

Reference Materials (FY2021 1Q)

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Reference Materials (FY2021 1Q)

1. <Consolidated>Financial Results

	<FY2021 1Q vs. FY2020 1Q>				<FY2021 Forecast vs. FY2020 Results>				<FY2021 Forecast vs. Previous Forecast (Apr.)>				100 million yen	
	FY21 1Q	FY20 1Q	Change		Reference	FY21 Forecast	FY20	Change		Reference	Previous	Change		Reference
Net sales	4,082	4,156	-74	-1.8%	Gas -117, Electric power -79, Energy-related -34, Others -26, Overseas +86, Real estate +29, etc.	19,520	17,651	1,869	10.6%	Gas +1,148, Overseas +330, Electric power +327, etc.	18,160	1,360	7.5%	Gas +1,175, Electric power +327, etc.
Operating profit	251	274	-23	-8.3%	Gas -65, Others -21, Overseas +26, Real estate +10, Energy-related +7, Electric power +6, etc.	920	776	144	18.4%	Overseas +124, Electric power +81, Real estate +52, Gas -116, etc.	870	50	5.7%	Overseas +71, Gas -26, Others -13, etc.
Ordinary profit	231	280	-49	-17.7%	Increase in interest expenses , Decrease in dividend income, etc.	830	705	125	17.7%	Increase in interest expenses, etc.	720	110	15.3%	Increase in overseas equity income, etc.
Profit attributable to owners of parent	158	163	-5	-3.5%	[FY20] Impairment loss	600	495	105	21.2%	[Forecast] None [FY20] Impairment loss, Loss on valuation of investment securities, etc.	520	80	15.4%	
Total assets(*1)	28,379	27,383	996	3.6%	Non-current assets +410 (Investments and other assets +258, Property, plant and equipment +111, Intangible assets +41) Current assets +585 (Raw materials and supplies +274), etc.	28,950	27,383	1,567	5.7%		28,650	300	1.0%	
Equity(*1)	11,797	11,538	259	2.2%	Foreign currency translation adjustment +230, Net profit +158, Dividend payments -132, etc.	12,100	11,538	562	4.9%		11,760	340	2.9%	
Equity ratio(*1) (%)	41.6%	42.1%	-0.5%	-		41.8%	42.1%	-0.3%	-		41.0%	0.7%	-	
Total assets turnover(*2) (times)	0.15	0.16	-0.01	-		0.69	0.67	0.02	-		0.65	0.04	-	
ROA(*2) (%)	-	-	-	-		2.1%	1.9%	0.2%	-		1.9%	0.2%	-	
ROE(*2) (%)	-	-	-	-		5.1%	4.3%	0.8%	-		4.5%	0.6%	-	
Interest-bearing debt(*1)	11,561	10,659	902	8.5%	Tokyo Gas +996	12,510	10,659	1,851	17.4%		12,420	90	0.7%	
D/E ratio	-	-	-	-		1.03	0.92	0.11	-		1.06	-0.03	-	
Profit attributable to owners of parent	158	163	-5	-3.5%		600	495	105	21.2%		520	80	15.4%	
Depreciation(*3-4)	486	434	52	12.1%		1,950	1,798	152	8.5%		1,920	30	1.6%	
Operating cash flow(*5)	644	597	47	7.9%		2,550	2,293	257	11.2%		2,440	110	4.5%	
Capital expenditure(*3)	467	362	105	29.0%	Consolidates subsidiaries, etc. +175, Tokyo Gas -71	2,460	2,464	-4	-0.2%		2,460	0	-	
Investments and Financing(after offset)	50	110	-60	-53.9%		1,150	820	330	40.2%		1,154	-4	-0.3%	
WACC (%)	-	-	-	-		2.4%	2.6%	-0.2%	-		2.4%	0.0%	-	
EPS (¥/share)	35.93	37.14	-1.21	-3.3%		136.42	112.26	24.16	21.5%		117.91	18.51	15.7%	
BPS(*1) (¥/share)	2,683.89	2,616.37	67.52	2.6%		2,751.40	2,616.37	135.03	5.2%		2,666.68	84.72	3.2%	
Total payout ratio(*6)	-	-	-	-		-	60.1%	-	-		-	-	-	

(*1) Figures in B/S items for FY20 are the figures as of the end of FY20 (end of March 2021)

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

*The provisional accounting treatment pertaining to business combinations was determined in FY2020 and the figures for the first quarter of FY2020 reflect the determined contents of the provisional accounting treatment.

