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November 21, 2016

**Tokyo Gas Signs Memorandum of Understanding on Mutual Cooperation  
with Centrica (UK)**

Corporate Communications Department  
Tokyo Gas Co., Ltd.

Tokyo Gas Co., Ltd. (President: Michiaki Hirose; “Tokyo Gas”) signed a Memorandum of Understanding on Mutual Cooperation (“this MOU”) with Centrica LNG Company Limited, the trading business company of the leading European utility Centrica plc (Group Chief Executive: Iain Conn; “Centrica”), today.

Centrica—which is one of the largest energy suppliers in Europe and the top supplier of gas in the UK—provides electricity, gas and associated services to around 28million customers worldwide through brands such as British Gas and Direct Energy, a Centrica Group company which is a major energy supplier in the U.S.

Tokyo Gas and Centrica have built up a close relationship over many years as leading gas companies in their respective regions. This MOU was concluded toward realizing strategic cooperation and to further strengthen ties between the companies centered on the sourcing of raw materials and related fields.

As the first concrete measure under this MOU, the two companies have agreed to optimise LNG Tokyo Gas procures from the U.S. with LNG Centrica procures in the Asia Pacific region on a cargo unit basis, toward realizing a “Framework to Reduce Costs by Increasing the Efficiency of LNG Transport” (“the Framework”). Tokyo Gas and Centrica are now advancing discussions on the Framework toward concluding a legally binding agreement.

For Tokyo Gas, the conclusion of this MOU achieves the development of an LNG value chain linking the Asia, North America and Europe regions, and contributes to the “reduction of raw materials prices and diversification of procurement” called for in the Company’s “Challenge 2020 Vision.”

Tokyo Gas will further strengthen ties with domestic and foreign energy companies and accelerate efforts toward realizing “Challenge 2020 Vision.”

(Comment from Kentaro Kimoto, Executive Officer and General Manager of Gas Resources Department, Tokyo Gas)

“Through this tie-up with Centrica, which is a major LNG buyer on the Atlantic market, we expect to conduct flexible LNG trading bridging both the Atlantic and the Pacific markets and to bring greater vitality to the LNG market overall. Through such collaboration, Tokyo Gas will strive to reduce raw materials prices and increase customer value.”

(Comment from Jonathan Westby, Co-Managing Director of Energy Marketing & Trading, Centrica LNG Company Limited)

“We are delighted to formalize our long-standing relationship with Tokyo Gas and we welcome the opportunity to expand our LNG activities in Asia Pacific. Building alliances, such as this, helps towards lowering LNG procurement costs and this can benefit customers around the world.”

(Outline of Centrica)

Established:	February 1997
Headquarters:	Windsor, UK
Representative:	Iain Conn, Group Chief Executive
Number of Employees:	Approx. 39,000
Annual Sales:	Approx. £28 billion (approx. ¥3.6 trillion) (2015)
Business Contents:	Supply of electricity and gas and provision of associated services