

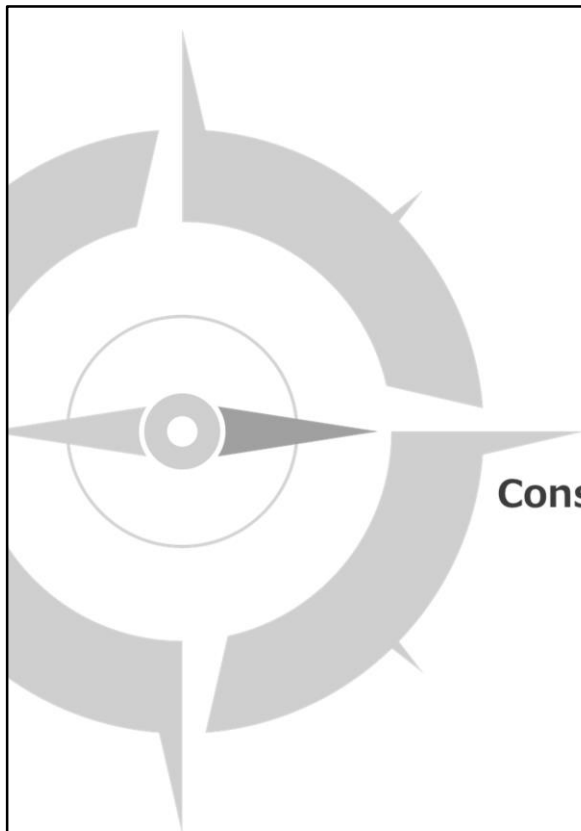


FY2020 1Q Financial Results ended June, 2020

July 29, 2020

[Revised on November 5, 2020]





01

FY2020
Consolidated Financial Results
ended June, 2020

Copyright© TOKYO GAS Co., Ltd. All Rights Reserved.  TOKYO GAS

Highlights: Sales Down, Profit Down**Revised in red on Nov 5th, 2020**

(+/- indicate impact on profit, billion yen)

Net sales	-51.6	Decrease in city gas sales volume from the impact of COVID-19, decrease in city gas unit price due to resource cost adjustment.
Operating expenses	+34.9	Decrease in city gas sales volume from the impact of COVID-19, the impact from the decline in crude oil prices, etc.
Operating profit	-16.6	Decrease in city gas sales volume from the impact of COVID-19, decrease in gross margin from the change in city gas unit price due to economic framework assumptions.
Extraordinary profit/loss	-4.7	Extraordinary profit/loss was -¥4.7bn due to impairment loss posted in FY2020 1Q. ※ Extraordinary profit/loss: FY2020 1Q -¥4.7bn: impairment loss -¥4.7bn FY2019 1Q -

(Unit: billion yen)							
	FY2020 1Q	FY2019 1Q	Change	%	Economic framework	FY2020 1Q	FY2019 1Q
City gas sales volume (million m3, 45MJ)	2,656	3,372	-716	-21.2%			
Electricity sales volume (million kWh)	5,231	3,865	1,366	+35.3%	Exchange rate (¥/\$)	107.64 (-2.26)	109.90
Retail (million kWh, receiving end)	2,148	1,644	504	+30.6%			
(Breakdown) Wholesale, etc. (million kWh)	3,083	2,221	862	+38.8%	Crude oil price (\$/bbl)	32.22 (-39.25)	71.47
Net sales	415.6	467.2	-51.6	-11.0%			
Operating expenses	388.2	423.1	-34.9	-8.3%	Avg. air temp (°C)	16.6 (-0.1)	16.7
Operating profit	27.4	44.0	-16.6	-37.7%			
Segment profit (operating profit + equity income of subsidiaries)	27.8	45.7	-17.9	-39.2%			
Ordinary profit ⁽¹⁾	28.0	48.3	-20.3	-42.1%			
Extraordinary profit/loss	-4.7	0.0	-4.7	—			
Profit attributable to owners of parent	16.3	34.9	-18.6	-53.2%	Pension assets		
Temperature effect ⁽²⁾	0.4	0.1	0.3	—		FY2020 1Q	
(Adjustment items) Sliding time lag effect ⁽³⁾ (city gas + LNG sales)	-7.5 (-6.9 + -0.6)	+6.7 (+5.5 + +1.2)	-14.2 (-12.4 + -1.8)	—	Investment yield (costs deducted)		2.13%
Amortization of actuarial differences ⁽⁴⁾	0.2	-1.9	2.1	—			
Adjusted ordinary profit (1)-((2)+(3)+(4))	34.9	43.4	-8.5	-19.6%	Year-end assets (billion yen)		2,630

<Expected annual rate of return: 2%>

Copyright© TOKYO GAS Co., Ltd. All Rights Reserved. TOKYO GAS

Both sales and profits decreased in 1Q FY2020.

Net sales were ¥415.6 billion, a decrease of ¥51.6 billion year on year. This was mainly attributable to a drop in city gas sales volume of the gas segment due from the impact of the new coronavirus (COVID-19) and a decrease in city gas unit price due to resource cost adjustment.

Operating expenses totaled ¥388.2 billion, a drop of ¥34.9 billion, also due to a decrease in city gas sales volume from the impact of COVID-19 and the impact from the decline in crude oil prices, etc.