2. <Consolidated>Breakdown of Segments (FY2021 vs. FY2020)

100 million yen

Segment	Breakdown	Net sales				Reference	Operating profit				Reference
		FY21 1Q	FY20 1Q	Change			FY21 1Q	FY20 1Q	Change		
Gas Segment	Liquefied petroleum gas	72	44	28	61.8%	Increase in sales due to increase in sales volume and unit sales prices	0	0	0	—	
	Industrial gas	41	45	-4	-10.4%		2	2	0	21.0%	
Energy-related Segment	Gas appliances	240	263	-23	-8.7%	Decrease in sales due to decrease in sales volume and the accounting standard for revenue recognition	15	12	3	18.5%	
	Gas pipe Installation work	79	83	-4	-5.2%		-2	-2	0	—	
	Construction etc.	96	131	-35	-26.5%	Decrease in sales due to decrease in number of installations	-4	-1	-3	—	
	Credit	23	18	5	24.9%		1	1	0	16.8%	
Other Segment	IT services	64	111	-47	-42.1%	Decrease in sales due to decrease in orders received for system development	-3	-1	-2	—	
	Shipping	80	73	7	9.4%		-7	15	-22	—	Decrease in profit due to increase in costs for shipping

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

3. <Consolidated>Main Consolidated Subsidiaries Results (FY2021 vs. FY2020)

100 million yen

Segment	Company name	Net sales				Reference	Operating profit				Reference
		FY21 1Q	FY20 1Q	Change			FY21 1Q	FY20 1Q	Change		
Gas etc.	Tokyo Gas Co.,Ltd.	3,650	3,887	-237	-6.1%		90	200	-110	-54.7%	
Electric Power seg.	Nijio Co.,Ltd	371	413	-42	-10.1%	Decrease in sales due to decrease in sales volume	17	-8	25	—	Increase in profit due to increase in unit sales prices
Overseas seg.	TG Australia Group(*)	87	112	-25	-22.7%	(TG Gorgon) Decrease in sales due to lower unit prices (TG Pluto) Decrease in sales due to lower unit prices	18	38	-20	-52.4%	Decrease in profit due to decrease in sales
Energy-related seg.	Tokyo Gas Engineering Solutions Group(*)	314	311	3	1.0%		14	5	9	184.0%	
Real Estate seg.	Tokyo Gas Real Estate Co., Ltd.	131	104	27	26.2%	Increase in sales due to increase in rent income from Tamachi project	48	39	9	22.1%	Increase in profit due to increase in sales from Tamachi project
Others	Tokyo LNG Tanker Co., Ltd.	78	77	1	1.5%		-2	13	-15	—	Decrease in profit due to increase in costs for shipping
Other		1,038	783	255	32.5%	(TGNR) Increase in sales as a result of inclusion of the company into consolidated subsidiaries (FY2020 3Q) (TG PLUS) Increase in sales due to increase in sales volume and unit sales prices	78	-80	158	—	(TGNR)Increase in profit due to increase in sales (TG PLUS)Increase in profit due to increase in sales
Consolidated subsidiaries total		2,020	1,801	219	12.2%		175	7	168	—	
Consolidated total		4,082	4,156	-74	-1.8%		251	274	-23	-8.3%	

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

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

100 million yen

	<FY2021 1Q vs. FY2020 1Q>				Reference	<FY2021 Forecast vs. FY2020 Results>				Reference	<FY2021 Forecast vs. Previous Forecast (Apr.)>		
	FY21 1Q	FY20 1Q	Change			FY21 Forecast	FY20	Change			Previous	Change	Reference
【Capital Expenditure】													
Production facilities	12	6	6	103.0%	Other production facilities, etc.	104	111	-7	-5.7%	Hitachi LNG receiving terminal-related, etc.	104	0	—
Distribution facilities	169	195	-26	-13.3%	Stable supply-related, etc.	820	959	-139	-14.4%	Stable supply-related, etc.	820	0	—
Service and maintenance facilities etc.	35	86	-51	-58.7%	IT, etc.	374	383	-9	-2.5%	IT, etc.	374	0	—
Tokyo Gas Total	217	288	-71	-24.3%		1,300	1,454	-154	-10.6%		1,300	0	—
Capital expenditure at consolidated subsidiaries	249	77	172	220.6%	Overseas, etc	1,208	1,043	165	15.9%	Overseas, etc	1,208	0	—
Adjustment	0	-3	3	—		-48	-33	-15	—		-48	0	—
Capital Expenditure total	467	362	105	29.0%		2,460	2,464	-4	-0.2%		2,460	0	—
【Investments and Financing】													
Investment and financing	54	112	-58	-51.8%		1,184	853	331	38.8%		1,184	0	—
Collections	3	1	2	78.5%		33	32	1	2.2%		30	3	10.4%
Investments and Financing total (after offset)	50	110	-60	-53.9%		1,150	820	330	40.2%		1,154	-4	-0.3%
Capital Expenditure total+ Investments and Financing (after offset)	518	472	46	9.6%		3,610	3,285	325	9.9%		3,614	-4	-0.1%

