TSE:9531

FY2023 3Q Financial Results
ended December, 2023

February 2, 2024

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Today's Key Messages

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- Consolidated FY2023 3Q saw a YoY fall in both sales and profits driven by a drop in Energy Solution sales stemming from a decrease in unit price due to resource costs adjustment, and by a decline in Energy Solution profits resulting partly from a change in city gas unit price due to the impact from economic framework.
- Our consolidated forecast for FY2023 anticipates lower sales but higher profits versus the previous forecast. Factors include: shrinking of Energy Solution sales due to lower sales of city gas and electricity, etc., and an increase in Energy Solution profits resulting partly from a change in city gas unit price due to the impact from economic framework.
- Taking into account the bottom-line forecast and other considerations, the outlook for annual dividends for FY2023 has been revised upward by 5 yen to 70 yen/share.
- Work is still underway to divest the five subsidiaries (four projects) of our Australian subsidiary Tokyo Gas Australia Pty Ltd. The impacts of this transfer are not included in the consolidated 3Q results and consolidated FY2023 forecast.

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FY2023
Consolidated Financial Results
ended December, 2023

Note: The segment information disclosed for FY2023 3Q and FY2022 3Q reflects new segment classifications that went into effect from FY2023 3Q as a result of a restructuring of our system for providing services to local governments.

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FY2023 3Q Consolidated Results Sales, Interest, etc. (Apr. 1, 2023 –Dec. 31, 2023)

vs. FY2022 3Q

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Highlights: Sales Down, Profit Down

(+/- indicate impact on profit, 100 million yen)

Net sales	-3,975	Drop in Energy Solution sales by a decrease in city gas unit price due to resource costs adjustment, etc.
Operating expenses	+3,247	Decrease in Energy Solution raw material costs by Impact from the decrease in crude oil prices, etc.
Operating profit	-728	Decrease in Energy Solution profits by the change in city gas unit prices due to the impact from economic framework, etc.
Extraordinary profit/loss	+4	FY2023 50: (Extraordinary gain) Gain on sales of investment securities 24, Gain on valuation of long-term loans receivable 25 FY2022 46: (Extraordinary gain) Gain on sales of investment securities 37, Increase in profits due to transfer of business 35 (Extraordinary loss) Loss on valuation of investment securities -25

(Unit: 100 million yen)

		FY2023 3Q	FY2022 3Q	Change	%
City gas sales volume (million m3, 45MJ)		7,956	9,084	-1,128	-12.4
Electricity sales volume (million kWh)		18,397	25,404	-7,007	-27.6
Net sales		19,026	23,001	-3,975	-17.3
Operating expenses		17,398	20,645	-3,247	-15.7
Operating profit		1,628	2,356	-728	-30.9
Segment profit (operating profit + equity income of subsidiaries)		1,663	2,418	-755	-31.2
Ordinary profit(1)		1,705	2,382	-677	-28.4
Extraordinary profit/loss		50	46	4	8.0
Profit attributable to owners of parent		1,155	1,680	-525	-31.3
(Adjustment items)	Temperature effect(2)	-83	-13	-70	-
	Sliding effect(3) (city gas + LNG sales)	623 (508+115)	924 (824+100)	-301 (-316+15)	-
	Amortization of actuarial differences(4)	17	-32	49	-
Adjusted ordinary profit (1)-((2)+(3)+(4))		1,148	1,503	-355	-23.6

Economic framework	FY2023 3Q	FY2022 3Q
Exchange rate (¥/$)	143.33 (+6.83)	136.50
Crude oil price ($/bbl)	86 .57 (-21.30)	107.87
Avg. air temp (℃)	20.6 (+1.1)	19.5

Pension assets	FY2023 3Q (as of Dec. 31, 2023)
Investment yield (costs deducted)	1.27%
Year-end assets (100 million yen)	2,400

<Expected annual rate of return: 2%>

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Our results for the third quarter showed decreases in both sales and profit.

Net sales fell by 3,975 hundred million yen, mainly due to a drop in the unit price of city gas resulting from resource cost adjustments in the Energy Solution segment.

Operating expenses declined by 3,247 hundred million yen. This was mainly due to lower raw material costs in the Energy Solution segment resulting from lower crude oil prices and other factors.

As a result, operating profit fell by 728 hundred million yen to 1,628 hundred million yen, ordinary profit decreased by 677 hundred million yen to 1,705 hundred million yen, and net profit attributable to owners of the parent dropped by 525 hundred million yen to 1,155 hundred million yen.

FY2023 3Q Results: Sales and Operating Profit/Loss by Business Segments

vs. FY2022 3Q

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(unit : 100 million yen)

	Net sales*3				Segment Profit(Operating profit + Equity income/loss of subsidiaries)			
	FY2023 3Q Results	FY2022 3Q Results	Change	%	FY2023 3Q Results	FY2022 3Q Results	Change	%
Energy solution*1 (including equity income of subsidiaries)	**17,353**	21,311	-3,958	-18.6	**1,589**	2,031	-442	-21.8
City gas*2	**11,986**	14,911	-2,925	-19.6	**1,108**	1,659	-551	-33.2
Electric Power	**4,648**	5,996	-1,348	-22.5	**310**	167	143	85.4
Network	**2,155**	2,229	-74	-3.3	**-214**	-134	-80	-
Overseas business	**991**	1,281	-290	-22.6	**325**	639	-314	-49.1
(equity income of subsidiaries)	-	-	-	-	**16**	55	-39	-70.3
Urban Development (including equity income of subsidiaries)	**530**	462	68	14.8	**162**	129	33	24.8
Adjustment*4	**-2,005**	-2,283	278	-	**-198**	-247	49	-
Consolidated	**19,026**	23,001	-3,975	-17.3	**1,663**	2,418	-755	-31.2
(equity income of subsidiaries)	-	-	-	-	**34**	62	-28	-43.7

*1 Includes city gas (excl. Network), LNG sales, trading, electric power, engineering solutions, among others.
*2 Includes city gas (excl. Network), LNG sales, and trading.
*3 Segment sales include internal transactions made between business units.
*4 Adjustments in segment profits include mainly corporate expenses not allocated to the segments.