As a result, both operating profit and ordinary profit faced substantial decreases to ¥27.4 billion, down ¥16.6 billion or 37.7%, and ¥28.0 billion, down ¥20.3 billion or 42.1%, respectively.

Extraordinary profit/loss includes an impairment loss of ¥4.7 billion relating to overseas businesses. As a result of the these factors, profit attributable to owners of parent ended at ¥16.3 billion, a decrease of ¥18.6 billion or 53.2% year on year.

City Gas sales volume:

-716mil.m³ (-21.2%)
including temperature effect
+7mil.m³, +0.2%

■ Residential +11mil.m³(+1.4%)

Temperature effect	+3 mil.m ³
Number of days	±0 mil.m ³
Number of customers	-53 mil.m ³
Others	+61 mil.m ³

■ Commercial -130mil.m³(-23.4%)

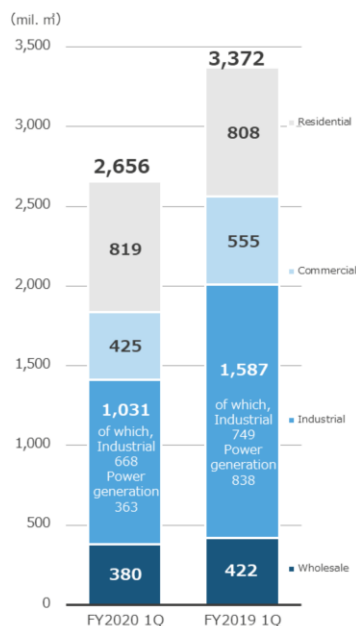
Temperature effect	+4 mil.m ³
Number of days	-2 mil.m ³
Number of customers	-8 mil.m ³
Others	-124 mil.m ³

■ Industrial -556mil.m³(-35.0%)

Industrial	-81 mil.m ³
Power generation	-475 mil.m ³

■ Wholesale -42mil.m³(-9.9%)

Temperature effect	±0 mil.m ³
Others	-42 mil.m ³ Decrease in wholesale demand, etc.



*Each value is rounded.

Number of customers(City Gas), LNG sales volume, Average temperature

	FY2020 1Q	FY2019 1Q	Change
Number of customers for city gas retail sales (10 thousands) *1	904.4	960.7	-56.3 (-5.9%)
Number of customers (meters) (10 thousands, meter) *2	1,197.5	1,183.8	+13.7 (+1.2%)
LNG sales volume (thousands t)	221	303	-82 (-27.0%)
Average temperature (°C)	16.6	16.7	-0.1

*1. Number of billed customers for city gas retail sales

*2. Including inactive meters and meters for gas supply from other retail companies

Gas Sales Volume , Gas volume used in-house (Unit : million ton)

	FY2020 1Q	FY2019 1Q	Change
City gas sales volume (financial accounting basis)	2,656	3,372	-716 (-21.2%)
Gas volume used in-house under tolling arrangement	669	366	+303 (+83.1%)
LNG sales volume (m ³ basis)	276	379	-103 (-27.0%)
Total	3,602	4,116	-514 (-12.5%)

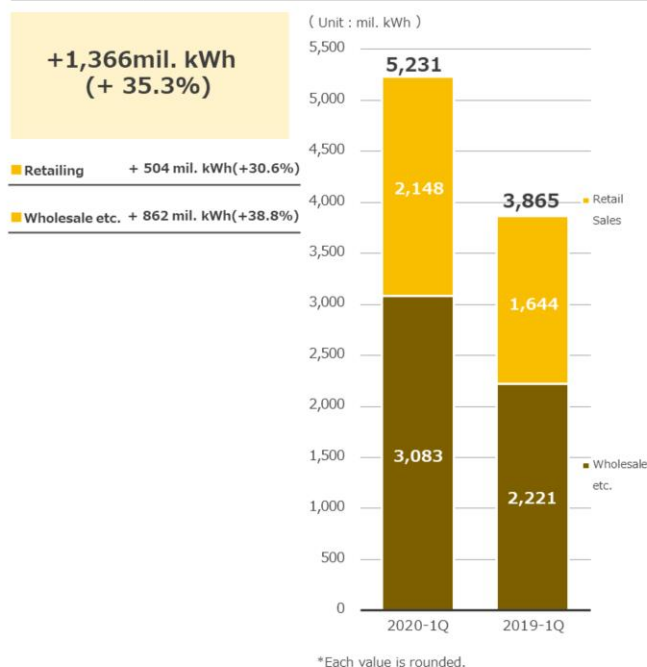
Copyright© TOKYO GAS Co., Ltd. All Rights Reserved.

TOKYO GAS

City gas sales volume in 1Q FY2020 was 2,656 million m³, down 716 million m³ or 21.2% year on year. This mainly reflected a 475 million m³ decrease in sales volume to power generation customers due to the expiry of a contract with a large customer and a drop in operation owing to the impact of the new coronavirus (COVID-19).

The impact of COVID-19 is also included in the “others” category of residential, commercial and wholesale sales, which we believe is another factor for the drop in sales volume.

