

March 14, 2018

**Conclusion of Heads of Agreement regarding the New LNG Sale and Purchase Agreement with  
Malaysia LNG Sdn. Bhd.**

Tokyo Gas Co., Ltd.

Tokyo Gas Co., Ltd. (President: Michiaki Hirose, hereafter “Tokyo Gas”) concluded with Malaysia LNG Sdn. Bhd. (hereafter “Malaysia LNG”), a subsidiary of PETRONAS, a Heads of Agreement regarding the new LNG sale and purchase agreement (hereinafter “the HoA”) today.

Tokyo Gas has been procuring LNG from the Malaysia Satu Project since 1983 and kept discussions with Malaysia LNG on the new contract starting April 2018 as the current contract will expire at the end of March 2018. As a result, the parties reached a conclusion of the HoA today.

Tokyo Gas and PETRONAS, through its subsidiary, Malaysia LNG, have established a solid long-standing track record of successful LNG deliveries over a period of 35 years and further cultivated a mutual trust through a joint study in envisioning the business growth of the parties based on the Memorandum of Collaboration concluded in October 2016<sup>(\*)</sup>.

The HoA concluded based on this close tie between the parties, and Tokyo Gas believes that the destination clause in this HOA to be in line with the Survey on LNG Trades report released by the Japan Fair Trade Commission in June 2017.

In the Tokyo Gas Group’s “Challenge 2020 Vision”, Tokyo Gas aims to diversify procurement sources of gas resources to gain price competitiveness and expand global value chain overseas. Procurement of LNG through the HoA will lead to the attainment of the vision.

\* The Memorandum of Collaboration is concluded with PETRONAS LNG Ltd., a wholly owned subsidiary of Malaysia’s national oil company, PETRONAS LNG Ltd. on October 28, 2016, to pursue a wide-ranging business collaboration for a value chain of LNG and natural gas in the global energy market especially in South East Asia.

[Outline of HoA]

Seller:	Malaysia LNG Sdn. Bhd.
Buyer:	Tokyo Gas Co., Ltd.
Contract Duration:	Up to 13 years from April 2018
Contract Volume:	(first 6 years) Approx. up to 500,000 tons per annum (remaining 7 years) Approx. up to 900,000 tons per annum
Delivery Terms:	DES (Delivered Ex-Ship) and FOB (Free On Board)

[Outline of PETRONAS]

Establishment: August 1974  
Company Name: PETROLIAM NASIONAL BERHAD  
Location: Kuala Lumpur, Malaysia  
President: Tan Sri Wan Zulkiflee Wan Ariffin  
Shareholders: Malaysian Government 100%

[Outline of Malaysia LNG]

Establishment: June 1978  
Company Name: Malaysia LNG Sdn. Bhd.  
Location: Bintulu, Sarawak, Malaysia  
Chairman: Datuk Anuar Taib  
Shareholders: PETRONAS (Malaysia's national oil company) 90%  
Mitsubishi Corporation 5%  
Sarawak Government, Malaysia 5%

[Outline of PETRONAS LNG Ltd.]

Establishment: April 2015  
Company Name: PETRONAS LNG Ltd.  
Location: Kuala Lumpur, Malaysia  
Chairman: Ahmad Adly Alias  
Shareholders: PETRONAS (Malaysia's national oil company) 100%

[LNG sales and purchase agreement between Tokyo Gas and Malaysia LNG]

Malaysia Satu Project:

Contract Duration: February 1983 to March 2018

Malaysia Dua Project:

Contract Duration: April 2015 to March 2025

Malaysia Tiga Project:

Contract Duration: April 2004 to March 2024