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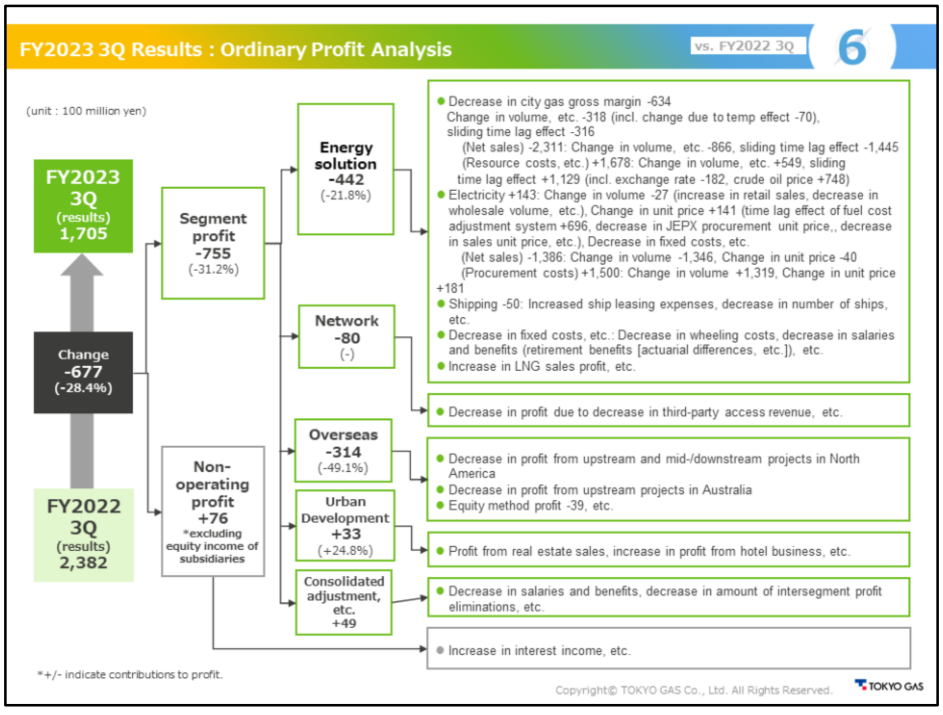
This slide shows net sales by segment and segment profit, which is operating profit plus equity income/loss of subsidiaries, and changes thereof.



The 442 hundred million yen profit decline in the Energy Solution segment is primarily attributable to a decrease in gross profit due to the sliding time lag effect in city gas and other factors. The 143 hundred million yen increase in the electric power business is due mainly to a decrease in procurement costs resulting from lower procurement unit costs in the electric power market.

The Network segment saw income drop by 80 hundred million yen mainly due to a decrease in third-party access revenue.

The Overseas segment reported a decrease of 314 hundred million yen due in great part to lower profits from North American projects resulting from lower gas prices and lower profits from Australian projects resulting from lower sales volume.

The Urban Development segment posted an increase of 33 hundred million yen, mainly from an increase in profit from real estate sales and an increase in profit from the hotel business due to higher occupancy.

FY2023 3Q Consolidated Gas Sales Volume/ Number of Customers vs. FY2022 3Q

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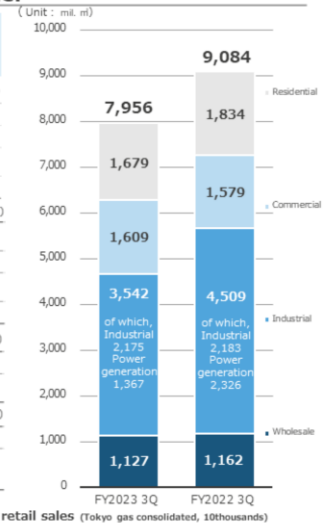
City Gas sales volume:

-1,128mil.㎥ (-12.4%)
including temperature effect -80mil.㎥,-0.9%

Residential	**-155 mil.㎥(-8.5%)**
Temperature effect	-103 mil.㎥
Number of days	+1 mil.㎥
Number of customers	+16 mil.㎥
Others	-69 mil.㎥
Commercial	**+30 mil.㎥(+1.9%)**
Temperature effect	+30 mil.㎥
Number of days	-1 mil.㎥
Number of customers	+2 mil.㎥
Others	-1 mil.㎥
Industrial	**-967 mil.㎥(-21.4%)**
Industrial	-8 mil.㎥
Power generation	-959 mil.㎥
Wholesale	**-35 mil.㎥(-3.0%)**
Temperature effect	-7 mil.㎥
Others	-28 mil.㎥ Decrease in wholesale demand, etc.



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

	FY2023 3Q	FY2022 3Q	Change
Number of customers for city gas retail sales (10 thousands) *1	**877.9**	868.8	+9.1 (+1.0%)
Number of customers (meters) (10 thousands, meter) *2	**1,241.1**	1,228.9	+12.2 (+1.0%)
LNG sales volume (thousands t)	**1,531**	1,121	+410 (+36.5%)
Average temperature (℃)	**20.6**	19.5	+1.1

*1. Number of billed customers for city gas retail sales
*2. Number of meters installed for gas supply

Gas Sales Volume , Gas volume used in-house (Unit : million m³)

	FY2023 3Q	FY2022 3Q	Change
City gas sales volume (financial accounting basis)	**7,956**	9,084	-1,128 (-12.4%)
Gas volume used in-house under tolling arrangement	**1,773**	2,015	-242 (-12.0%)
LNG sales volume (m³ basis)	**1,914**	1,402	+512 (+36.5%)
Total	**11,644**	12,501	-857 (-6.9%)

*Each value is rounded.

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

	2017.3	2018.3	2019.3	2020.3	2021.3	2022.3	2022.6	2022.9	2022.12	2023.3	2023.6	2023.9	2023.12
Number (Change)	1,026.9 (-)	1,020.9 (-6.0)	982.1 (-38.8)	912.9 (-69.2)	886.3 (-26.2)	868.8 (-17.5)	868.9 (+0.1)	867.2 (-1.7)	868.8 (+1.6)	870.1 (+1.3)	874.9 (+4.8)	875.4 (+0.5)	877.9 (+2.5)

Full deregulation of the retail market (2017.04)