Electricity sales volume :



New electricity retail customers won by Tokyo Gas



"Sales Campaign"

FY2019	FY2020
Winter; From Jan. 06, 2020 to Apr. 30, 2020	Summer; From Jun. 2 to Jul. 20, 2020
Autumn; From Oct. 15 to Dec. 23, 2019	
Summer; From Jun. 17 to Oct. 08, 2019	
Spring; From May. 2 to May. 31, 2019	

Total electricity sales volume in 1Q was 5,231 million kWh, up 35.3% year on year.

Retail electricity sales increased 30.6% year on year due to an increase in the number of customers, while wholesale and other electricity sales volume increased 38.8% on the back of an increase in sales to the wholesale power exchange.

We believe that COVID-19 had an impact in the increase in retail electricity sales as customers stayed at home.

(unit : billion yen)

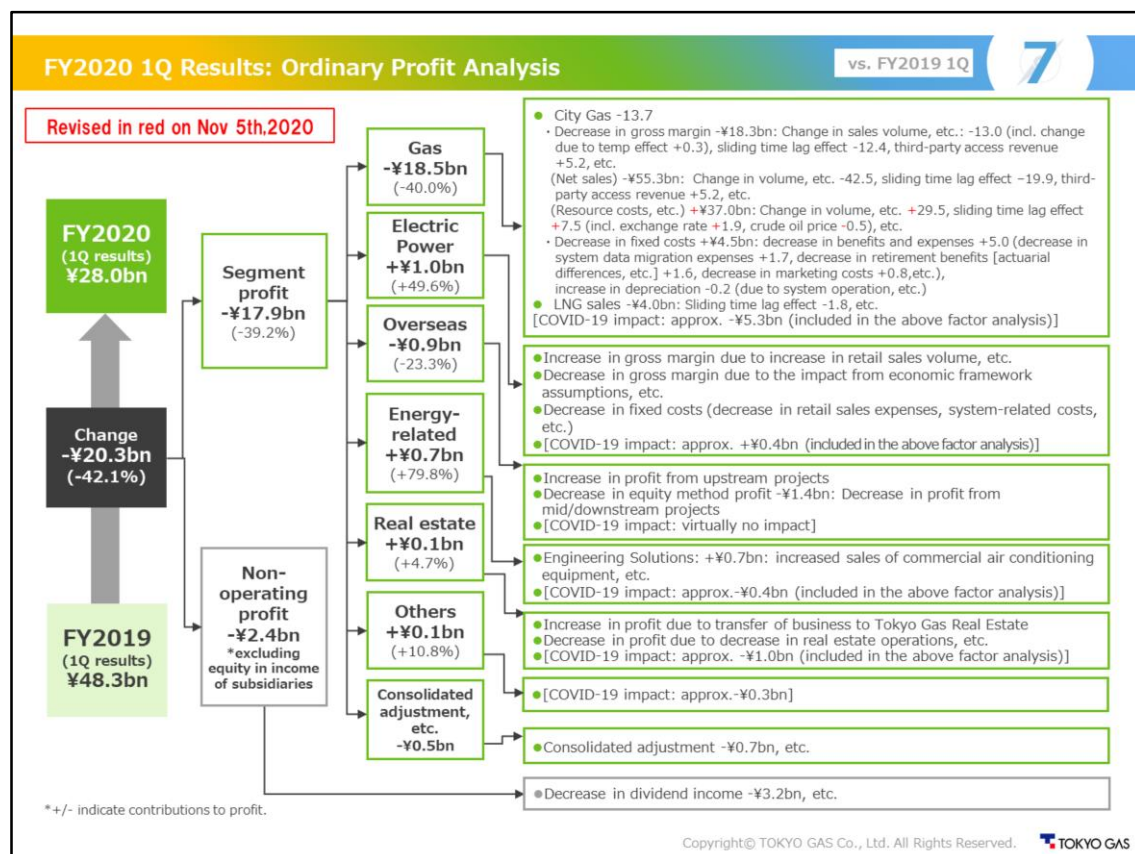
	Net sales				Segment Profit(Operating profit + Equity income/loss of subsidiary)			
	FY2020 1Q Results	FY2019 1Q Results	Change	%	FY2020 1Q Results	FY2019 1Q Results	Change	%
Gas	284.9	343.0	-58.1	-16.9	27.7	46.2	-18.5	-40.0
(City gas)	240.8	296.1	-55.3	-18.7	29.8	43.5	-13.7	-31.6
(LNG sales)	36.1	36.2	-0.1	-0.3	-1.6	2.4	-4.0	-168.5
Electric Power	89.1	72.1	17.0	23.5	2.9	1.9	1.0	49.6
Overseas business	11.9	10.9	1.0	9.9	2.7	3.6	-0.9	-23.3
(equity income of subsidiaries)	—	—	—	—	0.1	1.5	-1.4	-91.9
Energy-related	72.6	70.5	2.1	3.0	1.4	0.7	0.7	79.8
(Engineering Solutions)	29.4	26.8	2.6	9.8	0.2	-0.5	0.7	—
Real estate (including equity income of subsidiaries)	11.1	11.1	-0.0	-0.4	3.2	3.1	0.1	4.7
Others (including equity income of subsidiaries)	26.6	26.2	0.4	1.7	1.3	1.2	0.1	10.8
Adjustment	-80.9	-66.8	-14.1	—	-11.7	-11.2	-0.5	—
Consolidated	415.6	467.2	-51.6	-11.0	27.8	45.7	-17.9	-39.2
(equity income of subsidiaries)	—	—	—	—	0.3	1.7	-1.4	-79.1

Notes

- Net sales by business segments include internal transactions.
- "Gas" includes businesses in city gas, liquefied petroleum gas, industrial gas, LNG sales. "Energy-related" includes businesses in engineering solutions, gas appliances sales, gas pipe installation, construction and credit, etc. "Others" includes businesses in information processing service and shipping, etc.
- The "Adjustment" to operating profit is primarily companywide expenses not allocated to individual segments.

