.37  
2) Forecast Ordinary Income (full year): ¥ 135,000 million

**Qualitative Data Concerning Results Forecasts**

Based on current trends, we expect first-half sales to increase ¥ 13.0 billion to ¥ 602.0 billion compared with our consolidated results forecast published in our FY2005 Results Bulletin released on April 27, 2006. We forecast ordinary income of ¥ 43.0 billion (up by ¥ 8.0 billion), and net income for the first half of ¥ 26.0 billion (up by ¥ 5.0 billion).

In our full-year forecast, we expect sales to rise by ¥ 24.0 billion to ¥1,394.0 billion with ordinary income of ¥126.0 billion and net income of ¥ 82.0 billion.

**Reference 2: Non-consolidated Forecast for the Year Ending March 2007 (April 1, 2006 - March 31, 2007)**

	Sales	Ordinary Income	Net Income
	(Unit: billion yen)	(Unit: billion yen)	(Unit: billion yen)
Interim	518.0	43.0	29.0
Full year	1,181.0	117.0	80.0

Notes: 1) Forecast Net Income per Share (full year): ¥ 29.63  
2) Forecast Ordinary Income (full year): ¥ 118.0 billion

\* 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 the forecast data.

## <Appendix>

### 1. Corporate Group Status

The group is composed of Tokyo Gas Co., Ltd., and 104 affiliated companies (60 subsidiaries and 44 affiliates). Fifty-two of these companies are consolidated subsidiaries and one is an equity method affiliate. Business segments are composed of Gas, Gas appliances, Contracted construction work, Real estate leases, and Other business.

The consolidated companies are listed below by business category.

Segment by business category	Consolidated companies
Gas	Tokyo Gas Co., Ltd., Nagano Toshi Gas Co.,Ltd., Chiba Gas Co., Ltd., Tsukuba Gakuen Gas Co., Ltd. Miho Gas Co., Ltd., Shoei Gas Co., Ltd., Washimiya Gas Co., Ltd., Tochigi Gas Co., Ltd.
Gas appliances	Tokyo Gas Co., Ltd., Gastar Co., Ltd., Capty Livelic Co., Ltd., Nagano Toshi Gas Co.,Ltd., Chiba Gas Co., Ltd., Tsukuba Gakuen Gas Co., Ltd., Miho Gas Co., Ltd., Shoei Gas Co., Ltd., Washimiya Gas Co., Ltd., Tochigi Gas Co., Ltd., Capty Co., Ltd. Tokyo Gas Energy Co., Ltd., Tokyo Kiko Co., Ltd.
Contracted construction work	Tokyo Gas Co., Ltd., Capty Co., Ltd., Nagano Toshi Gas Co., Ltd., Chiba Gas Co., Ltd., Tsukuba Gakuen Gas Co., Ltd., Miho Gas Co., Ltd., Shoei Gas Co., Ltd., Washimiya Gas Co., Ltd., Tochigi Gas Co., Ltd.
Real estate leases	Tokyo Gas Urban Development Co., Ltd., Tokyo Gas Toyosu Development Co., Ltd., Gastar Co., Ltd., Capty Co., Ltd., TG Enterprise Co., Ltd.
Other businesses	Tokyo Gas Co., Ltd., Energy Advance Co., Ltd., Tokyo LNG Tanker Co., Ltd., Tokyo Gas Energy Co., Ltd., Tokyo Gas Chemicals Co., Ltd., Park Tower Hotel Co., Ltd., TG Credit Service Co., Ltd., Tokyo Oxygen and Nitrogen Co., Ltd., TG Information Network Co., Ltd., TG Enterprise Co., Ltd., Tokyo Gas Engineering Co., Ltd., Tokyo Gas Customer Service Co., Ltd., TG IT Service Co., Ltd., Tokyo Gas Australia Pty Ltd., Tokyo Gas Darwin LNG Pty Ltd., Capty Co., Ltd., Tokyo Gas Yokosuka Power Co., Ltd., Tachikawa Toshi Center Co., Ltd., Living Design Center Co., Ltd., Chiba Gas Co., Ltd., Tokyo Gas Bay Power Co., Ltd., TG Showa Co., Ltd., East Japan Housing Evaluation Center Co., Ltd., Tsukuba Gakuen Gas Co., Ltd., Tokyo Carbonic Co., Ltd., Nippon Cho-teion Co., Ltd., Miho Gas Co., Ltd., Tokyo Gas Auto Service Co., Ltd., TG Telemarketing Co., Ltd., Tokyo Gas LPG Terminal Co., Ltd., Kawasaki Gas Pipeline Co., Ltd., Tokyo gas Remodeling Co., Ltd., Urban Communications, Co., Ltd., Tochigi Gas Co., Ltd., Tokyo Gas Techno-Service Co., Ltd., Tokyo Gas Building Service Co., Ltd., Toeki Service Center Co., Ltd., Showa Bussan Co., Ltd., Tosetz Co., Ltd., Capty Customer Service Co., Ltd., Showa Unyu Co., Ltd., Tokyo Plant Tech Co., Ltd., Tokyo Rare Gases Co., Ltd., Tokyo Auto Gas Co., Ltd., Capty Tech Co., Ltd.