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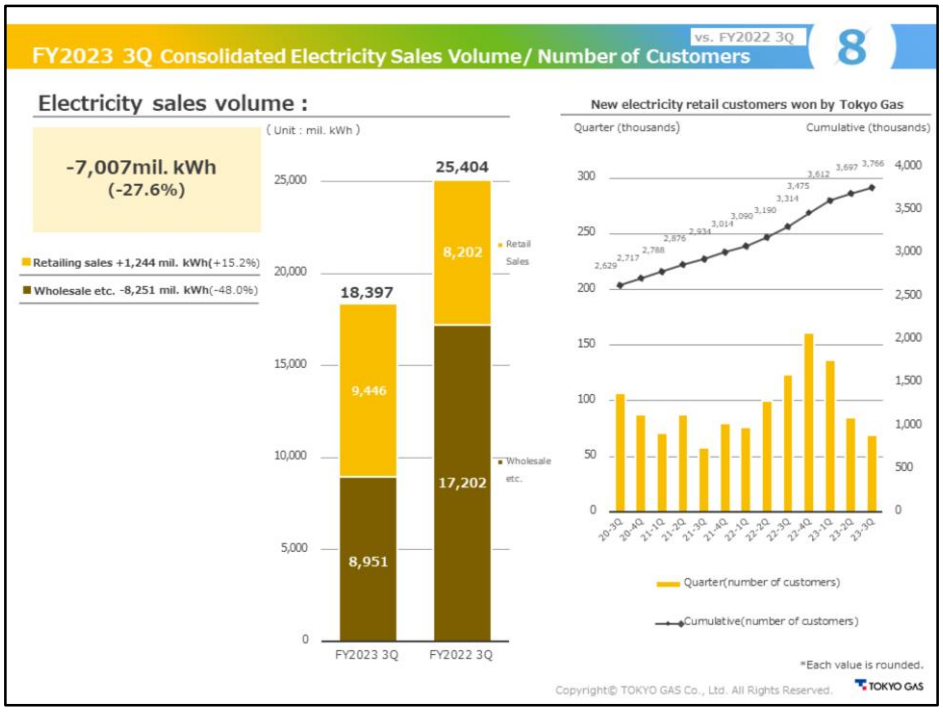
Gas sales volume through the third quarter was down 12.4% overall due to lower demand from residential customers because of high temperatures and other factors as well as lower demand from industrial customers that use gas exclusively for power generation, despite an increase in commercial gas sales volume due to air conditioning demand stemming from high summer temperatures.



Electricity sales volume through the third quarter declined 27.6% overall. In the retail sector, electricity sales increased 15.2% due in part to greater demand resulting from a higher number of contracts. In the wholesale and other sectors, electricity sales fell by 48.0%.

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FY2023 Full Year Forecast

Note: The segment information disclosed for FY2023 Forecast and FY2022 reflects new segment classifications that went into effect from FY2023 3Q as a result of a restructuring of our system for providing services to local governments.

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FY2023 Consolidated Forecast Sales, Interest, etc. (Apr. 1, 2023 – Mar. 31, 2024)

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Highlights: Sales Down, Profit Up (vs. Previous Forecast)

(+/- indicate impact on profit, 100 million yen)

	vs. Previous Forecast	
Net sales	-410	Decrease in Energy Solution sales driven by lower sales volume for city gas and electricity, etc.
Operating expenses	+690	Decrease in gas raw material costs due to lower city gas sales volume, etc., and decline in electricity costs due to drop in procurement unit price stemming from falling electricity market prices, etc.
Operating profit	+280	Increase in Energy Solution profits by the change in city gas unit prices due to the impact from economic framework, etc.
Extraordinary profit/loss	+1	Forecast 50: (Extraordinary profit) Gain on sale of investment securities 24, Gain on valuation of long-term loans receivable 25 Previous Forecast 49: (Extraordinary profit) Gain on sale of investment securities 24, Gain on valuation of long-term loans receivable 24

(Unit: 100 million yen)

		Forecast	Previous Forecast	Change	%	FY2022 Result	Change	%
City gas sales volume (million m3, 45MJ)		**11,494**	11,844	-350	-3.0	12,574	-1,080	-8.6
Electricity sales volume (million kWh)		**26,132**	26,220	-88	-0.3	34,445	-8,313	-24.1
Net sales		**27,200**	27,610	-410	-1.5	32,896	-5,696	-17.3
Operating expenses		**25,380**	26,070	-690	-2.6	28,681	-3,301	-11.5
Operating profit		**1,820**	1,540	280	18.2	4,214	-2,394	-56.8
Segment profit (operating profit + equity income of subsidiaries)		**1,865**	1,589	276	17.4	4,170	-2,305	-55.3
Ordinary profit(1)		**1,900**	1,580	320	20.3	4,088	-2,188	-53.5
Extraordinary profit/loss		**50**	49	1	1.6	-13	63	-
Profit attributable to owners of parent		**1,410**	1,160	250	21.6	2,809	-1,399	-49.8
(Adjustment items)	Temperature effect(2)	-83	-37	-46	-	-43	-40	-
	Sliding effect(3) (city gas + LNG sales)	732 (604+128)	463 (355+108)	269 (249+20)	-	2,108 (1,872+236)	-1,376 (-1,268+-108)	-
	Amortization of actuarial differences(4)	23	23	-	-	-44	67	-
Adjusted ordinary profit (1)-((2)+(3)+(4))		1,228	1,131	97	8.6	2,067	-839	-40.6

Economic framework	Forecast	Previous forecast	FY2022 Results
Exchange rate (¥/$)	**143.74** (+0.71)	143.03	135.50
Crude oil price ($/bbl)	**84.93** (-1.83)	86.76	102.67
Avg. air temp (℃)	**17.4** (+0.3)	17.1	16.8

*4Q~$80.00/bbl , ¥145/$

Pension assets		FY2022	FY2021	FY2020
Investment yield (costs deducted)		**-1.90%**	0.37%	4.94%
Discount rate	Annuity portion	**0.809%**	0.481%	0.318%
	Lump-sum portion	**0.373%**	0.192%	0.075%
Year-end assets (100 million yen)		**2,430**	2,560	2,630

<Expected annual rate of return: 2%>

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We have forecasted decreases in sales, but increases in profit for the full fiscal year 2023. The economic frame from January forward on which the forecast is based has been amended to 145 yen per dollar, the same as in the previous forecast, while the price of crude oil has been changed from 90 dollars per barrel to 80 dollars per barrel.

Net sales are projected to fall by 410 hundred million yen. This is mainly due to a decrease in sales in the Energy Solution segment resulting from lower sales of city gas and electricity.

On the other hand, operating expenses are projected to decline by 690 hundred million yen, mostly because of a decrease in gas raw material costs resulting from lower city gas sales volume and a decrease in unit procurement costs accompanying a decline in electricity market prices.

As a result, operating income is projected to increase by 280 hundred million yen and ordinary income, reflecting an increase in non-operating income, is projected to increase by 320 hundred million yen; net income attributable to owners of the parent is projected to rise by 250 hundred million yen to 1,410 hundred million yen.

