

May 11, 2007

**The course of action adopted by Tokyo Gas and its four subsidiaries  
affected by cease and desist orders and payment orders  
concerning the bidding process for Eco Station construction**

Tokyo Gas Co., Ltd.

Four subsidiaries (Tokyo Gas Energy Co., Ltd., Tokyo Gas Chemicals Co., Ltd., Tokyo Gas Engineering Co., Ltd., and Captly Co., Ltd.) of Tokyo Gas Co., Ltd. (“Tokyo Gas”) were today served with cease and desist orders and payment orders by the Fair Trade Commission of Japan concerning the report on the bidding process for Eco Station construction submitted to the Fair Trade Commission in June 2006. Tokyo Gas offers its most sincere apologies for all trouble caused to the affected parties.

The four companies and Tokyo Gas will take steps to ensure that there is no recurrence, and will endeavor to promote the increasingly widespread use of environmentally friendly natural gas cars. We hope to receive your understanding and support for these endeavors.

1. The four subsidiaries served with orders by the Fair Trade Commission

1) Cease and desist orders

2) Payment orders (Applicable period: June 26, 2003, to June 25, 2006)

Name of company	Number of projects	Payment amount (Unit: thousand)
Tokyo Gas Energy Co., Ltd.	<b>12</b>	<b>¥57,090</b>
Tokyo Gas Chemicals Co., Ltd.	<b>6</b>	<b>¥31,930</b>
Tokyo Gas Engineering Co., Ltd.	<b>7</b>	<b>¥22,500</b>
Captly Co., Ltd.	<b>1</b>	<b>¥5,850</b>
Total	<b>26</b>	<b>¥117,370</b>

2. Conduct of Eco Station construction since the submission of the report to the Fair Trade Commission (June 26, 2006)

(1) Tokyo Gas Co., Ltd. construction projects

With regard to Tokyo Gas’s construction projects, to date the company has refrained from construction. With regard to projects for which applications for subsidies have been made, the applications have been withdrawn.

(2) Activities by the four companies concerned for the purpose of winning orders

Marketing activity, participation in tenders, and construction work relating to Eco Station have all been suspended.

### 3. Measures to prevent recurrence

- (1) The four companies concerned will formulate action guidelines relating to observance of the Antimonopoly Act, and henceforth will exercise diligence in observing laws and regulations.
- (2) Regular training sessions concerning the Antimonopoly Act and other laws and regulations will be conducted for employees of Tokyo Gas and Tokyo Gas Group companies as part of efforts to raise awareness concerning the observance of laws and regulations.
- (3) Within the Tokyo Gas Group there will be only one company, namely Tokyo Gas Engineering Co., Ltd., designated to undertake Eco Station construction work.

### 4. Penalties

- (1) Tokyo Gas Energy Co., Ltd.
  - Full-time advisor (Representative Director and President at the time of the incidents): Minoru Yokouchi  
Return 20% of monthly remuneration for two months (May, June)
  - Directors in charge (1 individual)  
Return 10% of monthly remuneration for two months (May, June)
  - Department managers in charge (1 individual)  
Reprimand
- (2) Tokyo Gas Chemicals Co., Ltd.
  - Representative Director and President: Ieaki Uemura  
Return 20% of monthly remuneration for two months (May, June)
  - Directors in charge (1 individual)  
Return 10% of monthly remuneration for two months (May, June)
  - Department managers in charge (1 individual)  
Reprimand
- (3) Tokyo Gas Engineering Co., Ltd.
  - Representative Director and President: Jiro Fujioka  
Return 20% of monthly remuneration for two months (May, June)
  - Directors in charge (1 individual)  
Return 10% of monthly remuneration for two months (May, June)
  - Department managers in charge (1 individual)  
Reprimand
- (4) Capty Co., Ltd.
  - Representative Director and President: Akira Habu

- Return 20% of monthly remuneration for two months (May, June)
- Directors in charge (1 individual: concurrently department manager in charge)  
Return 10% of monthly remuneration for two months (May, June)

Tokyo Gas Co., Ltd. was also subject to the following penalties in regard to responsibility for group management.

- President: Mitsunori Torihara  
Return 20% of monthly remuneration for two months (May, June)
- Directors responsible for subsidiaries: (At the time of the incidents: 1 individual)  
Return 10% of monthly remuneration for two months (May, June)