Slide 6 shows net sales by segment and segment profit, which is operating profit plus equity income/loss of subsidiaries), and changes thereof.

Total segment profit dropped by ¥17.9 billion, which was mainly attributable to a ¥18.5 billion decrease in the gas segment.

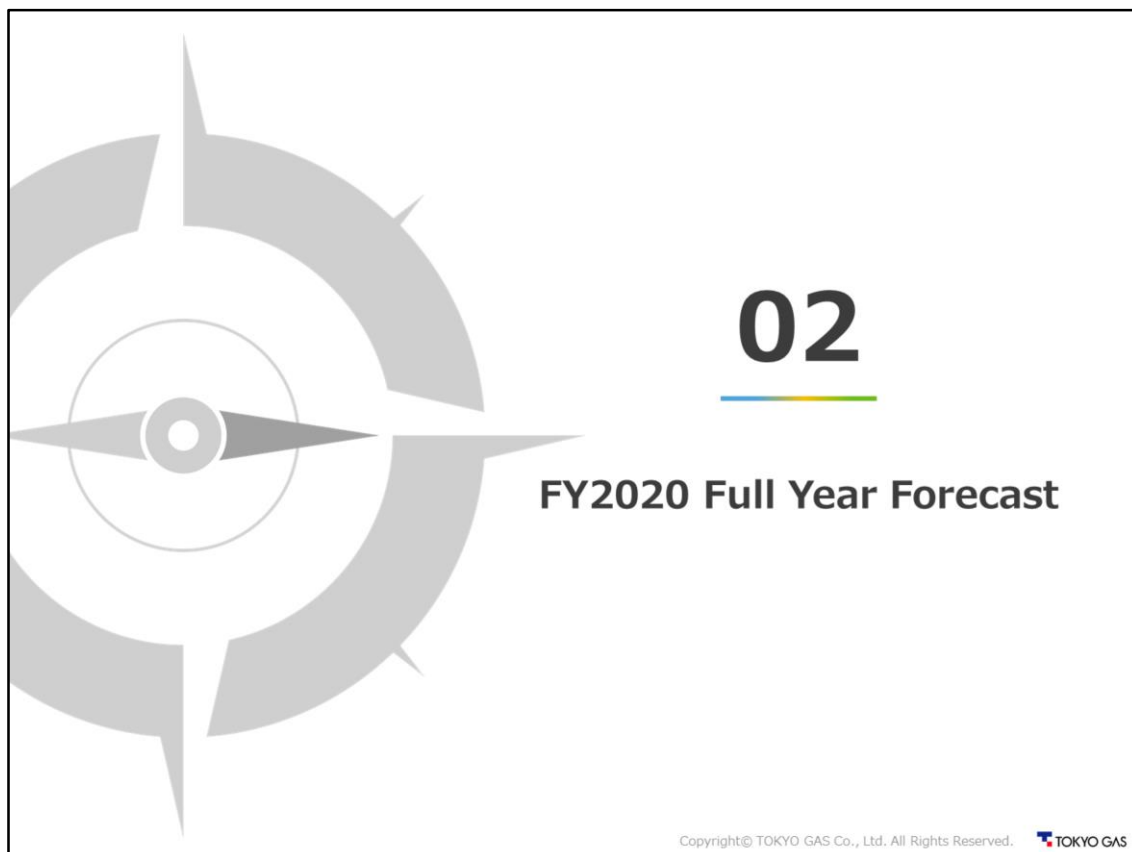


The ¥18.5 billion drop in profit of the gas segment mainly reflected a ¥12.4 billion deterioration of the sliding time lag effect and a ¥13.0 billion drop in gross margin due to a decrease in sales volume which included the effect of COVID-19.

In the electric power segment, profit increased by ¥1.0 billion, reflecting an increase in gross margin due to increases in retail customers and sales volume, as well as a drop in retail sales expenses.

In the overseas segment, profit was down ¥0.9 billion. This reflected a decrease in profit at equity method companies carrying out mid/downstream projects.

A rough estimate of the impact of COVID-19 is indicated at the bottom of the box for each segment. Please note that the amount is included in the factors affecting segment profit described for each segment, since it is difficult to single out the impact of COVID-19.