FY2023 Consolidated Forecast Assets, Cash Flows, etc.

vs. FY2022

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(Unit: 100 million yen, balance sheet figures are as of the corresponding term-end)

	FY2023 Forecast	FY2022 Results	Reference
Total assets (a)	**40,990**	35,814	Increase in new capital expenditures, investments & financing, etc.
Shareholders' equity (b)	**16,600**	15,584	Increases in retained earnings, foreign currency translation adjustment, etc. Shareholders' equity = Net assets – minority interests
Shareholders' equity ratio (b)/(a) Factoring in hybrid bonds/loans*1	**40.5%** 41.5%	43.5% 44.7%	
Interest-bearing debt (c) Hybrid bond/loan component	**15,400** 833	12,632 833	
D/E ratio (c)/(b) Factoring in hybrid bonds/loans*1	**0.93** 0.88	0.81 0.76	
Profit attributable to owners of parent (d)	**1,410**	2,809	
Profit per share (EPS, yen per share)	**341.75**	646.99	
Depreciation (e)	**2,090**	2,093	
Operating cash flow (f) =(d) + (e)	**3,500**	4,902	Net profit + Depreciation (including depreciation of long-term prepaid expenses)
Capital Expenditure	**2,320**	2,132	
Investments and Financing (after offset)	**2,451**	313	
Total(g)	**4,771**	2,446	
Free cash flow (f) + (g)	**-1,271**	2,455	
ROA (d)/(a)	**3.7%**	8.3%	Net profit / Total assets (average of the amounts as of the end of the previous period and end of the current period)
ROE (d)/(b)	**8.8%**	20.0%	Net profit / Shareholders' equity (average of the amounts as of the end of the previous period and end of the current period)
WACC	*2 **2.6%**	2.4%	
Total return ratio	Approx. **40%**	50.3%	[FY-N dividends + FY-(N+1) treasury stock purchased] / FY-N consolidated net profit

*1 Based on expected equity credit ratio of 50% for issued hybrid bonds and hybrid loans.
*2 Items for WACC calculation (FY2023 forecast)
・Cost of interest-beating debt : forecast interest rate (0.61%, after tax)
・Cost rate for shareholders' equity
・Risk free rate : 10-year JGB yield 0.69% ・Market Risk premium : 6.5% ・β: 0.67

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This slide shows our forecasts for key indicators on a consolidated basis, including the status of assets and cash flows.

FY2023 Investments (Capex , Investments and financing)

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(Unit: 100 million yen)

		Forecast	Main Items	Previous Forecast	Change	%	FY2022 Results	Change	%
Capital Expenditure									
Energy solution		822		1,050	-228	-21.7	779	43	5.5
	City gas*1	291	Production facilities : 44 Other Production facilities, etc. Service and maintenance facilities : 247 System related, etc.	491	-200	-40.6	286	5	1.7
	Electric Power	254	Domestic renewable power etc.	256	-2	-0.9	239	15	6.2
Network		833	Distribution facilities: New demand development & stable supply-related, etc.	877	-44	-5.0	816	17	2.2
Overseas		539	Upstream (Australia, North America), Global renewable power etc.	741	-202	-27.2	304	235	77.4
Urban Development		171	Real estate leasing business, building renovations, etc.	181	-10	-5.8	245	-74	-30.4
Adjustment		-46		-50	4	-	-12	-34	-
	Sub Total	2,320		2,800	-480	-17.1	2,132	188	8.8
Investments and Financing (before offset)									
Energy solution		477		493	-16	-3.2	424	53	12.5
	City gas	1		1	-	-	0	1	-
	Electric Power	457	renewable power etc.	15	442	-	333	124	37.2
Network		0		0	-	-	0	-	-
Overseas		2,050	Upstream (North America), Mid/Downstream (Asia), Global renewable power etc.	46	2,004	-	18	2,032	-
Urban Development		34	ESG-oriented real estate development, etc.	29	5	17.2	22	12	54.5
	Sub Total	2,561		568	1,993	350.9	465	2,096	450.1
Capital Expenditure +Investments and Financing (before offset)		4,881		3,368	1,513	44.9	2,597	2,284	87.9

*1: Includes city gas and LNG sales/trading.

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This slide details our projections for capital expenditure, investments, and financing in FY2023.

FY2023 Investments（Capex , Investments and financing）

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Reference: Breakdown of the Medium-Term Management Plan for FY 2023-2025

(Unit: 100 million yen)

	FY2023 Forecast	Main Items	Previous Forecast	FY2020-22 Results	FY2023-25 Plan
Growth investments	3,795	Overseas, Renewable power, Urban Development, etc.	2,141	4,758 Breakdown) portion for decarbonization related investments 1,959	6,500 Breakdown) portion for decarbonization related investments 2,300
Infrastructure investments	1,085	Distribution facilities, Service and maintenance facilities , etc.	1,226	3,612	3,500
Capital Expenditure +Investments and Financing (before offset)	4,881		3,368	8,371	10,000

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FY2023 Full Year Forecast: Sales and Operating Profit/Loss by Business Segments

vs. Previous Forecast

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(unit : 100 million yen)

	Net sales*3				Segment Profit(Operating profit + Equity income/loss of subsidiaries)			
	FY2023 Forecast	Previous Forecast	Change	%	FY2023 Forecast	Previous Forecast	Change	%
Energy solution*1 (including equity income of subsidiaries)	**24,455**	24,553	-98	-0.4	**1,549**	1,316	233	17.7
City gas*2	**17,264**	14,711	2,553	17.4	**1,056**	886	170	19.2
Electric Power	**6,411**	6,548	-137	-2.1	**268**	184	84	45.0
Network	**3,305**	3,704	-399	-10.8	**-29**	-18	-11	-
Overseas business	**1,240**	1,279	-39	-3.0	**351**	351	0	-
(equity income of subsidiaries)	-	-	-	-	**24**	33	-9	-25.4
Urban Development (including equity income of subsidiaries)	**921**	918	3	0.4	**233**	215	18	8.5
Adjustment*4	**-2,722**	-2,844	122	-	**-239**	-275	36	-
Consolidated	**27,200**	27,610	-410	-1.5	**1,865**	1,589	276	17.4
(equity income of subsidiaries)	-	-	-	-	**44**	50	-6	-10.6

*1 Includes city gas (excl. Network), LNG sales, trading, electric power, engineering solutions, among others.
*2 Includes city gas (excl. Network), LNG sales, and trading.
*3 Segment sales include internal transactions made between business units.
*4 Adjustments in segment profits include mainly corporate expenses not allocated to the segments.

