

Reference Materials (FY2018 2Q)

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Reference Materials (FY2018 2Q)

1. <Consolidated>Financial Results

	FY2018 2Q vs. FY2017 2Q				FY2018 Forecast vs. FY2017 Results					FY2018 Forecast vs. Previous Forecast(Apr.)				100 million yen
	FY18 2Q	FY17 2Q	Change		Reference	FY18 Forecast	FY17	Change		Reference	Previous	Change		
Net sales	8,323	7,903	420	5.3%	Electric power +249, Energy-related +134, Gas +126, Others +60, etc.	20,140	17,773	2,367	13.3%	Gas +1,323, Electric power +644, Others +286, Energy-related +262, etc.	19,540	600	3.1%	Gas +368, Electric power +147, Others +125, etc.
Operating profit	205	442	-237	-53.5%	Gas -220, Electric power -23, Overseas +27, Energy-related +14, etc.	840	1,163	-323	-27.8%	Gas -315, Energy-related -29, Electric power -12, Overseas +65, etc.	930	-90	-9.7%	Gas -153, Electric power -38, Overseas +34, Energy-related +31, Others +19, etc.
Ordinary profit	196	426	-230	-53.8%	Increase in gain on sales of investment securities, Decrease in foreign exchange profit, etc.	830	1,115	-285	-25.6%	Increase in overseas equity income and income from contributions for engineering work, Decrease in Interest expenses, etc.	930	-100	-10.8%	Decrease in gain on sales of investment securities and overseas equity income, Loss on balance on commissioned construction, etc.
Profit attributable to owners of parent	269	319	-50	-15.8%	Increase in gain on sales of non-current assets, Loss on devaluation of investment securities, etc.	830	749	81	10.7%	Increase in gain on sales of non-current assets, Loss on devaluation of investment securities, etc.	880	-50	-5.7%	Loss on devaluation of investment securities, Decrease in gain on sales of investment securities, Decrease in corporate tax.
Total assets(*1·10)	23,888	23,343	545	2.3%	Other current assets +326, Raw materials and supplies +299, Construction in progress account +146, Cash and deposits -369	24,930	23,343	1,587	6.8%		24,660	270	1.1%	
Equity(*1)	11,272	11,360	-88	-0.8%	Acquisition of treasury stock -199, Dividends -125, Net profit +269	11,670	11,360	310	2.7%		11,710	-40	-0.3%	
Equity ratio(*1) (%)	47.2%	48.7%	-1.5%	-	Went down because total assets increased (+2.3%) while equity decreased (-0.8%)	46.8%	48.7%	-1.9%	-		47.5%	-0.7%	-	
Total assets turnover(*2) (times)	0.35	0.36	-0.01	-		0.83	0.78	0.05	-		0.81	0.02	-	
ROA(*2) (%)	-	-	-	-		3.4%	3.3%	0.1%	-		3.7%	-0.3%	-	
ROE(*2) (%)	-	-	-	-		7.2%	6.7%	0.5%	-		7.6%	-0.4%	-	
Interest-bearing debt(*1)	8,371	7,249	1,122	15.5%	Tokyo Gas +1,212	8,590	7,249	1,341	18.5%		8,320	270	3.2%	
D/E ratio	-	-	-	-		0.74	0.64	0.10	-		0.71	0.03	-	
Profit attributable to owners of parent	269	319	-50	-15.8%		830	749	81	10.8%		880	-50	-5.7%	
Depreciation(*3·4)	786	789	-3	-0.4%		1,640	1,653	-13	-0.8%		1,670	-30	-1.8%	
Operating cash flow(*5)	1,055	1,108	-53	-4.8%		2,470	2,403	67	2.8%		2,550	-80	-3.1%	
Capital expenditure(*3)	1,012	678	334	49.4%	Tokyo Gas +303, Consolidated subsidiaries, etc. +32	2,560	2,087	473	22.7%		2,620	-60	-2.3%	
Investments and Financing(after offset)	129	268	-139	-51.9%		726	470	256	54.5%		734	-8	-1.1%	
TEP(*6)	-	-	-	-		29	244	-215	-		94	-65	-	
(WACC) (%)	-	-	-	-		3.1%	3.1%	0.0%	-		3.1%	0.0%	-	
EPS(*7) (¥/share)	59.62	69.91	-10.29	-14.7%	Went down due to a decrease in profit attributable to owners of parent (-50)	184.15	164.12	20.03	12.2%		195.24	-11.09	-5.7%	
BPS(*1·*7) (¥/share)	2,505.30	2,487.58	17.72	0.7%		2,593.60	2,487.58	106.02	4.3%		2,602.46	-8.86	-0.3%	
Total payout ratio(*8)	-	-	-	-		(*9) -	60.2	-	-		(*9) -	-	-	

(*1) Figures in B/S items for FY17 are the figures as of the end of FY17 (end of March 2018)

(*2) The calculation of total assets turnover, ROA, and ROE are based upon average Total assets and Shareholders' equity in each period.