Notes:

1. Some consolidated subsidiaries belong to more than one segment.
2. Toyoko Living Co., Ltd. was merged into Kanpai Living Service Co., Ltd. and changed its name as Capty Livelic Co., Ltd. on April 1<sup>st</sup>, 2006.
3. Toyoko Engineering Co., Ltd. was merged into Kanpai Co., Ltd. and changed its name to Capty Co., Ltd on April 1<sup>st</sup>, 2006.
4. Toyoko Customer Service Co., Ltd. was merged into Kanpai Customer Service Co., Ltd. and changed its name as Capty Customer Service Co., Ltd on April 1<sup>st</sup>, 2006.
5. Tokyo Plant Service Co., Ltd. has changed its name as Tokyo Gas Plant Tech on April 1<sup>st</sup>, 2006.
6. Kanpai Tech Co., Ltd. has changed its name as Capty Tech Co., Ltd. on April 1<sup>st</sup>, 2006.

## 2. Consolidated 1st Quarter Balance Sheet

(Unit: million yen)

Account	1st Quarter of FY2006 (as of Jun. 30, 2006)	FY2005 (as of Mar. 31, 2006)	Change	1st Quarter of FY2005 (as of Jun. 30, 2005)
<b>ASSETS</b>				
Fixed assets	1,388,461	1,391,882	-3,421	1,368,491
Tangible fixed assets	1,141,508	1,140,302	1,206	1,146,829
Production facilities	214,102	216,123	-2,021	225,306
Distribution facilities	510,777	514,713	-3,936	504,689
Business facilities	65,555	59,461	6,094	59,011
Other facilities	310,722	298,951	11,771	308,612
Suspended facilities	957	984	-27	-
Construction in progress	39,393	50,068	-10,675	49,209
Intangible fixed assets	24,724	23,649	1,075	23,520
Good will	2,405	-	2,405	-
Consolidation adjustment account	-	2,504	-2,504	2,803
Other intangible fixed assets	-22,319	21,144	1,175	20,717
Investments, etc.	222,228	227,931	-5,703	198,140
Investment securities	138,230	145,047	-6,817	99,061
Long-term loans receivable	3,062	3,553	-491	4,038
Deferred tax assets	39,622	36,358	3,237	51,865
Miscellaneous investments	42,033	43,668	-1,635	44,925
Allowances for doubtful accounts	-719	-724	5	-1,751
Current assets	288,651	302,016	-13,365	251,086
Cash and deposits	28,063	49,116	-21,053	28,466
Notes and accounts receivable	123,463	147,059	-23,596	108,241
Inventories	52,495	34,597	17,898	28,893
Deferred tax assets	12,193	12,765	-572	12,964
Other current assets	73,195	59,326	13,869	73,339
Allowances for doubtful accounts	-760	-848	88	-819
<b>Total Assets</b>	<b>1,677,113</b>	<b>1,693,898</b>	<b>-16,785</b>	<b>1,619,577</b>

(Unit: million yen)