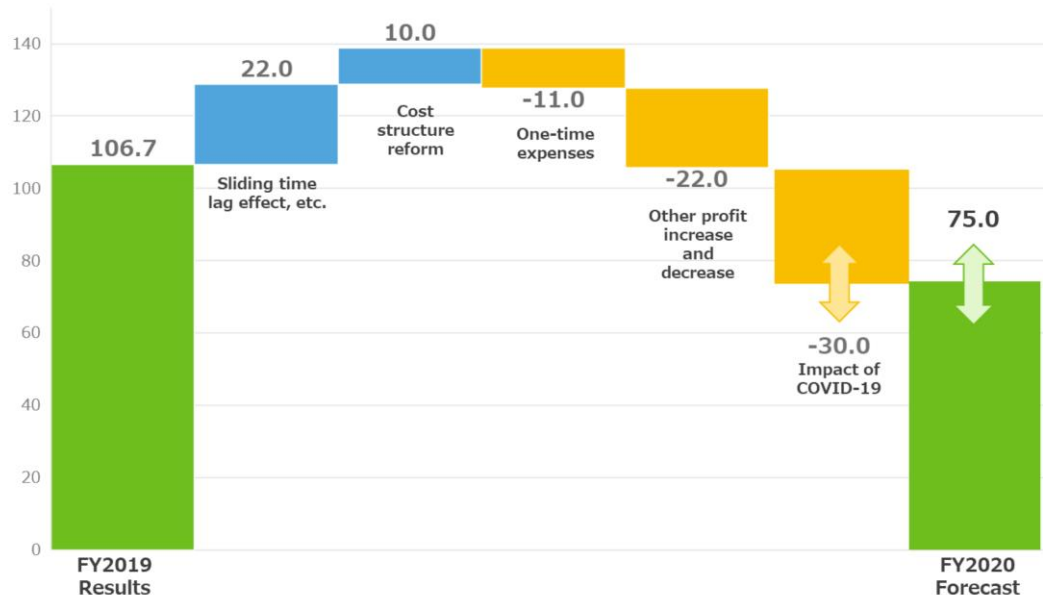


We have decided to present our full year forecast in segment profit. Since the impact of COVID-19 differs between segments, we have calculated the impact in terms of segment based on gross margin and reflected it and the factors for changes from the previous fiscal year to our initial full-year forecast that was prepared before the impact of COVID-19 emerged.

We have decided to refrain from disclosing forecasts for net sales and profit attributable to owners of parent since they include numerous variable elements and posed difficulty in making consistent estimates from segment profit.

Factors for Changes in Profit by Business Segment vs. FY2019 Results

(+/- indicate impact on profit, billion yen)



Copyright© TOKYO GAS Co., Ltd. All Rights Reserved. TOKYO GAS

Our full year forecast is ¥75.0 billion, which includes a -¥30.0 billion impact of COVID-19 in addition to factors for changes in segment profit from that of the previous fiscal year.

The figures for cost structure reform, one-time expenses and other profit increase and decrease were those that were estimated at the time of our initial forecast.

Since the impact of COVID-19 is an estimate based on current assumptions and is subject to drastic changes going forward, we have expressed the possibility of change with an arrow.

(+/- indicate impact on profit, billion yen)

Item	Main contents	Impact*1
Sliding time lag effect, etc.	(+) Sliding time lag (+) City gas temperature affect (+) Pension actuarial differences	Approx. +22.0
Cost structure reform	(+) Rationalization of expenses	Approx. +10.0
One-time expenses	(-) Data migration expenses due to operation of core system (-) Superannuated assets retirement expenses, etc.	Approx. -11.0
Other profit increase and decrease	(+) Increase in electric power retail sales volume (-) Decrease in sales volume from decline in gas demand from customers switching to other providers (-) Increase in depreciation (-) Increase in new service area development expenses (DX-related expenses, etc.) (-) Decrease in profits on overseas projects, etc.	Approx. -22.0
Impact of COVID-19 (※2)	(-) Decrease in gas sales volume (-) LNG supply and demand adjustment expenses (-) Decrease in profits from business segments other than gas (appliances, construction, hotels, etc.) (+) Postponement and restriction of expenses with the impact of COVID-19 (+) Increase in electric power retail sales volume from more time staying at home, etc.	Approx. -30.0

*1. Economic framework from July: crude oil price \$45/bbl; exchange rate ¥110/\$.

*2. The impact from COVID-19 is estimated under assumptions as of the present time, and may greatly change in the future.

Copyright© TOKYO GAS Co., Ltd. All Rights Reserved. TOKYO GAS

The positive impact of the sliding time lag effect and cost structure reform is expected to be offset by one-time expenses in FY2020 such as data migration expenses as well as a decline in demand for gas, an increase in depreciation, and a decrease in profits on overseas projects. In addition, the impact of COVID-19 depressed profits. As described in the margin, the economic framework from July is crude oil price of \$45/bbl and an exchange rate of ¥110/\$.