(*3) Amounts for capital Expenditure and depreciation are after offsetting of internal transactions.

(*4) Depreciation includes amortization of long-term prepaid expenses.

(*5) Operating cash flow is calculated using the simplified accounting treatment of "Net profit attributable to the parent + Depreciation and amortization." (simplified accounting treatment; differs from amount in Consolidated Statement of Cash Flows)

(*6) TEP in forecasts has been recalculated based upon average Market Capitalization in each period. EPS, and BPS in forecasts have been recalculated based upon the number of stocks after the acquisition of treasury stocks.

(*7) EPS and BPS are after the share consolidation.

(*8) FYn Gross payout ratio = ((FYn total annual dividend) + (FYn +1 stock repurchases)) / (FYn profit attributable to owners of the parent)

(*9) To be maintained at approximately 60% each year to FY2020

(*10) The total amount of assets and debt as of the end of the previous period (end of March 2018) decreased by ¥405 million as the Partial Amendments to Accounting Standard for Tax Effect Accounting(ASBJ Statement No. 28, February 16, 2018) was introduced in the 1st quarter of this fiscal year.

2. <Consolidated>Breakdown of Segments(FY2018 2Q vs. FY2017 2Q)

100 million yen

Segment	Breakdown	Net sales			Reference	Operating profit				Reference
		FY18 2Q	FY17 2Q	Change		FY18 2Q	FY17 2Q	Change	Change	
Gas Segment	Liquefied petroleum gas	129	123	6	5.4%					
	Industrial gas	107	98	9	9.8%	Increase in sales due to increase in contracts for LNG transportation business	5	6	-1	-14.0%
Energy-related Segment	Gas appliances	576	524	52	9.9%	Increase in sales due to increase in number of sales of hot-water supply and heating appliances, etc.	31	30	1	2.8%
	Gas pipe Installation work	178	170	8	4.4%		3	0	3	780.1%
	Construction etc.	309	306	3	1.0%		8	3	5	164.4%
	Credit	37	42	-5	-11.2%		2	2	0	12.6%
Other Segment	IT services	170	150	20	13.2%	Increase in sales due to increase in orders received for system development	0	-2	2	-
	Shipping	154	94	60	62.5%	Increase in sales due to commencement of North American LNG transportation	2	9	-7	-69.9%

**City gas", "LNG sales", "Engineering Solutions" are described in Presentation Material.

3. <Consolidated>Main Consolidated Subsidiaries

(1) FY2018 2Q vs. FY2017 2Q

100 million yen

Segment	Company name	Net sales			Reference	Operating profit				Reference	
		FY18 2Q	FY17 2Q	Change		FY18 2Q	FY17 2Q	Change	Change		
Gas etc.(*1)	Tokyo Gas Co.,Ltd.	7,469	7,067	402	5.7%		33	283	-250	-88.1%	
Electric Power	Nijio Co.,Ltd	526	546	-20	-3.6%	Decrease in sales due to decrease in sales volume	2	17	-15	-83.5%	Decrease in profit due to decrease in sales
Overseas seg.	TG Australia Group(*2)	188	167	21	12.5%	(TG Pluto) Increase in sales due to increase in sales volume and unit sales prices	52	24	28	112.0%	(TG Gorgon)Increase in profit due to decrease in cost of sales (TG Pluto)Increase in profit due to increase in sales
Energy-related seg.	Tokyo Gas Engineering Solutions	604	526	78	14.8%	Increase in sales due to increase in orders received for LNG plants etc.	19	17	2	9.2%	Increase in profit due to increase in sales
Real Estate seg.	Tokyo Gas Urban Development Co.,Ltd.	123	118	5	3.5%	Increase in sales due to increase in rent income	38	35	3	7.6%	Increase in profit due to increase in rent income
Others	Tokyo LNG Tanker Co., Ltd.	146	94	52	54.7%	Increase in sales due to commencement of North American LNG transportation	2	9	-7	-76.9%	Decrease in profit due to increase in costs for ship renting
Other		1,633	1,344	289	21.5%	(TG PLUS)Increase in sales due to commencement LNG sales (TGinet)Increase in sales due to increase in orders received for system development	57	57	0	-0.3%	
Consolidated subsidiaries total		3,222	2,798	424	15.2%		173	162	11	6.5%	
Consolidated total		8,323	7,903	420	5.3%		205	442	-237	-53.5%	

(*1)In addition to "Gas", Tokyo Gas is engaged in "Electric Power", "Energy-related", "Real-Estate", and "Others" segments.