Account	1st Quarter of FY2006 (as of Jun. 30, 2006)	FY2005 (as of Mar. 31, 2006)	Change	1st Quarter of FY2005 (as of Jun. 30, 2005)
<b>LIABILITIES</b>				
Fixed liabilities	638,980	661,945	-22,965	724,114
Straight bonds	305,500	305,500	-	305,500
Convertible bonds	39,655	39,700	-45	89,880
Long-term bank loans payable	140,408	151,539	-11,131	160,535
Deferred tax liabilities	4,809	5,329	-520	2,457
Retirement benefit reserve	119,306	130,222	-10,916	137,344
Allowances for repairs of gas holders	3,342	3,229	113	3,449
Other fixed liabilities	25,958	26,424	-466	24,946
Current liabilities	283,094	293,466	-10,372	224,554
Fixed liabilities due within one year	54,173	45,597	8,576	47,096
Notes and accounts payable	53,145	76,925	-23,780	42,601
Short-term bank loans payable	22,138	17,670	4,468	28,580
Corporation tax payable, etc.	21,148	33,527	-12,379	17,583
Deferred tax liabilities	121	178	-57	204
Other current liabilities	132,367	119,566	12,801	88,487
<b>Total Liabilities</b>	<b>922,074</b>	<b>955,411</b>	<b>-33,337</b>	<b>948,668</b>
Shares of Minor Shareholders	-	10,255	-10,255	8,924
<b>NET ASSETS</b>				
Shareholders' Equity	692,759	-	692,759	-
Paid in Capital	141,844	-	141,844	-
Capital Surplus	2,065	-	2,065	-
Returned earnings	590,937	-	590,937	-
Treasury Stock	-42,087	-	-42,087	-
Value Adjustments of Securities	51,895	-	51,895	-
Value of investment securities	49,988	-	49,988	-
Deferred loss on hedging instruments	1,813	-	1,813	-
Foreign currency translation adjustment	93	-	93	-
Shares of Minor Shareholders	10,383	-	10,383	-
<b>Total Net Asset</b>	<b>755,038</b>	<b>-</b>	<b>755,038</b>	<b>-</b>
<b>SHAREHOLDER'S EQUITY</b>				
Common stock	-	141,844	-141,844	141,844
Capital surplus	-	2,065	-2,065	2,067
Retained earnings	-	572,599	-572,599	546,850
Unrealized gains on other securities	-	56,510	-56,510	30,663
Translation adjustment account	-	51	-51	-255
Treasury stock	-	-44,840	44,840	-59,185
<b>Total shareholders' Equity</b>	<b>-</b>	<b>728,231</b>	<b>-728,231</b>	<b>661,984</b>
<b>Total Liabilities, Minority Interest and Shareholders' Equity</b>	<b>1,677,113</b>	<b>1,693,898</b>	<b>-16,785</b>	<b>1,619,577</b>

### 3. Consolidated 1st Quarter Statement of Income

(Unit: million yen)

Account	1st Quarter of FY2006 (Apr. - Jun. 2006)	1st Quarter of FY2005 (Apr. - Jun. 2005)	Change	FY2005 (Apr. 2005 - Mar. 2003)
Sales	312,900	278,598	34,302	1,266,501
Cost of sales	168,643	136,665	31,978	724,503
(Gross profit)	(144,257)	(141,932)	(2,325)	(541,998)
Supply and sales expenses	78,481	83,638	-5,157	352,388
General and administrative expenses	16,846	20,814	-3,968	77,263
(Operating income)	(48,929)	(37,480)	(11,449)	(112,345)
Non-operating income	3,539	3,059	480	10,863
Interest income	16	8	8	58
Dividend income	770	829	-59	1,391
Return on investment accounted for by equity method	205	111	94	693
Rental income	421	-	421	-
Income from commodity derivative	-	681	-681	2,458
Miscellaneous revenues	2,125	1,428	697	6,261
Non-operating expenses	5,363	4,895	468	24,520
Interest paid	2,547	2,906	-359	11,014
Balance on commissioned construction	656	719	-63	3,016
Loss from weather derivative	1,478	682	796	5,666
Miscellaneous expenditure	679	587	92	4,823
(Ordinary income)	(47,105)	(35,643)	(11,462)	(98,689)
Extraordinary income	-	1,381	-1,381	7,601
Gain on sales of fixed assets	-	46	-46	2,257
Gain on sales of investment securities	-	920	-920	4,929
Gain on sale of subsidiary	-	414	-414	414
Extraordinary losses	-	4	-4	5,443
Loss from sale of fixed assets	-	4	-4	17
Losses on compression of fixed assets	-	-	-	298
Loss of abandon of a system project	-	-	-	5,127
Net income before adjustment for tax, etc.	47,105	37,021	10,084	100,846
Corporation tax, residence tax, & business tax	17,286	13,818	3,468	35,703
Adjustment for corporate taxes, etc.	107	-253	360	2,497
Minority shareholder income (loss)	175	92	83	530
Net income	29,536	23,362	6,174	62,114

#### 4. 1st Quarter Consolidated Statement of Cash Flows

(Unit: million yen)

