

Tokyo Gas and Petrovietnam Gas signed Memorandum of Understanding
for Cooperation on the LNG value chain Development in Vietnam

March 5, 2012

Tokyo Gas Co., Ltd.

Tokyo Gas Co. Ltd.(hereafter “TG”; President:Tsuyoshi Okamoto) and Petrovietnam Gas (hereafter “PV Gas”) signed a Memorandum of Understanding (“MOU”) for cooperation on the development of the LNG value chain in Vietnam.To sign the MOU, TG and PV Gas held a signing ceremony at PV Gas’s headquarter office in Ho Chi Minh city, Vietnam, and presidents of both companies signed the MOU in witness where of the consul generalof Japan in Ho Chi Minh City.

Vietnam, which has been exhibiting strong economic growth, is expected to begin importing LNG in 2015. In addition, studies and plans are underway for a number of possible future LNG receiving terminal projects in response to soaring demand for energy in areas such as electricity and industrial use. With this as a backdrop, Tokyo Gas Engineering Co. Ltd., a 100% subsidiary of TG, received an order of Front End Engineering Design (“FEED”) of the very first LNG receiving terminal in Vietnam, from PV Gas.

Taking this opportunity, TG and PV Gas have signed an MOU on cooperative relationship for the development of the LNG value chain in Vietnam being promoted by PV Gas. Targeted areas include not only the development of infrastructure, such as LNG receiving terminals and pipelines in Vietnam, but also the procurement of LNG, the development of downstream natural gas demand such includes cogeneration and fuel conversion technologies, further considering power generation using natural gas (LNG), which is expected to serve as an effective response to the high growth of electrical demand in Vietnam. TG and PV Gas have been discussing the specific contents of the cooperation in detail.

<Examples of specific contents of the cooperation>

- 1) Training of human resources for the construction and operation of LNG receiving terminals in Vietnam
- 2) Information exchange on technologies for downstream natural gas demand, with a central focus on industrial use and energy services, such as those using cogeneration and fuel conversion technologies
- 3) Information exchange on LNG supply operations utilizing LNG truck lorries and satellite LNG terminals

The Tokyo Gas Group (hereafter "TG Group")is willing to contribute to both further growth and efforts to reduce environmental impacts in Vietnam through the expansion of the use of natural gas, which is clean and environmentally friendly.

TG Group aims at LNG value chain enhancement according to the "Challenge 2020 vision." As one sphere of its activities, TG Group has strongly driven forward its engineering and energy service activities overseas. It is participating in LNG and natural gas infrastructure work in developing countries in which remarkable growth is expected, as well as countries in which Japanese companies have a strong presence. This MOU will allow the further realization of the primary goals of TG Group. TG Group will further respond to needs for reduced energy demand and carbon dioxide output, progress with infrastructure in developing countries including Vietnam, and energyavailability forJapanese companies seeking to expand overseas. In these and other ways, TG Group will contribute to the growth strategy of the Japanese government, which emphasizes the Japan's infrastructure building efforts inforeign countries.



Picture from signing ceremony:

From left side, Mr. Hida (Consul general from Consulate General of Japan in Ho Chi Minh City), Mr. Aihara (President of Tokyo Gas Engineering), Mr. Okamoto (President of TG), Mr. Ninh (President of PV Gas) and Mr. Mdm. Lan (Chairwoman of PV Gas)

<Summary of PV Gas>

Establishment : September, 1990

Address::PVGAS TOWER, No.673 - Nguyen HuuTho street, Nha Be district, Ho Chi Minh City, S.R. Vietnam

Description of business: Procurement, refinery, storage, transmission, and sales of natural gas, LPG, CNG, and condensate.

Stakeholders: PetroVietnam: 96.72%, other stake holders: 3.28%.

Number of Employees: 3,192

<Summary of FEED awarded by Tokyo Gas Engineering>

Facilities : ThiVai LNG receiving terminal

LNG storage tank (1 100,000m³ tank), LNG vaporizers, berth for LNG vessels, etc.

Area of terminal: 55,000m²

Expected completion : 2015