(*2)Consolidated figures are simple sums before elimination of intra-company transactions.

(2) FY2018 Forecast vs. Previous Forecast(Apr.)

100 million yen

Segment	Company name	Net sales			Reference	Operating profit				Reference	
		FY18	Previous	Change		FY18	Previous	Change	Change		
Gas etc.(*1)	Tokyo Gas Co.,Ltd.	17,990	17,470	520	3.0%		470	640	-170	-26.6%	
Electric Power	Nijio Co.,Ltd	1,149	1,137	12	1.1%	Increase in sales due to increase in unit sales prices	11	19	-8	-42.1%	Decrease in profit due to increase in unit price of raw materials
Overseas seg.	TG Australia Group(*2)	436	394	42	10.6%	(TG Gorgon)Increase in sales due to increase in sales volume. (TG Pluto) Increase in sales due to increase in sales volume and unit sales prices	128	89	39	43.8%	(TG Gorgon)Increase in profit due to increase in sales volume (TG Pluto) Increase in profit due to increase in unit sales prices
Energy-related seg.	Tokyo Gas Engineering Solutions Group(*2)	1,430	1,384	46	3.4%	Increase in sales due to higher unit sales prices and increase in sales volume in energy service business	32	27	5	17.1%	Increase in profit due to increase in sales volume in energy service business
Real Estate seg.	Tokyo Gas Urban Development Co.,Ltd.	252	245	7	2.9%	Increase in sales due to increase in rent income	72	69	3	4.3%	Increase in profit due to increase in rent income
Others	Tokyo LNG Tanker Co., Ltd.	369	365	4	1.1%	Increase in sales due to improvement of operating rates	37	30	7	23.3%	Increase in profit due to improvement of operating rates and decrease in depreciation
Other		3,827	3,722	105	2.8%	(TGinet)Increase in sales due to increase in orders received for system development (TG Customer Support)Increase in sales due to increase in brokerage commissions	117	88	29	33.0%	(TGinet)Increase in sales due to increase in orders received for system development (TG Barnett)Increase in profit due to decrease in operating cost and depreciation
Consolidated subsidiaries total		7,463	7,247	216	3.0%		397	322	75	23.3%	
Consolidated total		20,140	19,540	600	3.1%		840	930	-90	-9.7%	

(*1)In addition to "Gas", Tokyo Gas is engaged in "Electric Power", "Energy-related", "Real-Estate", and "Others" segments.

(*2)Consolidated figures are simple sums before elimination of intra-company transactions.

4. <Consolidated>Breakdown of Capital Expenditure/Investments and Financing

	(FY2018 2Q vs. FY2017 2Q)				(FY2018 Forecast vs. FY2017 Results)				<FY2018 Forecast vs. Previous Forecast(Apl.)>				100 million yen	
	FY18 2Q	FY17 2Q	Change	Reference	FY18 Forecast	FY17	Change	Reference	Previous	Change	Reference			
[Capital Expenditure]														
Production facilities	69	39	30	73.7%	Hitachi LNG receiving terminal-related, etc.	209	169	40	23.4%	Hitachi LNG receiving terminal-related, etc.	219	-10	-4.6%	other production facilities
Distribution facilities	385	364	21	5.7%	Security-related, etc.	1,015	907	108	11.9%	Security-related, Marketing costs-related, etc.	1,025	-10	-1.0%	Marketing costs-related
Service and maintenance facilities etc.	377	125	252	199.7%	Real estate, IT, etc.	763	576	187	32.6%	IT, etc.	744	19	2.7%	IT, etc.
Tokyo Gas Total	833	530	303	57.0%		1,990	1,654	336	20.3%		1,990	0	0.0%	
Capital expenditure at consolidated subsidiaries	190	150	40	26.1%	Electric power, Real estate, etc.	615	463	152	32.9%	Real estate, Electric power, etc.	685	-70	-10.2%	Shipping, Overseas, etc.
Adjustment	-10	-3	-7	—		-45	-30	-15	—		-55	10	—	
Capital Expenditure total	1,012	678	334	49.4%		2,560	2,087	473	22.6%		2,620	-60	-2.3%	
[Investments and Financing]														
Investment and financing	148	281	-133	-47.2%		817	526	291	55.3%		817	0	0.0%	
Collections	19	13	6	44.1%		90	55	35	63.6%		82	8	9.8%	
Investments and Financing total(after offset)	129	268	-139	-51.9%		726	470	256	54.2%		734	-8	-1.1%	
Capital Expenditure total+ Investments and Financing (Except Collections)	1,141	946	195	20.7%		3,286	2,558	728	28.4%		3,354	-68	-2.0%	

