

June 19, 2012

**Conclusion of the Sale and Purchase Contract
Regarding the Planned Construction Site of Hitachi LNG Terminal**

Tokyo Gas Co., Ltd.

Tokyo Gas Co., Ltd. (President: Mr. Tsuyoshi Okamoto, hereafter “Tokyo Gas”) signed a contract regarding the sale and purchase of the planned construction site of “Hitachi LNG Terminal” (Ibaraki port, Hitachi district, hereafter “Terminal”) which is under preparation for the commencement in FY2015, with the site owner, Ibaraki prefecture. Tokyo Gas is to follow necessary procedures for the site take-over and to start construction work for the Terminal in late July, 2012.

Tokyo Gas is now advancing the plan to construct “Hitachi LNG Terminal” in Ibaraki port, Hitachi district, Hitachi city, Ibaraki pref. and to install “Ibaraki-Tochigi Line” (Hitachi city, Ibaraki pref. – Moka city, Tochigi pref.) to connect the Terminal to the existing pipeline in Moka city, Tochigi-pref., by FY2015. This plan was positioned as a part of aggressive expansion of the fundamental infrastructure for future growth in the Tokyo Gas group’s mid-term management plan from FY2009 to FY2013. Under the Challenge 2020 Vision formulated last November, this Plan is positioned as one of main pillars of the production and supply infrastructure to deal with the increased demand for natural gas toward 2020, and also recognized to improve the stability of overall supply infrastructure by linking the Terminal with the existing three terminals in Tokyo bay.

The modification of port and harbor plan of Hitachi district was publicly announced in the Ibaraki prefectural bulletin and LNG terminal was positioned in the 5th pier of Hitachi district last December. Then, Ibaraki pref. recruited a purchaser for the planned construction site this March, where Tokyo Gas handed in an application.

On June 15, Ibaraki prefectural assembly gave an approval for the sale and purchase contract of the planned construction site between Tokyo Gas and Ibaraki prefecture, and both Tokyo Gas and Ibaraki prefecture concluded officially the sale and purchase contract on the same day.

Tokyo Gas plans to start construction work of the Terminal in late July and to aim to commence operations in FY2015, with “Ibaraki-Tochigi Line”, which has already been under construction from the side of Tochigi pref. since January, 2012.

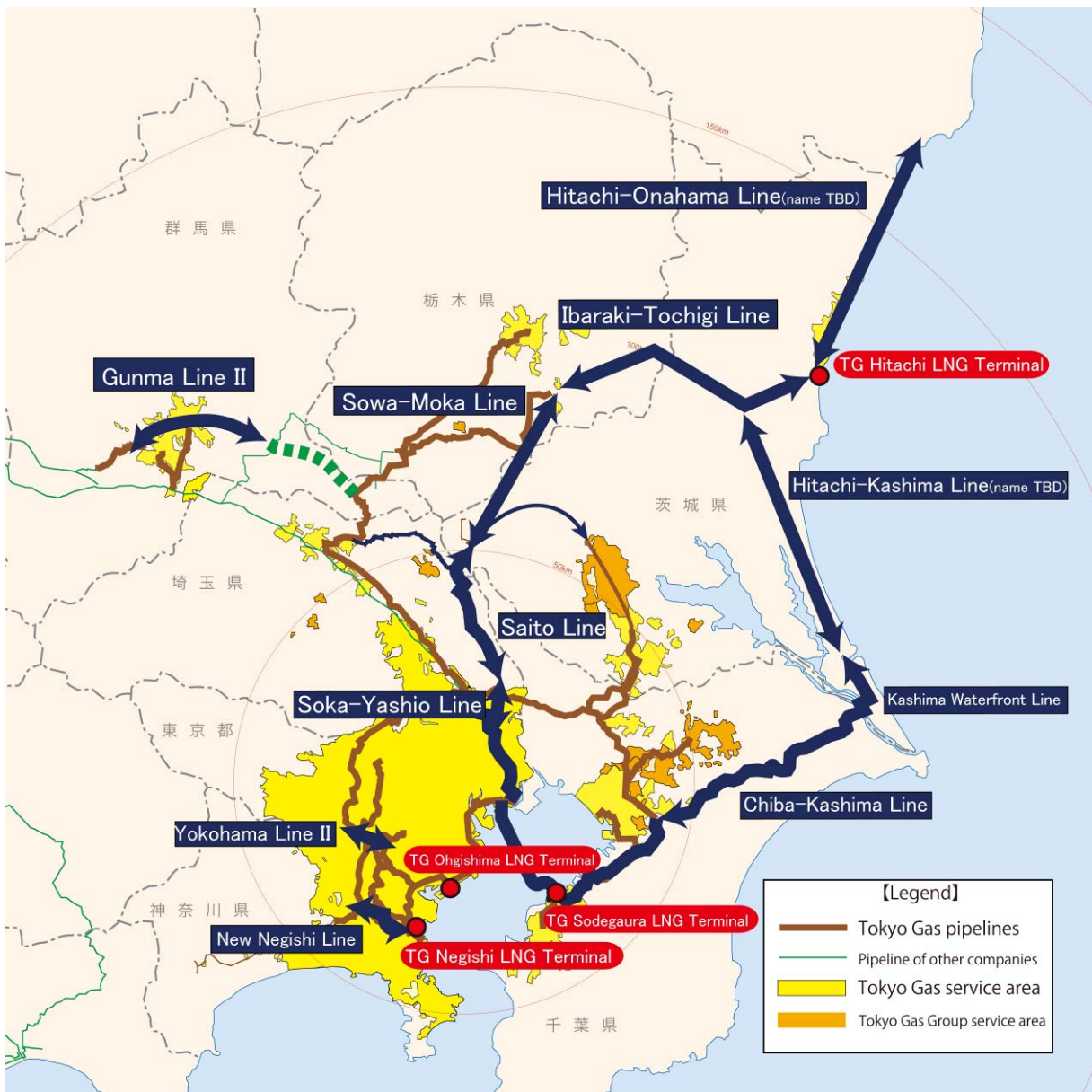
With the heightened expectation of natural gas role in society, Tokyo Gas is ready to make a contribution for the improvement of national standard of living as well as the development of national economy, by enhancing the inherent value of natural gas such as supply stability, environmental friendliness, economic rationality, safety, convenience,