(unit : billion yen)

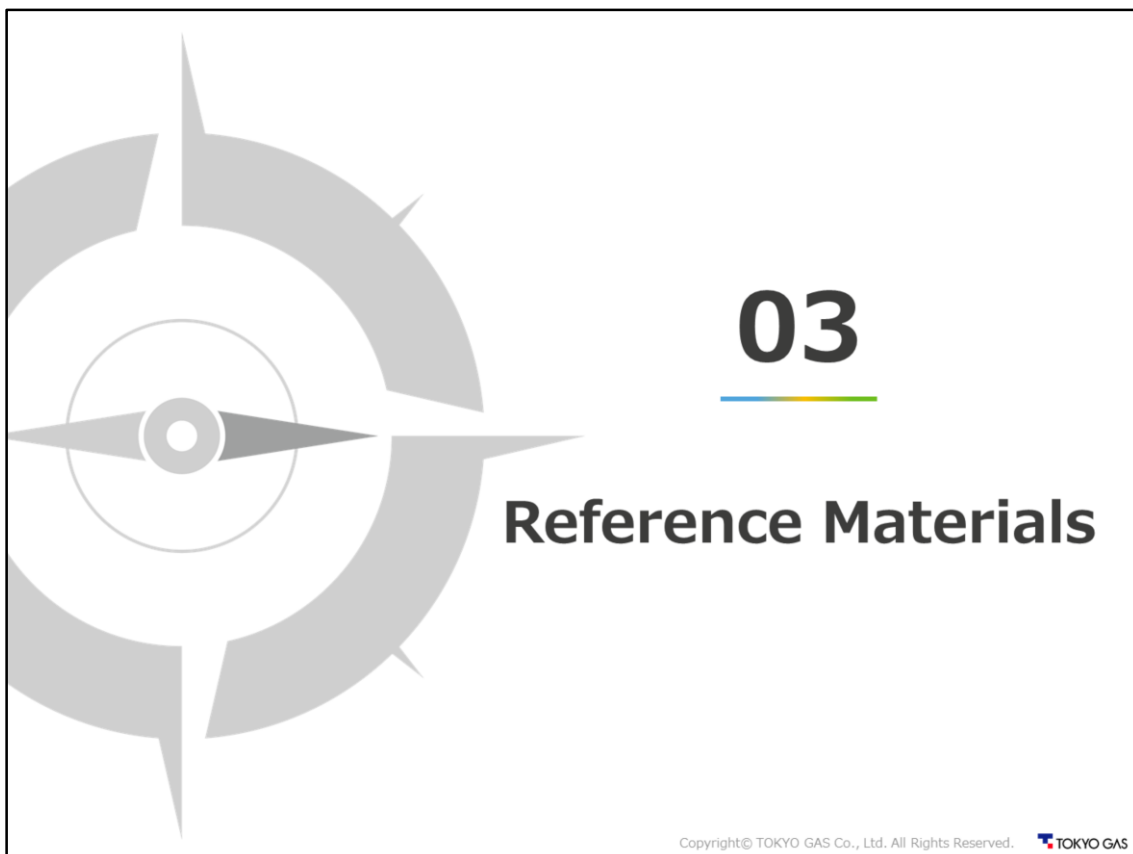
	Segment Profit (Operating profit + Equity income/loss of subsidiary)			
	FY2020 Forecast	FY2019 Results	Change	%
Gas	88.5	102.4	-13.9	-13.6
Electric Power	13.6	10.1	3.5	34.1
Overseas business (including equity income of subsidiaries)	2.4	13.2	-10.8	-81.9
Energy-related	13.2	16.9	-3.7	-22.3
Real estate (including equity income of subsidiaries)	5.6	9.6	-4.0	-42.3
Others (including equity income of subsidiaries)	1.3	5.7	-4.4	-77.5
Adjustment	-49.6	-51.5	1.9	—
Consolidated	75.0	106.7	-31.7	-29.7
Operating profit	73.0	101.5	-28.5	-28.1
equity income of subsidiaries	2.0	5.2	-3.2	-61.4

Notes

- "Gas" includes businesses in city gas, liquefied petroleum gas, industrial gas, LNG sales. "Energy-related" includes businesses in engineering solutions, gas appliances sales, gas pipe installation, construction and credit, etc. "Others" includes businesses in information processing service and shipping, etc.
- The "Adjustment" to operating profit is primarily companywide expenses not allocated to individual segments.

Copyright© TOKYO GAS Co., Ltd. All Rights Reserved. TOKYO GAS

Although we expect an increase in profit for the electric power business due to an expected rise in the number of retail customers, an increase in operation at the Moka Power Plant and a reduction in operating expenses, we expect more than a ¥10.0 billion drop in profit in the gas segment on the back of an expected decrease in sales volume. In the overseas segment, we expect a profit decrease of around ¥10.0 billion due to impact from the economic framework assumption following a drop in oil prices. Furthermore, we expect a drop of more than ¥10.0 billion from other segments in total, resulting in expected total segment profit of ¥75.0 billion, down ¥31.7 billion year on year.



Reference materials include the trend of crude oil prices and exchange rates, a list of major press releases from April 1, 2020 to July 29, 2020, a list of major overseas projects, and the trend of the number of switches to other electricity and city gas providers.