5. <Non-consolidated> Financial Results

100 million yen

	<FY2021 1Q vs. FY2020 1Q>				<FY2021 Forecast vs. FY2020 Results>				<FY2021 Forecast vs. Previous Forecast (Apr.)>							
	FY21 1Q	FY20 1Q	Change		Reference		FY21 Forecast	FY20	Change		Reference		Previous	Change		Reference
Net sales	3,650	3,887	-237	-6.1%			17,570	16,129	1,441	8.9%			16,000	1,570	9.8%	
Operating profit	90	200	-110	-54.7%			430	470	-40	-8.5%			460	-30	-6.5%	
Ordinary profit	122	235	-113	-47.9%			390	467	-77	-16.5%			400	-10	-2.5%	
Net profit	92	185	-93	-50.0%			290	425	-135	-31.8%			300	-10	-3.3%	
Impact of Sliding Time Lag(*1)																
Revenue from sliding system	-259	-88	-171	—			-529	-1,588	1,059	—			-1,249	720	—	
Increase in gas cost	-148	-19	-129	—			-305	-1,468	1,163	—			-1,080	775	—	
Change	-111	-69	-42	—			-224	-120	-104	—			-169	-55	—	
Economic Frame																
JCC (Japan Crude Cocktail) \$/bbl	66.91	32.26	34.65	107.4%			65.48	43.35	22.13	51.0%			55.00	10.48	19.1%	
EX Rate ¥/\$	109.52	107.64	1.88	1.7%			109.88	106.10	3.78	3.6%			105.00	4.88	4.6%	
Gas Business Sales	2,183	2,309	-126	-5.5%	Volume/composition +39, Sliding time lag effect -171, Third-party access revenue +6, etc.		9,950	9,278	672	7.2%	Volume/composition, etc. -387, Sliding time lag effect +1,059		9,080	870	9.6%	Volume/composition, etc. +150, Sliding time lag effect +720
Raw materials and supplies	1,084	1,133	-49	-4.3%	Volume/composition, etc. +80, Sliding time lag effect -129 (Foreign exchange +13, Oil price -79, etc.)		5,355	4,522	833	18.4%	Volume/composition, etc. -330, Sliding time lag effect +1,163		4,472	883	19.7%	Volume/composition, etc. +108, Sliding time lag effect +775
(Gross profit)	(1,099)	(1,176)	(-77)	(6.6%)	Volume/composition, etc. -41, Sliding time lag effect -42, Third-party access revenue +6, etc.		(4,595)	(4,756)	(-161)	(-3.4%)	Volume/composition, etc. -57, Sliding time lag effect -104		(4,608)	(-13)	(-0.3%)	Volume/composition, etc. +42, Sliding time lag effect -55
Personnel expenses	148	175	-27	-15.4%	Retirement allowance -25 (Actuarial differences -24), etc.		603	739	-136	-18.4%	Retirement allowance -98 (Actuarial differences -100), etc.		603	0	—	
General expenses	612	601	11	1.8%			2,700	2,629	71	2.7%			2,700	0	—	
Repair costs	64	63	1	1.1%			302	295	7	2.4%			302	0	—	
Others	547	537	10	1.9%	Consignment costs +22 (Transfer of operation +11, etc.), Taxes -7 (Decrease in property tax, etc.)		2,398	2,334	64	2.7%	Consignment costs +54 (Transfer of operation, etc.), Expendable costs +14, etc.		2,398	0	—	
Depreciation	331	290	41	14.4%			1,320	1,220	100	8.2%	Increase as a result of acquisition of new assets		1,290	30	2.3%	
LNG regasification	-8	-7	-1	—			-41	-37	-4	—			-41	0	—	
Operating costs	2,168	2,192	-24	-1.1%			9,937	9,074	863	9.5%			9,024	913	10.1%	
Installation work	-2	-2	0	—			12	3	9	300.0%			12	0	—	
Others	66	71	-5	-6.2%			305	311	-6	-1.9%			305	0	—	
Miscellaneous operating profit	64	68	-4	-6.7%			317	314	3	1.0%			317	0	—	
Expenses for incidental businesses	11	14	-3	-21.7%	Electric power -20, LNG sales +16, etc.		100	-47	147	—	LNG sales +95, Electric power +56, etc.		87	13	14.9%	Electric power +24, LNG sales -8, etc.
Operating profit	90	200	-110	-54.7%			430	470	-40	-8.5%			460	-30	-6.5%	
Non operating profit	31	34	-3	-8.4%			▲40	-3	-37	—	Dividends received from affiliates -17, etc.		-60	20	—	Dividends received from affiliates +7, etc.
Ordinary profit	122	235	-113	-47.9%			390	467	-77	-16.5%			400	-10	-2.5%	
Extraordinary income	0	0	0	—			0	47	-47	—	[FY2020]Gain on sales of investment securities +47 [Forecast] None		0	0	—	
Extraordinary loss	0	0	0	—			0	0	0	—			0	0	—	
Taxes	30	50	-20	-40.0%			100	90	10	11.1%			100	0	—	
Net profit	92	185	-93	-50.0%			290	425	-135	-31.8%			300	-10	-3.3%	
Net profit	92	185	-93	-50.0%			290	425	-135	-31.8%			300	-10	-3.3%	
Depreciation(*2)	346	306	40	13.2%			1,380	1,285	95	7.4%			1,350	30	2.2%	
Operating cash flows (Net profit+Depreciation)	439	491	-52	-10.6%			1,670	1,711	-41	-2.4%			1,650	20	1.2%	