5. <Consolidated>Balance Sheets (as of Sep. 30, 2018 vs. as of Mar. 31, 2018)

	Sep.30,2018 (%)		Mar.31,2018 (%)		Change		Reference		100 million yen
[Assets]									
Noncurrent assets	18,673	(78.2%)	18,511	(79.3%)	162	0.9%	Property, plant and equipment, intangible assets: Capex +1,012, Depreciation -786, Foreign exchange -37 Investments and other assets: other assets +115		
Current assets	5,214	(21.8%)	4,831	(20.7%)	383	7.9%	Other current assets +326, Raw materials and supplies +299, Cash and deposits -369		
Total Assets	23,888	(100.0%)	23,343	(100.0%)	545	2.3%			
[Liabilities]									
Interest-bearing debt	8,371	(35.0%)	7,249	(31.1%)	1,122	15.5%	Commercial papers: Issuance +1,600, Redemption -400, Bonds payable: Issuance +400, Redemption -400, Long-term loans payable: New borrowings +18, Payments -124		
Provision for retirement benefits	712	(3.0%)	731	(3.1%)	-19	-2.6%			
Notes and accounts payable-trade	665	(2.8%)	808	(3.5%)	-143	-17.7%	Accounts payable-trade -143		
Other liabilities	2,743	(11.5%)	3,069	(13.1%)	-326	-10.6%	Accounts payable - other etc. -201, Accrued expenses- other etc. -87		
Total Liabilities	12,492	(52.3%)	11,858	(50.8%)	634	5.3%			
[Net Assets]									
Shareholders' equity	10,709	(44.8%)	10,767	(46.1%)	-58	-0.5%	Profit attributable to the parent company +269, Acquisition of treasury stock -199, Dividend payments -125		
Accumulated other comprehensive income	563	(2.4%)	592	(2.5%)	-29	-5.0%	Foreign currency translation adjustment -104, Valuation difference on available-for-sale securities +47		
Non-controlling interests	122	(0.5%)	124	(0.5%)	-2	-0.9%			
Total Net Assets	11,395	(47.7%)	11,484	(49.2%)	-89	-0.8%	Equity ratio 47.2% (Sep. 31, 2018) ← 48.7% (Mar. 31, 2018)		
Total (Liabilities and Net Assets)	23,888	(100.0%)	23,343	(100.0%)	545	2.3%			