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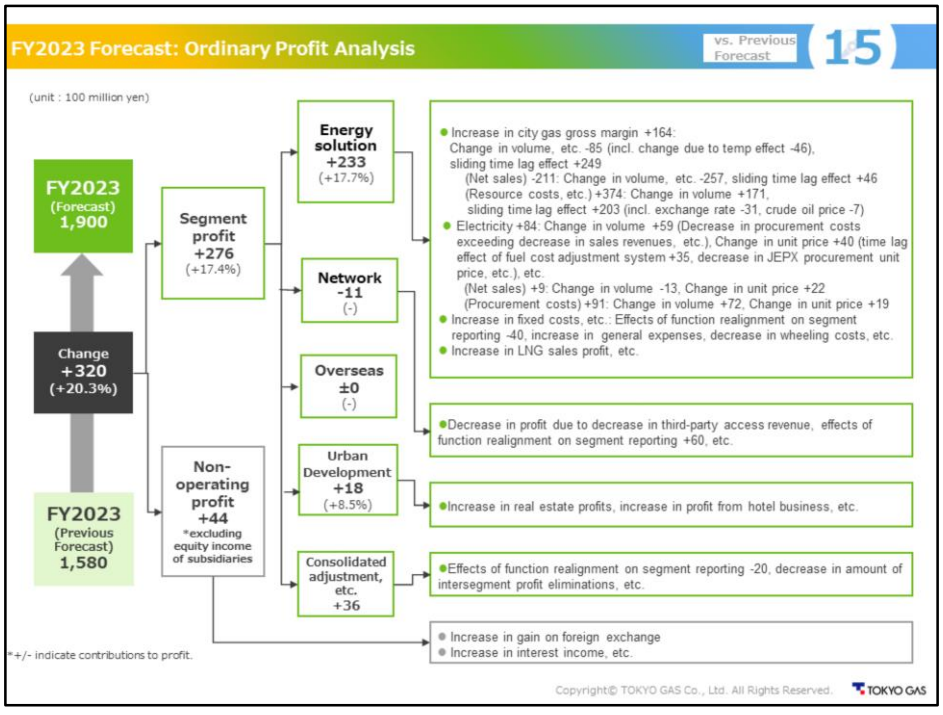
This slide shows our forecast for net sales and profit of each segment and changes from our previous forecast.

Our forecast for consolidated segment profit has been upgraded by 276 hundred million yen from our previous forecast.



The Energy Solution segment is projected to see a 233 hundred million yen rise in ordinary profit. This is mainly due to the fact that the sliding time lag effect that occurred in the third quarter as well as the sliding time lag effect in the fourth quarter due in part to changes in the economic frame will be factored into the city gas business. The electric power business is also expected to enjoy a profit increase of 84 hundred million yen, reflecting the profit stemming from lower procurement unit costs resulting from a decline in electricity market prices.

The forecast for the Network segment is a decline of 11 hundred million yen, factoring in a decrease in third-party access revenue.

In the Urban Development segment, we forecast a rise of 18 hundred million yen due to a drop in utility costs and other expenses.

FY2023 Full Year Forecast: Sales and Operating Profit/Loss by Business Segments

vs. FY2022

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(unit : 100 million yen)

	Net sales *3				Segment Profit(Operating profit + Equity income/loss of subsidiaries)			
	FY2023 Forecast	FY2022 Results	Change	%	FY2023 Forecast	FY2022 Results	Change	%
Energy solution[*1] (including equity income of subsidiaries)	**24,455**	30,625	-6,170	-20.1	**1,549**	3,624	-2,075	-57.3
City gas[*2]	**17,264**	21,496	-4,232	-19.7	**1,056**	2,894	-1,838	-63.5
Electric Power	**6,411**	8,563	-2,152	-25.1	**268**	509	-241	-47.4
Network	**3,305**	3,368	-63	-1.9	**-29**	59	-88	-
Overseas business	**1,240**	1,599	-359	-22.5	**351**	679	-328	-48.3
(equity income of subsidiaries)	-	-	-	-	**24**	-51	75	-
Urban Development (including equity income of subsidiaries)	**921**	626	295	47.1	**233**	151	82	53.7
Adjustment[*4]	**-2,722**	-3,323	601	-	**-239**	-345	106	-
Consolidated	**27,200**	32,896	-5,696	-17.3	**1,865**	4,170	-2,305	-55.3
(equity income of subsidiaries)	-	-	-	-	**44**	-44	88	-

*1 Includes city gas (excl. Network), LNG sales, trading, electric power, engineering solutions, among others.
*2 Includes city gas (excl. Network), LNG sales, and trading.
*3 Segment sales include internal transactions made between business units.
*4 Adjustments in segment profits include mainly corporate expenses not allocated to the segments

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This slide shows comparisons between our new full-year forecast and our actual performance in the previous year.

FY2023 Forecast: Ordinary Profit Analysis

vs. FY2022

17

(unit : 100 million yen)

FY2023 (Forecast) **1,900**

Change -2,188 (-53.5%)

FY2022 (results) **4,088**

Segment profit -2,305 (-55.3%)

Non-operating profit +118 *excluding equity income of subsidiaries

Energy solution -2,075 (-57.3%)

- Decrease in city gas gross margin -1,444
  Change in volume, etc. -176 (incl. change due to temp effect -40), sliding time lag effect -1,268
  (Net sales) -3,369: Change in volume, etc. -707, sliding time lag effect -2,662
  (Resource costs, etc.) +1,923: Change in volume, etc. +529, sliding time lag effect +1,394 (incl. exchange rate -356, crude oil price +1,163)

Electricity -241:Change in volume +98 (increase in retail sales, etc.), Change in unit price -310 (decrease in sales unit price, time lag effect of fuel cost adjustment system +501, etc.), etc.
(Net sales) -2,193: Change in volume -1,636, Change in unit price -557
(Procurement costs) +1,981: Change in volume +1,734, Change in unit price +247

- Shipping -62: Increased ship leasing expenses, etc.
- Decrease in fixed costs, etc.: Decrease in wheeling costs, etc.
- Decrease in LNG sales profit, etc.

Network -88 (—)

Overseas -328 (-48.3%)

- Decrease in profit due to increase in third-party access revenue, etc.

Urban Development +82 (+53.7%)

- Decrease in profit from upstream projects in Australia
- Decrease in profit from upstream and mid-/downstream projects in North America
- Equity method profit +75

Consolidated adjustment, etc. +106

- Increase in profit from real estate sales, increase in profit from hotel business, etc.
- Decrease in amount of intersegment profit eliminations, etc.

- Increase in interest income, etc.

*+/- indicate contributions to profit.

