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**Tokyo Gas Co., Ltd. and Shizuoka Gas Co., Ltd. consider
enhanced cooperation and cross-shareholding scheme**

Tokyo Gas Co., Ltd.
Shizuoka Gas Co., Ltd.

In order to build a stronger partnership, Tokyo Gas Co., Ltd. and Shizuoka Gas Co., Ltd. (hereinafter referred to as "Tokyo Gas" and "Shizuoka Gas" respectively) have reached an agreement to enhance current cooperative relationship and to implement the additional cross-shareholding scheme as described below.

1. Outline

- 1) **Enhanced relationship between the two parties:** Studying incremental measures for mutual cooperation in future liquefied natural gas (LNG) procurement.
- 2) **Additional cross-shareholding scheme:** Acquiring each other's 1 million shares in addition to its current stockholding.
<Shares and ratio after the additional cross-shareholding>
Tokyo Gas: 4 million shares (5.25%), Shizuoka Gas: 2million shares (0.08%).

2. Background

One of the main purposes of reviewing future cooperative scheme is to realize further competitive and steady LNG procurement by the two companies given the drastically changing energy situation. We would like to take this additional cross-shareholding as an opportunity to enhance the existing cooperative relationship in the area of LNG procurement and so on.

3. Outline of the companies concerned

- * Tokyo Gas Co., Ltd.
 - Business activity:
 - Production, supply and sales of gas

- Manufacturing, sales and related installation work of gas appliances
- District supply of steam and heating and cooling water
- Supply of electricity
- Date of foundation: 1 October , 1885
- Head office: 1-5-20, Kaigan, Minato ward, Tokyo
- President: Mitsunori Torihara
- Capitalization: ¥141.8 billion
- Accounting term: April 1st to March 31st
- Number of employees: 15,900

* Shizuoka Gas Co., Ltd.

- Business activity:
 - Production, supply and sales of gas
 - Sales and related installation work of gas appliances
- Date of foundation: 16 April, 1910
- Head office: 1-5-38, Yawata, Suruga-ku , Shizuoka city, Shizuoka
- President: Seigo Iwasaki
- Capitalization: ¥6.2 billion
- Accounting term: January 1st to December 31st
- Number of employees: 1,138

4. The way forward

The detailed ways and means for further cooperation will be studied shortly by the two companies. We would revise the earning forecast as appropriate in accordance with the study progress.