etc. as a top-runner of natural gas.

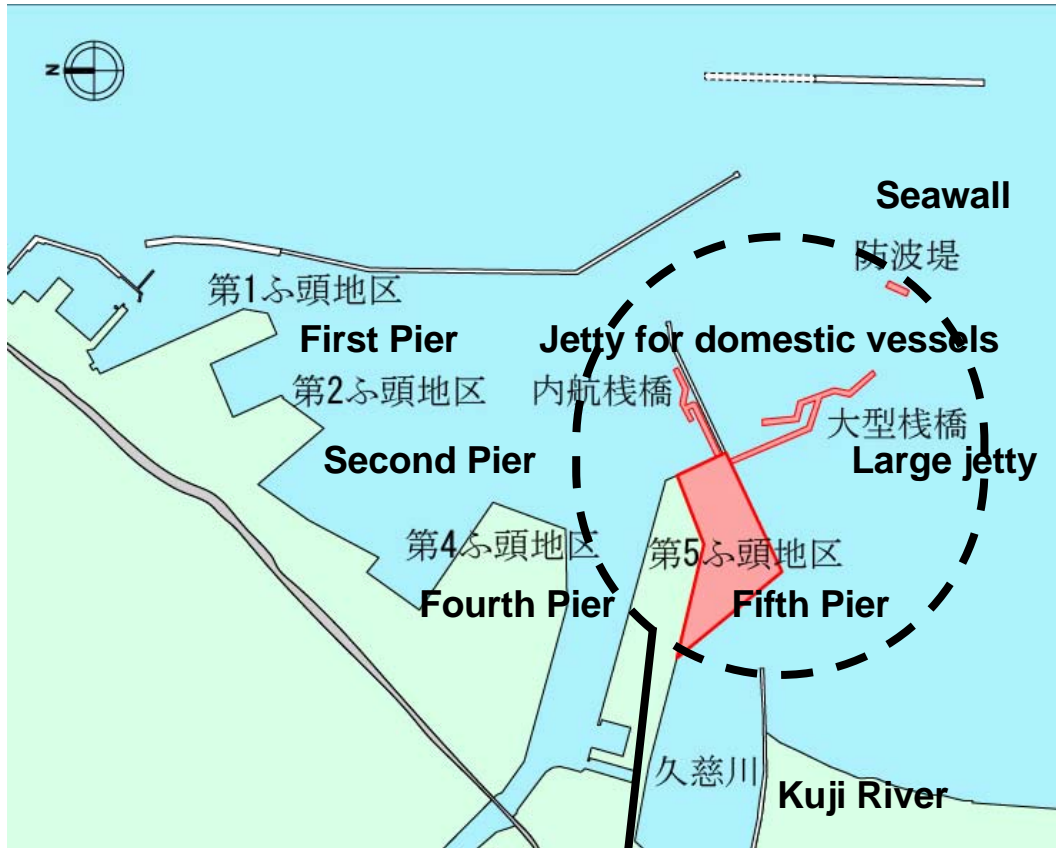
<Overview of Hitachi LNG Terminal (Plan)>

Planned Site	Ibaraki port, Hitachi district, Hitachi city, Ibaraki pref.
Facility	LNG Tank: Non-elevated 230,000 kl × 1 unit LPG Tank: Non-elevated 50,000 kl × 1 unit Production facility: LNG vaporizer × 3 units Lorry off-loading facility Large jetty (receiving facility for ocean-going LNG tankers), etc.
Investment	Approx. 120 billion yen including “Ibaraki-Tochigi Line”
Schedule	July, 2012 Start construction work FY2015 Commencement of operations

Reference1: Infrastructure as of 2020 in “Challenge 2020 Vision”



Reference 2: Planned Construction Site



Reference 3: Completion Image of Hitachi LNG Terminal