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FY2023 Full Year Forecast Consolidated Gas Sales Volume/ Number of Customers

18

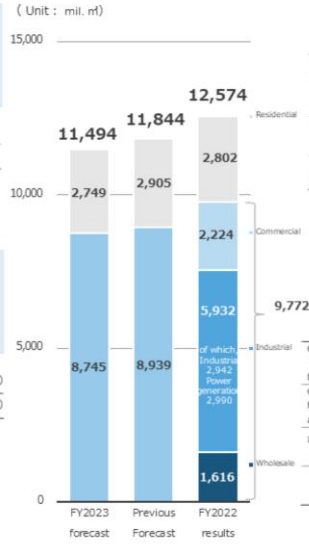
City Gas sales volume:

VS. Previous Forecast
-350 mil.㎥ (-3.0%)
including temperature effect
-84 mil.㎥, -0.7%

Residential	-156 mil.m³(-5.4%)
Others	-194 mil.m³(-2.2%)

VS. FY2022 Results
-1,080 mil.㎥ (-8.6%)
including temperature effect
-32mil.㎥, -0.3%

Residential	-53 mil.m³(-1.9%)
Others	-1,027 mil.m³(-10.5%)



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

	Forecast	Previous Forecast	Change	FY2022 Results	Change
Number of customers (meters) (10 thousands, meter) *1	1,246.4	1,246.4	-	1,233.1	+13.3 (+1.1%)
LNG sales volume (thousands t)	2,011	1,888	+123 (+6.5%)	1,625	+386 (+23.8%)
Average temperature (℃)	17.4	17.1	+0.3	16.8	+0.6

*1. Number of meters installed for gas supply

Gas Sales Volume , Gas volume used in-house
(Unit : million m³)

	Forecast	Previous Forecast	Change	FY2022 Results	Change
City gas sales volume (financial accounting basis)	11,494	11,844	-350 (-3.0%)	12,574	-1,080 (-8.6%)
Gas volume used in-house under tolling arrangement	2,621	2,679	-58 (-2.2%)	2,787	-166 (-6.0%)
LNG sales volume (m³ basis)	2,514	2,360	+154 (+6.5%)	2,031	+483 (+23.8%)
Total	16,629	16,883	-254 (-1.5%)	17,392	-763 (-4.4%)

*Each value is rounded.

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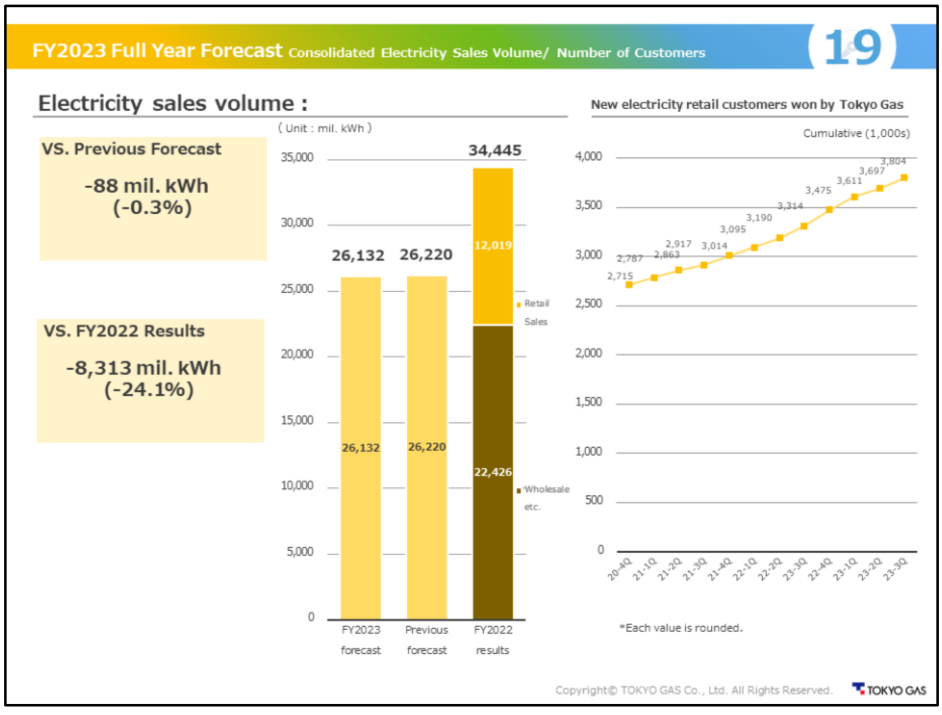
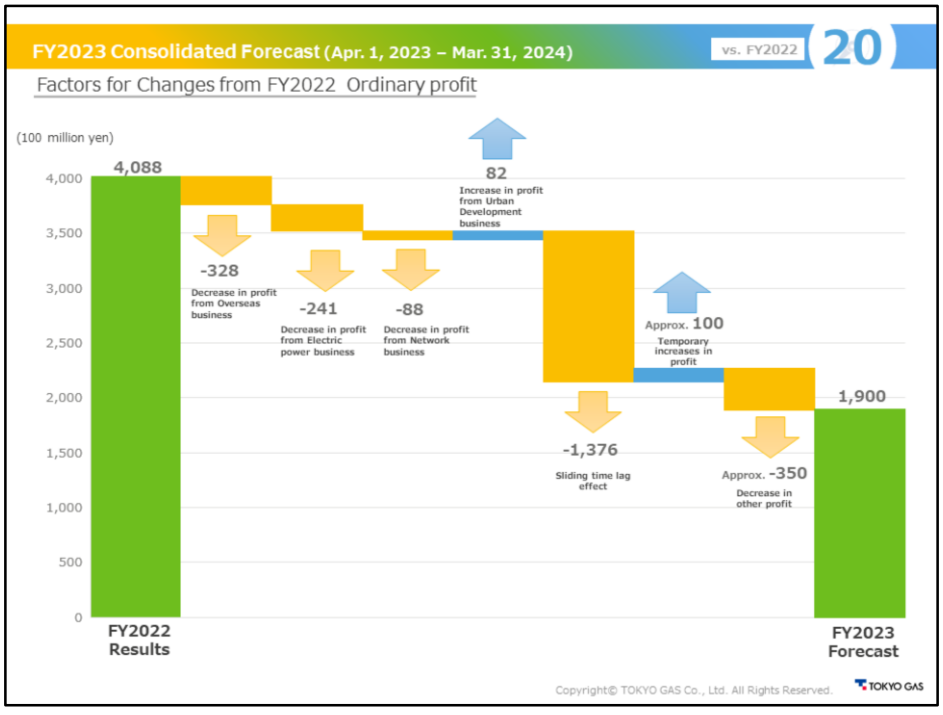
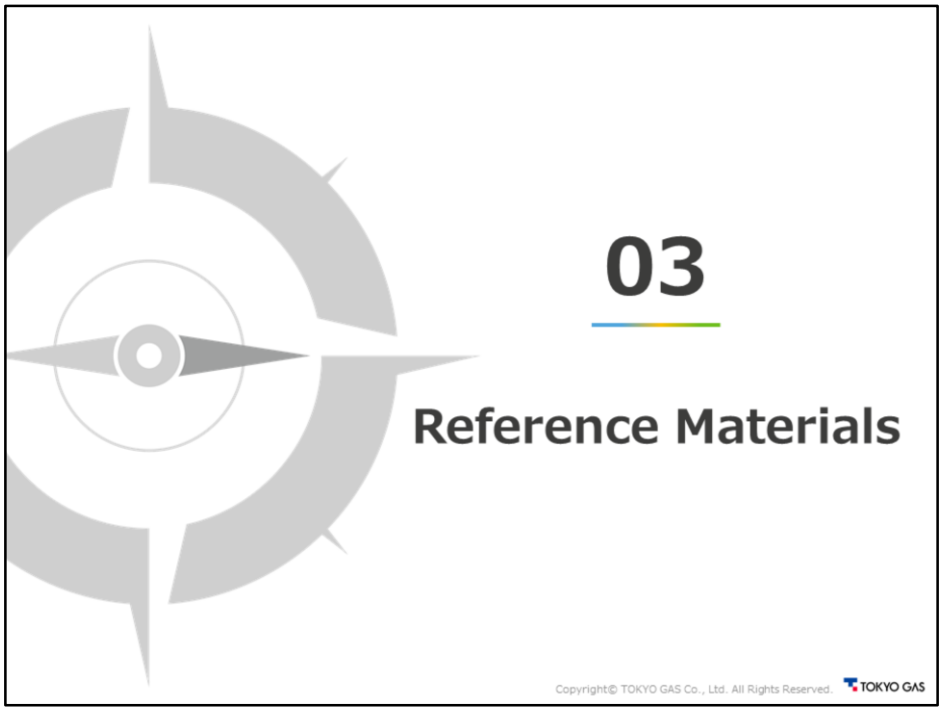
Gas sales volume is expected to be 3% lower than in the previous forecast. This reflects the actual results through the third quarter, mainly the decrease in residential use as a consequence of high temperatures.