Account	1st Quarter of FY2006 (Apr.- Jun. 2006)	1st Quarter of FY2005 (Apr.-Jun. 2005)	FY2005 (Apr.'05-Mar.'06)
<b>I. Cash flow from operating activities</b>			
Net income before adjustment for tax, etc.	47,105	37,021	100,846
Depreciation	30,848	32,421	132,300
Amortization of long-term prepaid expenses	1,023	1,000	4,076
Loss on retirement of tangible fixed assets	-	791	3,251
Gain/ Loss on sale of fixed assets	-	-	-2,220
Income/loss on sale of investment securities	-	-920	4,929
Change in allowances for doubtful accounts	-	-	-1,100
Change in provision for retirement benefits	-10,915	-4,066	-11,189
Interest and dividends earned	-786	-837	-1,449
Interest paid	2,547	2,906	11,014
Income from a company by equity method	-	-	-693
Change in accounts receivable	26,459	34,242	-7,101
Change in inventories	-17,898	-3,467	-9,170
Change in accounts payable	-45,711	-36,717	23,122
Change in consumption tax payable	2,218	1,227	-2,080
Change in prepaid expenses	-12,861	-12,166	-528
Change in uncollected balance	7,027	-	-1,551
Loss from abandonment of a system project	-	-	4,517
Other	-12,184	-9,786	-1,076
Sub-total	16,872	41,649	236,036
Proceeds from interest and dividends	786	837	1,445
Payment of interest	-3,750	-3,958	-11,409
Payment of corporate tax, etc.	-26,147	-34,860	-44,542
Cash flow from operating activities	-12,238	3,668	181,529
<b>II. Cash flow from investing activities</b>			
Payments for time deposits	-1,050	-	-
Proceeds from repayment of time deposits	1,850	-	-
Purchases of investment securities	-2,851	-	-7,564
Proceeds from sale of investment securities, etc.	-	1,013	5,219
Purchases of tangible fixed assets	-30,399	-24,663	-110,993
Purchases of intangible fixed assets	-1,136	-2,008	-4,950
Spending on long-term prepaid expenses	-	-	-2,502
Proceeds from sale of fixed assets	2,151	-	6,598
Proceeds from sale of consolidated subsidiary	-	678	678
Expenditures based on lending for long-term loans	-	-	-1,572
Net change in short-term loans	-	-503	-
Other	141	458	-984
Cash flow from investing activities	-31,294	-25,025	-116,071
<b>III. Cash flow from financing activities</b>			
Net change in short-term debt	4,660	3,375	-8,684
Net change in commercial paper	31,000	-	-
Proceeds from long-term debt	364	11,372	16,997
Payments for long-term debt	-4,939	-10,016	-34,100
Payments for redemption of bonds	-	-	-18,333
Dividend payments	-8,448	-8,268	-18,497
Payment of dividends to minority shareholders	-62	-73	-93
Proceeds from sale of treasury stock	8	6	26
Payments for acquiring treasury stock	-58	-51	20,355
Cash flow from financing activities	22,524	-3,655	-83,041
<b>IV. Difference due to conversion of cash and cash equivalents</b>	-3	-	4
<b>V. Change in cash and cash equivalents</b>	-21,011	-25,012	-17,578
<b>VI. Cash and cash equivalents at beginning of term</b>	45,633	50,664	50,664
<b>VII. Increase in cash and cash equivalents</b>			
due to new consolidation	799	781	12,547
<b>VIII. Decrease in cash and cash equivalents excluding subsidiaries</b>	-42	-	-
Cash and cash equivalents at end of term	25,379	26,433	45,633

## 6. Segment Information

### (1) Segment information by category of business

(Unit: million yen)