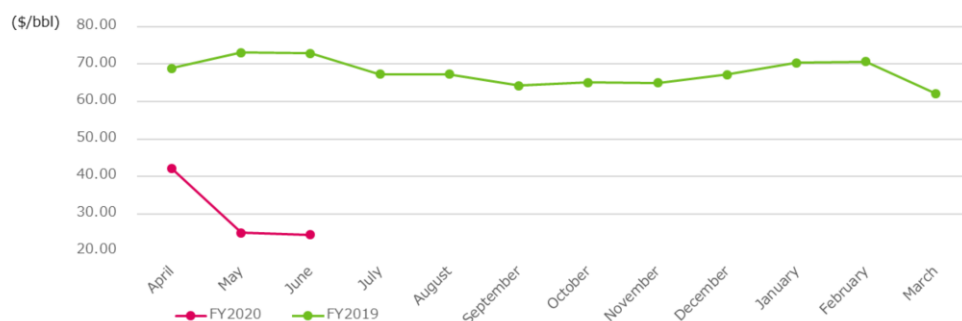
Impact of rising JCC by \$1/bbl

		Impact on earnings			(Unit: billion yen)
		2Q	3Q	4Q	Full year
Period	2Q	-0.1	-0.8	+0.8	-0.1
	3Q	—	-0.1	-0.9	-1.0
	4Q	—	—	-0.1	-0.1
	Full year	-0.1	-0.9	-0.2	-1.2

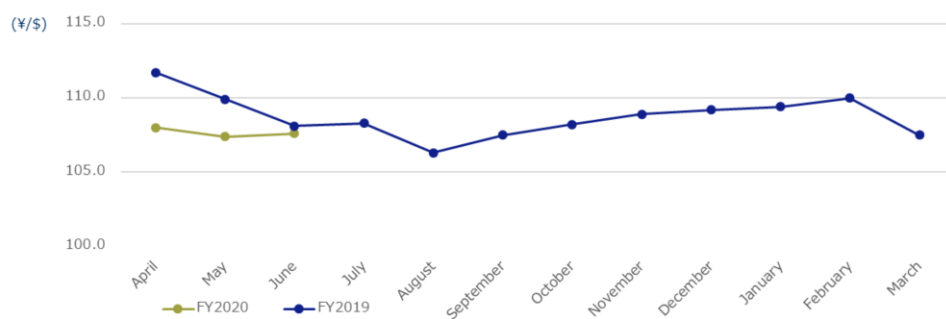
Impact of depreciation by ¥1/\$

		Impact on earnings			(Unit: billion yen)
		2Q	3Q	4Q	Full year
Period	2Q	-0.3	+0.3	+0.2	+0.2
	3Q	—	-0.4	+0.5	+0.1
	4Q	—	—	-0.7	-0.7
	Full year	-0.3	-0.1	0.0	-0.4

Crude oil price (Japan Crude Cocktail Prices)



Exchange rate



Copyright© TOKYO GAS Co., Ltd. All Rights Reserved.

TOKYO GAS

Gas Electric Power (Including ESG)	<ul style="list-style-type: none"> • Launched free solar power system provision service "Zuttomo Solar x Toyota Home" (Apr.20) • Tokyo Gas Invests In Principle Power, A Leading Floating Wind Power Technology Company (May.27) • Began verification of virtual power plants using Ene-Farm home fuel cells (Jun.1) • Tokyo Gas began handling the first effective renewable energy electricity using Feed-in Tariff Scheme for Renewable Energy (FIT) non-fossil fuel energy certificates (Jul.2)
Services (Including ESG)	<ul style="list-style-type: none"> ◆ Engineering Solutions <ul style="list-style-type: none"> • Establishment of Ekimachi Energy Create (Apr. 7) • Establishment of Ryukyu Energy Service LLC. (May 11)*1 • Initiation of energy service to the "Kirameki Terrace" redevelopment project at the site of the former Kagoshima City Transportation Bureau using a smart energy network - Providing area energy that is environmentally friendly and disaster resistant (Jul. 1)*1 • Initiation of energy service to the Miyazaki Medical Association Hospital (Jul.1)*1 ◆ Others <ul style="list-style-type: none"> • Integration of Tokyo Gas Living Engineering Co., Ltd. and Tokyo Gas Remodeling Co., Ltd. (Apr. 6)*2 • Tokyo Gas venture Sumilena Co., Ltd. initiates "fixed monthly fees appliances rental services" and implements "Rest HOME" campaign in collaboration with 4 companies, mostly startups (Jun. 17)*3 • Completion of Station Tower N of the "msb Tamachi" large-scale joint development project directly connected to the east exit of JR Tamachi Station (Jul. 15)*4
Overseas (Including ESG)	<ul style="list-style-type: none"> • Establishment of a Subsidiary in the United States and the Acquisition of a 500MW Solar Power Project(Jul.29) • Tokyo Gas Acquires Oil and Gas Assets in Louisiana Through Castleton Resources and Takes Majority Interest in Castleton Resources(Jul.29)
ESG	<ul style="list-style-type: none"> • Tokyo Gas Group's Interim Initiatives Based on the Emergency Declaration(Apr.7) • Additional special measures pertaining to gas and electricity bill payments in relation to the 2020 COVID-19 outbreak(Apr.24) • Additional special measures pertaining to gas and electricity bill payments in relation to the 2020 COVID-19 outbreak(May.13) • Additional special measures pertaining to gas and electricity bill payments in relation to the 2020 COVID-19 outbreak(Jun.24) • Conclusion of the "Basic Agreement on Mutual Assistance During Disasters" with Tochigi Prefecture (Jul.3) • Additional special measures pertaining to gas and electricity bill payments in relation to the 2020 COVID-19 outbreak(Jul.20)
Finance and shareholder returns	<ul style="list-style-type: none"> • Notice of Posting Extraordinary Loss and Revision to Results Forecast(Apr.23) • Announcement of issue of the 58th, the 59th, the 60th and the 61th Domestic unsecured notes (May.22)

*1 Press releases issued by Tokyo Gas Engineering Solutions.