Electricity sales volume looks to be 0.3% lower than in the previous forecast. We expect decreased sales volume in the retail business due partly to a decline in the number of new customers won reflecting the current level of customer acquisition.



This slide illustrates changes in profit for each major element of change from the previous year.



The reference materials include the economic frame sensitivity table, crude oil prices and exchange rates, the key topics during the period, and information on major overseas investments.

Gas Gross Margin Sensitivity to Change in Crude Oil Price and Exchange Rate

22

Impact of rising JCC (Japan Crude Cocktail Prices) by $1/bbl

(Unit: 100 million yen)

		Impact on earnings
		4Q
Period	4Q	-1

Impact of depreciation of the yen by ¥1/$

(Unit: 100 million yen)

		Impact on earnings
		4Q
Period	4Q	-11

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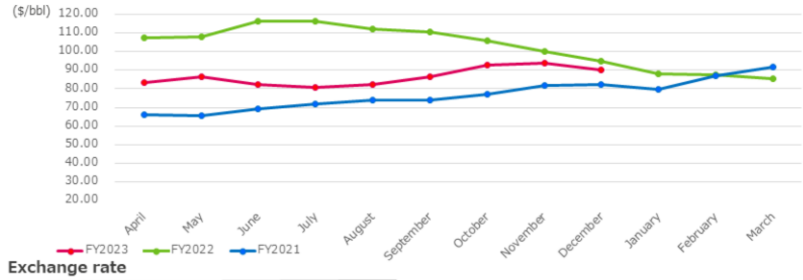
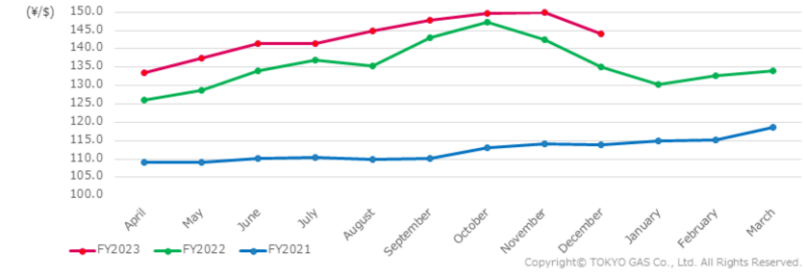
Crude oil price・Exchange rate

23

Crude oil price (Japan Crude Cocktail Prices)



Exchange rate



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Realizing management mindful of capital costs and stock prices 24

Two-pronged approach to improving our PBR:
- **Pursue business portfolio management to enhance portfolio efficiency/profitability (improve ROE)**
- **Lift market sentiment regarding our future growth potential (improve PER)**

These strategies will be included in our FY2024 management plan (to be formulated in March 2024).

Improve ROE

We will work to raise ROE by boosting ROA through stronger business portfolio management and by controlling financial leverage

<To raise ROA>
- Invest in growth areas that help to create profits and increase profit margins in the medium and short term
- Improve profitability of existing assets

<To raise ROE>
- Appropriate financial leverage
- Shareholder returns

Improve PER

We will pursue engagement and disclosure to provide shareholders and investors with a better understanding of the following points, seeking to strengthen their confidence in our future growth potential
- Actions for stabilizing earnings in core business areas, and their impact
- Actions for improving profitability of current growth areas, and their impact
- Progress and challenges in initiatives for future growth areas (Green Transformation, etc.), and outlook for earning potential
- Efforts that contribute to long-term improvement of corporate value, including investment in intangible assets (investments in human capital, technological development, etc.)

We will meet our shareholders' expectations by stably providing dividends and gradually increasing them in accordance with our growth—while maintaining financial soundness—and by improving EPS through purchase and retirement of treasury shares.

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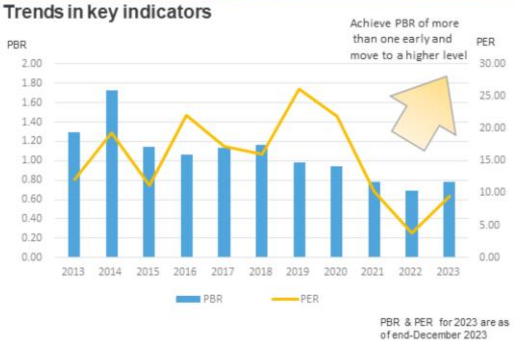
Now I would like to offer a progress report on efforts to improve our PBR under the heading "Realizing management mindful of capital costs and stock prices".