6. <Non-consolidated> Financial Forecast

	<FY2018 2Q vs. FY2017 2Q>				<FY2018 Forecast vs. FY2017 Results>				<FY2018 Forecast vs. Previous Forecast(Apr.)>				100 million yen	
	FY18 2Q	FY17 2Q	Change		Reference	FY18 Forecast	FY17	Change		Reference	Previous	Change		Reference
Net sales	7,469	7,067	402	5.7%		17,990	15,988	2,002	12.5%		17,470	520	3.0%	
Operating profit	33	283	-250	-88.1%		470	824	-354	-43.0%		640	-170	-26.6%	
Ordinary profit	73	308	-235	-76.2%		560	958	-398	-41.6%		660	-100	-15.2%	
Net profit	57	250	-193	-77.0%		500	759	-259	-34.1%		490	10	2.0%	
Impact of Sliding Time Lag(*1)														
Revenue from sliding system	-180	-540	360	—		185	-1,147	1,332	—		-250	435	—	
Increase in gas cost	27	-428	455	—		439	-944	1,383	—		-141	580	—	
Change	-207	-112	-95	—		-254	-203	-51	—		-109	-145	—	
Economic Frame														
JCC	\$/bbl	73.75	51.35	22.40	43.6%	74.38	57.03	17.35	30.4%		65.00	9.38	14.4%	
EX Rate	¥/\$	110.26	111.04	-0.78	-0.7%	110.13	110.85	-0.72	-0.6%		110.00	0.13	0.1%	
Gas Business Sales	5,065	4,934	131	2.7%	Volume/composition -229, Unit prices +360	12,310	11,184	1,126	10.1%	Volume/composition, etc. -206, Unit prices +1,332	11,990	320	2.7%	Volume/composition, etc. -115, Unit prices +435
Raw materials and supplies	3,007	2,683	324	12.1%	Volume/composition -131, Unit prices +455 (Foreign exchange -22, Oil price +516, etc.)	7,447	6,144	1,303	21.2%	Volume/composition -80, Unit prices +1,383	6,936	511	7.4%	Volume/composition -69, Unit prices +580
(Gross profit)	(2,058)	(2,251)	(-193)	(-8.6%)	Volume/composition, etc. -98, Unit prices -95	(4,863)	(5,040)	(-177)	(-3.5%)	Volume/composition, etc. -126, Unit prices -51	(5,054)	(-191)	(-3.8%)	Volume/composition, etc. -46, Unit prices -145
Personnel expenses	396	364	32	8.8%	actuarial differences +61, Salaries -14, Bonuses -8, etc.	814	748	66	8.7%	Actuarial differences +123, Salaries/Bonuses, etc. -30, Decrease in the number of personnel, etc.	814	0	0.0%	
General expenses	1,194	1,185	9	0.8%	Changes in accounts reflecting the transfer of operations to an affiliate (Personnel expenses → General expenses)	2,640	2,568	72	2.8%	Changes in accounts reflecting the transfer of operations to an affiliate (Personnel expenses -30 → General expenses +30)	2,640	0	0.0%	
Repair costs	157	165	-8	-4.5%		369	366	3	0.8%		369	0	0.0%	
Others	1,037	1,020	17	1.6%	Consignment costs +16, Taxes +8	2,271	2,202	69	3.1%	Changes in accounts reflecting the transfer of operations +30, Increase in enterprise tax +10, etc.	2,271	0	0.0%	
Depreciation	580	578	2	0.3%		1,203	1,205	-2	-0.2%		1,242	-39	-3.1%	Decrease due to delay in acquisition, etc.
LNG regasification	-17	-19	2	—		-38	-39	1	—		-33	-5	—	
Operating costs	5,161	4,792	369	7.7%		12,066	10,627	1,439	13.5%		11,599	467	4.0%	
Installation work	3	0	3	755.5%	Increase in the number of new installations, etc.	7	11	-4	-39.9%	Due to unit price revisions	7	0	0.0%	
Others	95	89	6	6.7%	Increase in income from appliance sales, etc.	152	173	-21	-12.1%	Increase in income from appliance sales, etc.	127	25	19.7%	Increase in income from appliance sales, etc.
Miscellaneous operating profit	98	89	9	9.7%		159	184	-25	-13.6%		134	25	18.7%	
Expenses for incidental businesses	31	52	-21	-39.9%	Electricity -13, LNG sales -7, etc.	67	83	-16	-19.3%	Electricity -15, etc.	115	-48	-41.7%	Electricity -34, LNG sales -17, etc.
Operating profit	33	283	-250	-88.1%		470	824	-354	-43.0%		640	-170	-26.6%	
Non operating profit	39	24	15	60.8%	Gain on sale of affiliates' securities, etc.	90	134	-44	-32.8%	Dividends received from affiliates -64, etc.	20	70	350.0%	Dividends received from affiliates +74, etc.
Ordinary profit	73	308	-235	-76.2%		560	958	-398	-41.6%		660	-100	-15.2%	
Extraordinary income	1	32	-31	-96.8%	Gain on sales of non-current assets -31	58	61	-3	-4.9%	Gain on sales of non-current assets -31, Gain on sales of investment securities +28	0	58	—	Gain on sales of investment securities +57, etc.
Extraordinary loss	0	0	0	—		0	24	-24	—	Impairment loss -24	0	0	—	
Taxes	16	90	-74	-81.3%		118	237	-119	-50.2%		170	-52	-30.6%	
Net profit	57	250	-193	-77.0%		500	759	-259	-34.1%		490	10	2.0%	
Net profit	57	250	-193	-77.0%		500	759	-259	-34.1%		490	10	2.0%	
Depreciation(*2)	613	610	3	0.4%		1,270	1,268	2	0.1%		1,310	-40	-3.1%	
Operating cash flows (Net profit + Depreciation)	671	860	-189	-22.1%		1,770	2,027	-257	-12.7%		1,800	-30	-1.7%	

(*1)Change from standard average resource cost

(*2)Depreciation includes amortization of long-term prepaid expenses.

