

Tokyo Gas and Centrica sign Sale and Purchase Agreement from Mozambique LNG Project

Tokyo Gas Co., Ltd., a leading energy company and the largest city gas provider in Japan, and Centrica LNG Company Limited, a subsidiary of the leading UK-based international energy and services company Centrica plc, have announced that they have jointly signed a binding Sale and Purchase Agreement (SPA) with Mozambique LNG1 Company Pte Ltd., the jointly owned sales entity of the Mozambique Area 1 co-venturers, for the long-term offtake of Liquefied Natural Gas (LNG). The signing of the SPA follows a non-binding Heads of Agreement which was signed in June 2018.

Tokyo Gas and Centrica have agreed to jointly purchase 2.6 million tonnes per annum, delivered ex-ship from Mozambique LNG from the start-up of production until the early 2040s. This agreement provides the project with key foundation customers which will support the final investment decision by the Mozambique Area 1 joint venture partners, targeted for the first half of 2019.

This innovative joint procurement approach takes full advantage of Mozambique's central location between Europe and Asia, assisting both companies to access diverse markets and proactively manage demand fluctuations across regions with different market dynamics.

It also represents the first long-term LNG procurement contract in Africa for both Tokyo Gas and Centrica in line with ongoing efforts to further diversify their respective portfolios of LNG sources. This will improve the liquidity and further develop the global LNG market.

Commenting on the SPA, Takashi Uchida, Tokyo Gas's President and CEO said:

“We are very happy that our commitment as foundation customers will contribute to the positive final investment decision of Mozambique LNG targeting the first half of this year. This first ever joint procurement between Tokyo Gas and Centrica is supported by the long-term mutual relationship to strive for flexible and innovative LNG transactions between the European and Asian markets. This joint procurement represents the significant progress we are making towards securing the most competitive LNG. This year marks the 50th anniversary of when Tokyo Gas received

Japan's first LNG cargo from Alaska in 1969. Tokyo Gas Group will continue to provide safe, reliable and clean energy for our customers through the continued challenges to secure competitive LNG."

Commenting on the SPA, Iain Conn, Centrica's Group Chief Executive said:

"We are delighted to conclude this co-purchase agreement with Tokyo Gas which secures our place as long-term foundation buyers for the Mozambique LNG project. The deal deepens our strategic partnership with Tokyo Gas and provides a flexible LNG supply source able to serve the needs of our combined customer base. With strong energy marketing and trading capabilities we are ideally placed to work with Mozambique LNG and this agreement will complement our existing positions as we continue to develop this valuable growth area of our business."

<About Tokyo Gas>

- Tokyo Gas Co., Ltd. is Japan's largest provider of city gas, serving more than 11 million customers, primarily in the Tokyo metropolitan area and surrounding Kanto region.
- We are committed to be a leader in this new era of energy liberalization through our Gas, Power, and Services mission on a Global level while we continue to promote a low-carbon society.
- Tokyo Gas will continue our pursuit to further transform our business to not only meet, but to exceed the needs of our customers. We will utilize our knowledge and experience we have built from our 133-year history and continue to think outside the box to become Japan's leading energy company.

<About Centrica>

- Centrica is an international energy and services company. Everything we do is focused on satisfying the changing needs of our customers.
- We supply energy and services to over 25 million customer accounts mainly in the UK, Ireland and North America.
- We are also developing new and innovative products, offers and solutions for customers globally, underpinned by investment in technology.
- Our Energy Marketing & Trading business is a leading European provider of energy management and revenue optimisation services. We continue to focus on expanding these activities, in addition to managing commodity risk and

providing wholesale market access for the Centrica Group. We continue to expand our global LNG business, having built a full range of LNG trading, optimisation and operations capability.

<About Mozambique Area 1>

- Anadarko Moçambique Área 1, Lda, a wholly owned subsidiary of Anadarko Petroleum Corporation, operates Offshore Area 1 with a 26.5-percent working interest. Co-venturers include Mitsui E&P Mozambique Area1 Ltd. (20 percent), ENH Rovuma Área Um, S.A. (15 percent), ONGC Videsh Ltd. (10 percent), Beas Rovuma Energy Mozambique Limited (10 percent), BPRL Ventures Mozambique B.V. (10 percent), and PTTEP Mozambique Area 1 Limited (8.5 percent).

<Mozambique LNG Project Location>