(*1)Change from standard average resource cost

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

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

100 million yen

(1) Breakdown of Gas Sales

	<FY2021 1Q vs. FY2020 1Q>				<FY2021 Forecast vs. FY2020 Results>				<FY2021 Forecast vs. Previous Forecast(Apr.)>					
	FY21 1Q	FY20 1Q	Change	change factors	(100 million yen)	(million m3)	FY21 Forecast	FY20	Change	Previous	Change			
Residential	959	1,123	-164	-14.6%	Volume, etc.	-116	-97	4,095	4,108	-13	-0.3%	4,027	68	1.7%
					(Temp. effect)	(-60)	(-53)							
					Sliding	-48								
Others (Commercial·Industrial·Wholesale) Third-party access revenue, etc.	1,224	1,186	38	3.2%	Volume, etc.	155	285	5,855	5,170	685	13.3%	5,053	802	15.9%
					(Temp. effect)	(-10)	(-14)							
					Sliding	-123								
					Other	7								
Total	2,183	2,309	-126	-5.5%	Volume, etc.	39	188	9,950	9,278	672	7.2%	9,080	870	9.6%
					(Temp. effect)	(-70)	(-67)							
					Sliding	-171								
					Other	7								

(2) Gas Gross Profit Analysis

100 million yen

	Change<FY21 1Q vs. FY20 1Q>						Change<FY2021 Forecast vs. FY2020 Results>						Change<FY2021 Forecast vs. Previous Forecast(Apr.)>									
	Volume, etc.	(Breakdown)		Unit price	(Breakdown)		Other	Total	Volume, etc.	(Breakdown)		Unit price	(Breakdown)		Total	Volume, etc.	(Breakdown)		Unit price	(Breakdown)		Total
Gas Business Sales	39	Temp. effect	-70	-171	Sliding	-171	7	-126	-387	Temp. effect	34	1,059	Sliding	1,059	672	150	Temp. effect	-70	720	Sliding	720	870
		Other	109		Other	0				Other	-421		Other	0			Other	220		Other	0	
		Raw materials and supplies	80		Temp. effect	-32				-129	Sliding		-129	0			-49	-330		Temp. effect	19	
Other	112	(crude oil price)		-79	(crude oil price)	1,047	(crude oil price)	552														
Other		(exchange rate)		13	(exchange rate)	156	(exchange rate)	197														
Gross profit	-41	Temp. effect	-38	-42	Sliding	-42	7	-77	-57	Temp. effect	15	-104	Sliding	-104	-161	42	Temp. effect	-39	-55	Sliding	-55	-13
		Other	-3		Other	0				Other	-72		Other	0			Other	81		Other	0	

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

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

			FY21 Results		FY21 Forecast	
			1Q	2-4Q	Full-year	
FY21 Forecast	JCC	\$/bbl	66.91	65.00	65.48	
	EX Rate	¥/\$	109.52	110.00	109.88	
			FY21 Previous Forecast As of Apr.			
FY21 Previous Forecast As of Apr.	JCC	\$/bbl	55.00			
	EX Rate	¥/\$	105.00			
			Change			
Change	JCC	\$/bbl	11.91	10.00	10.48	
	EX Rate	¥/\$	4.52	5.00	4.88	

(2) Gross Profit Sensitivity<Non-consolidated>

■ Gross Profit Sensitivity to Changes in Oil Price 100 million yen

	2Q	3Q	4Q	Full-year
Net sales	13	4	0	17
Gas resource cost	17	14	1	32
Gross profit	-4	-10	-1	-15

■ Gross Profit Sensitivity to Changes in EX Rate 100 million yen

	2Q	3Q	4Q	Full-year
Net sales	12	10	2	24
Gas resource cost	9	12	11	32
Gross profit	3	-2	-9	-8

< 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.