7. <Non-consolidated> Breakdown of Gas Sales & Gross Profit Analysis

(1) Breakdown of Gas Sales

	<FY2018 2Q vs. FY2017 2Q>				<FY2018 Forecast vs. FY2017 Results>				100 million yen <FY2018 Forecast vs. Previous Forecast(Apr.)>					
	FY18 2Q	FY17 2Q	Change	change factors	(100 million yen)	(million m3)	FY18 Forecast	FY17	Change		Previous	Change		
Residential	1,787	1,853	-66	-3.6%	Volume, etc.	-144	-116	4,791	4,759	32	0.7%	4,809	-18	-0.4%
					(Temp. effect)	(-93)	(-84)							
					Sliding	78								
					Other	0								
Others (Commercial·Industrial·Wholesale)	3,278	3,081	197	6.4%	Volume, etc.	-85	-197	7,519	6,425	1,094	17.0%	7,181	338	4.7%
					(Temp. effect)	(5)	(12)							
					Sliding	282								
					Other	0								
Total	5,065	4,934	131	2.7%	Volume, etc.	-229	-313	12,310	11,184	1,126	10.1%	11,990	320	2.7%
					(Temp. effect)	(-88)	(-72)							
					Sliding	360								
					Other	0								

(2) Gas Gross Profit Analysis

	Change(FY2018 2Q vs. FY2017 2Q)						Change(FY2018 Forecast vs. FY2017 Results)						Change<FY2018 Forecast vs. Previous Forecast(Apr.)>								
	Volume, etc.	(Breakdown)		Unit price	(Breakdown)		Total	Volume, etc.	(Breakdown)		Unit price	(Breakdown)		Total	Volume, etc.	(Breakdown)		Unit price	(Breakdown)		Total
Gas sales	-229	Temp. effect	-88	360	Sliding	360	131	-206	Temp. effect	-171	1,332	Sliding	1,332	1,126	-115	Temp. effect	-102	435	Sliding	435	320
		Other	-141	0	Other	0			Other	-35	0	Other	0			Other	-13	0	Other	0	
Raw materials and supplies	-131	Temp. effect	-33	455	Sliding	455	324	-80	Temp. effect	-69	1,383	Sliding	1,383	1,303	-69	Temp. effect	-39	580	Sliding	580	511
		Other	-98	0	Other	0			Other	-11	0	Other	0			Other	-30	0	Other	0	
Gross profit	-98	Temp. effect	-55	-95	Sliding	-95	-193	-126	Temp. effect	-102	-51	Sliding	-51	-177	-46	Temp. effect	-63	-145	Sliding	-145	-191
		Other	-43	0	Other	0			Other	-24	0	Other	0			Other	17	0	Other	0	

8. <Assumptions> Oil Price and Currency Forecasts, and Their Impacts on Gross Profit

(1) Economic Frame<Consolidated/Non-consolidated>

	Results	FY18 Forecast		
		1st Half	2nd Half	Full-year
JCC	\$/bbl	73.75	75.00	74.38
EX Rate	¥/\$	110.26	110.00	110.13
	Results	FY2018 Previous Forecast as of Apr.		
		1st Half	2nd Half	Full-year
JCC	\$/bbl	65.00	65.00	65.00
EX Rate	¥/\$	110.00	110.00	110.00
	Results	Change		
		1st Half	2nd Half	Full-year
JCC	\$/bbl	8.75	10.00	9.38
EX Rate	¥/\$	0.26	0.00	0.13

(2) Gross Profit Sensitivity<Non-consolidated>

	100 million yen		
	3Q	4Q	Full-year
Net sales	6	0	6
Gas resource cost	19	2	21
Gross profit	-13	-2	-15

*Impact on JCC increase by \$1

	100 million yen		
	3Q	4Q	Full-year
Net sales	17	4	21
Gas resource cost	17	17	34
Gross profit	0	-13	-13

* Impact on a one-yen depreciation

< Cautionary Statement regarding Forward-looking Statements >

Statements made in this presentation with respect to Tokyo Gas's present plans, forecasts, strategies, and other information herein that are not expressions of historical fact are forward-looking statements about the future performance of the Company. The Company's actual performance may greatly differ from these projections due to critical factors which include general economic conditions in Japan, crude oil prices, the weather, changes in the foreign exchange rate of the yen, rapid technological innovations, and the Company's responses to the progress of deregulation.