	Gas	Gas appliances	Contracted construction work	Real estate leases (See Note)	Other business	Total	Corporate and eliminations	Consolidated
1st Quarter of FY2006	I. Sales							
	(1) External sales	236,092	25,356	8,891	2,859	39,701	-	312,900
	(2) Inter segment sales & transfers	4,641	570	847	5,612	17,853	(29,525)	-
	Total	240,734	25,926	9,738	8,472	57,554	(29,525)	312,900
	Operating expenses	181,239	24,932	10,383	6,388	55,598	(14,570)	263,970
	Operating profit (loss)	59,494	994	(644)	2,083	1,956	(14,954)	48,929
1st Quarter of FY2005	I. Sales							
	(1) External sales	207,400	24,741	9,237	2,808	34,411	-	278,598
	(2) Inter segment sales & transfers	2,137	448	852	5,814	16,652	(25,905)	-
	Total	209,537	25,190	10,089	8,623	51,063	(25,905)	278,598
	Operating expenses	158,774	23,717	10,440	6,717	49,826	(8,358)	241,117
	Operating profit (loss)	50,762	1,473	(351)	1,905	1,237	(17,547)	37,480
FY2005 (full year)	I. Sales							
	(1) External sales	898,553	128,376	55,771	11,054	172,745	-	1,266,501
	(2) Inter segment sales & transfers	11,767	2,449	3,975	23,132	79,850	(121,175)	-
	Total	910,320	130,825	59,746	34,187	252,595	(121,175)	1,266,501
	Operating expenses	750,300	126,208	56,771	28,728	242,948	(50,801)	1,154,155
	Operating profit (loss)	160,020	4,617	2,975	5,459	9,647	(70,373)	112,345

### (2) Segment information by location

Not included since sales in Japan account for more than 90% of total sales in all segments.

### (3) Overseas sales

Not included since overseas sales represent less than 10% of corresponding coordinated sales.

## 7. Non-consolidated First-quarter Results

### Gas Sales Volume for 1st Quarter, FY2006

			1st Quarter, FY2006 (Apr. - Jun. 2006)	1st Quarter, FY2005 (Apr. - Jun. 2005)	Change in Quantity	Change in Percentage (%)	
Number of Customers		Thousand	9,838	9,660	178	1.8	
Gas sales volume	Residential		m <sup>3</sup> (Note 1)	34.74	34.70	0.04	0.1
			Mil. m <sup>3</sup>	873	856	17	2.0
	Business	Commercial	Mil. m <sup>3</sup>	452	449	3	0.5
		Other (Note 2)	Mil. m <sup>3</sup>	182	181	1	0.7
	Industrial		Mil. m <sup>3</sup>	1,222	1,132	90	7.9
	Bus./Ind. Sub total		Mil. m <sup>3</sup>	1,856	1,762	94	5.3
	Wholesales supply		Mil. m <sup>3</sup>	404	357	47	13.3
	Total		Mil. m <sup>3</sup>	3,133	2,975	158	5.3
Average temperature		°C	18.4	18.7	-0.3	-	

Notes: 1. The upper row of figures for residential demand indicates gas sales per meter read (m<sup>3</sup>/household/month).

“Other” for business demand indicates sales to public and medical institutions.

2. Tokyo Gas Co., Ltd. has modified the calorific value of gas the company supplies to its customers from 46.04655MJ (Mega Joule)/m<sup>3</sup> to 45MJ/m<sup>3</sup> on Feb. 21st 2006, so that the notation for gas sales volume has been changed to 45MJ.

### Income and Expenditure for 1st Quarter, FY2006

(Unit: billion yen)

Income		Change from 1st Quarter of FY 2005	Rate (%)	Expenditure		Change from 1st Quarter of FY2005	Rate (%)		
Product sales	Gas sales	236.8	29.8	14.4	Operating expenses	Cost of sales	108.9	28.6	35.6
						Sales and administrative expenses	84.9	-10.4	-10.9
						Sub total	193.9	18.2	10.3
Other sales	Related Construction	8.5	-0.6	-6.5	Other expenses	Related construction	8.8	-0.6	-6.1
	Gas appliance sales.	22.5	0	0.2		Gas appliance sales	21.4	0.9	4.5
	Associated businesses	5.8	1.8	44.7		Associated businesses	5.6	1.8	44.9
	Sub total	37.0	1.3	3.5		Sub total	35.9	2.1	6.2
Total sales		273.8	31.0	12.8	Total expenses		229.8	20.2	9.7
					Operating income		43.9	10.7	32.3
Non-operating income		4.2	0.1	1.8	Non-operating expenses		4.3	0.5	12.6
					Ordinary income		43.8	10.3	30.8
Extraordinary profit		-	-0.8	-100.0	Extraordinary loss		-	-	-
					Net income		28.0	6.0	27.1

Notes: 1. Cost of sales includes the cost of raw materials of ¥ 103.3 billion (increased by ¥ 29.4 billion, or 39.7%, from 1st Quarter of FY2005).

2. Non-operating expenses include interest expenses of ¥ 1.9 billion (decreased by ¥ 0.3 billion, or -12.5%, from 1st Quarter of FY2005).