*2 Press releases issued by Tokyo Gas Living Engineering and Tokyo Gas Remodeling.

*3 Press releases issued by Sumilena.

*4 Press releases issued by Tokyo Gas Real Estate.

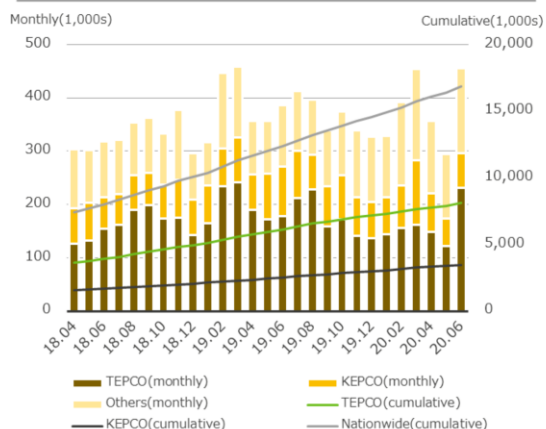


Area	No	Country	Subject	Main Business	Participation year
North America	①	U.S.A	Barnett	Upstream Shale gas	2013
			Eagle Ford	Upstream Shale gas	2016
			East Texas	Upstream Shale gas	2017
			TGES America	Downstream Energy Service	2015
			Birdsboro Power Plant	Downstream Natural gas power	2017
			Acario Ventures	Other Open Innovation	2017
	②	Mexico	Bajío	Downstream Natural gas power	2004
			MT Falcon	Downstream Natural gas power	2010
Southeast Asia	③	Malaysia	Heolios EnTG	Downstream Renewable venture	2019
			GAS MALASIA Bhd.	Downstream City gas	1992
	④	Thailand	GAS MALASIA ENERGY ADVANCE Sdn.Bhd.	Downstream Energy Service	2014
			Bang bo	Downstream Natural gas power	2016
			GWHAMT	Downstream Gas Supply	2018
	⑤	Vietnam	One Bangkok	Downstream District Cooling Solutions and power distribution	2020
			PVGD	Downstream CNG Supply	2017
Oceania	⑥	Indonesia	PRA	Downstream Gas Supply, Transfer	2017
			Darwin	Upstream Production, liquefaction and sales of LNG	2003
			Pluto	Upstream Production, liquefaction and sales of LNG	2008
			Gorgon	Upstream Production, liquefaction and sales of LNG	2009
			Queensland Curtis	Upstream Production, liquefaction and sales of LNG	2011
			Ichthys	Upstream Production, liquefaction and sales of LNG	2012

Copyright© TOKYO GAS Co., Ltd. All Rights Reserved.

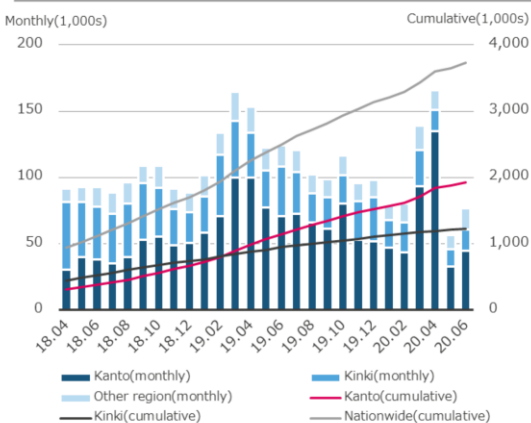


Electricity switchers (based on applications)



* Based on data published by the Organization for Cross-regional Coordination of Transmission Operators.

City gas switchers (based on applications)



* Based on data published by the Agency for Natural Resources and Energy.

Number of customers for city gas retail sales (Tokyo gas consolidated, 10thousands)

Full deregulation of the retail market (2017.04)

	2017.3	2017.6	2017.9	2017.12	2018.3	2018.6	2018.9	2018.12	2019.3	2019.6	2019.9	2019.12	2020.03	2020.06
Number	1,026.9	1,031.4	1,028.9	1,029.6	1,020.9	1,018.9	1,008.9	998.2	982.1	960.7	940.5	925.9	912.9	904.4
(Change)	(—)	(+4.5)	(-2.5)	(+0.7)	(-8.7)	(-2.0)	(-10.0)	(-10.7)	(-16.1)	(-21.4)	(-20.2)	(-14.6)	(-13.0)	(-8.5)



< Cautionary Statement regarding Forward-looking Statements >

Statements made in this presentation with respect to Tokyo Gas's present plans, forecasts, strategies and beliefs, and other statements herein that are not expressions of historical fact are forward-looking statements about the future performance of the Company. As such, they are based on management's assumptions and opinions stemming from currently available information and therefore involve risks and uncertainties.

The Company's actual performance may greatly differ from these projections, due to these risks and uncertainties which include without limitation 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.

Copyright© TOKYO GAS Co., Ltd. All Rights Reserved.