We are taking a two-pronged approach of improving both ROE and PER in order to improve our PBR. An overall picture of our efforts is shown here.

Realizing management mindful of capital costs and stock prices 25

Trends in key indicators



End of FY ending March 2024	Forecast for this quarter (3Q)	Forecast for previous quarter (2Q)	Reasons for change
ROA	3.7%	3.2%	Improve due to increase in profits that outweighs the impact of increase in total by acquisition of shale gas asset in North America
ROE	8.8%	7.3%	Improve due to increase in profits

(1) Advancing business portfolio management

ROA management that helps advance business portfolio management

- As part of the FY2024 management plan, we **will define corporate value as the top KGI/KPI**, and break PBR down into its elements to construct a Group KGI/KPI tree for managing our performance.
- In addition to setting ROA targets for each department, we will set different KPIs for each internal company, each core business subsidiary, and the head office that reflect the characteristics and expected roles of each.
- From FY2024 onward, we will disclose each segment's ROA plan (based on the management plan) at the beginning of the fiscal year (at briefing on preceding year's financial results briefing). Also, we will provide updates on progress toward the plan's targets (at the end of the fiscal year), and on topics pertaining to business portfolio management.

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Let me give you an overview and status update of each of these efforts. Touching first on advancing our business portfolio management through ROA management, we will be presenting segment-specific ROA plans in our fiscal 2023 management plan and providing follow-up explanations of their status during and at the end of the fiscal year. In implementing the FY2024 management plan, we will define corporate value as our top KGI/KPI and, more specifically, we will construct a tree that breaks PBR down. We will set appropriate KPIs for individual organizations in accordance with their respective characteristics and expected roles, and manage their performance in this tree.

Realizing management mindful of capital costs and stock prices 26

(2) Reduction of capital costs

1. Actions for realizing optimal capital structure

Calculation of necessary equity based on risk-weighted asset management

- Our Group has calculated the amount of risk pertaining to our on-balance sheet assets and off-balance sheet transactions, taking into account future loss assumptions. We are managing and monitoring the risks, based on an overarching policy of **controlling the amount of risk to within our consolidated equity**.
- For monitoring purposes, we determine the types of risks and their amounts for three time horizons—short term, medium term, and long term—and examine them in relation to the amount of our consolidated equity. Based on this process we will control risk through two approaches for each time horizon: risk-reducing initiatives, and allocation of the necessary equity.
- It is our judgment that the current level of equity is generally in balance with the amount of risk, and we will apply appropriate financial leverage on this basis to advance the **reduction of our capital costs**.

Realizing the appropriate level of leverage through pursuit of growth investment

- During the period of the current medium-term management plan, our Group is using a **D/E ratio of around 0.9** as a guide for keeping financial leverage at an appropriate level that maintains financial soundness and capital efficiency.
- The D/E ratio for end-FY2023 is forecasted as 0.93 (0.88, when taking hybrid bonds and loans into account), indicating the impact of financial leverage versus the previous forecast of 0.87 (0.82, same). This is mainly associated with the acquisition of the North American shale gas asset whose investment decision was made in FY2023 3Q.
- Going forward, we will continue striving to achieve the appropriate level of leverage by pursuing growth investments while ensuring our financial soundness.

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To reduce capital costs, we consider the actions for realizing an optimal capital structure shown here and the shareholder returns shown on the next page to be important elements. As one of our first initiatives for realizing an optimal capital structure, we have calculated the capital required based on risk-weighted asset management. Our basic policy is to calculate the amount of risk for each of the Group's assets on the assumption of possible future losses and to control the amount of risk to keep it within the scope of our consolidated capital.

We use a D/E ratio of about 0.9 as a guideline for our optimal capital structure, and our forecast for the D/E ratio at the end of fiscal 2023 is more financially leveraged than the previous forecast. This is the result of our increased use of borrowing in connection with such endeavors as the acquisition of shale gas assets in North America as announced during the third quarter. Going forward, we will continue striving to achieve the appropriate level of leverage by pursuing growth investments while ensuring our financial soundness.

Realizing management mindful of capital costs and stock prices 27

(2) Reduction of capital costs

2. Shareholder returns

About the expected year-end dividend payout for the year ending March 2024

- In accordance with our shareholder return policy, we will strive to achieve a total return ratio of approximately 40% each fiscal year. With regard to dividends, we will continue to provide stable dividends and will gradually increase dividends in accordance with our growth while comprehensively taking into consideration the profit level over the medium to long term.
- **Taking into consideration the medium- to long-term profit level, the level of dividend payout ratio, and shareholder expectations, we anticipate that the annual dividend amount per share of common stock for the year ending March 2024 will be 70 yen, representing a 5-yen increase from the previous amount of 65 yen.** The actual amount will be decided with the year-end settlement (end-April 2024).
  Please note that the number of outstanding shares for FY2023 will decrease to 400,452,159 shares due to a series of share buybacks implemented during the year.*
- Going forward, we will strive to improve capital efficiency by sharing our business results with our shareholders in an appropriate and timely manner, based on the state of our operating environment and growth investments.

*For information on FY2023 share buybacks, please refer to the disclosure made on January 24, 2024.

Summary
- Total number of shares acquired: 34,422,900 shares
- Total acquisition amount: 112,999,799,700 yen

Reference: Resolution of April 26, 2023 Board of Directors meeting
(1) Type of shares to be acquired: Common stock
(2) Total number of shares to be acquired:
53 million shares (upper limit; 12.2% of total number of issued shares)
(3) Total acquisition amount: 113,000 million yen (upper limit)
(4) Acquisition period: May 8, 2023 – March 31, 2024

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Now let me discuss some topics related to shareholder returns. As indicated in our timely disclosure of January 31 regarding the year-end dividend payout for the fiscal year ending March 31, 2024, we expect to increase the annual dividend by five yen from 65 yen to 70 yen. This decision was made based on our medium- to long-term profit levels, the level of the dividend payout ratio, and the expectations of our shareholders. A final official decision will be made in conjunction with the announcement of year-end financial results. The Company will continue to return profits to shareholders through share buybacks subject to retirement in addition to dividends.

Realizing management mindful of capital costs and stock prices 28

(3) Key growth investments

Below are major projects announced following the start of the current medium-term management plan. Going forward, we will provide updates on their status/progress as appropriate.

Business area	Major projects released in FY2023 (as of end-December 2023)	Key aims	Major risks
Energy (gas/electricity)	• Decision to invest in LNG-fired power plant (Sodegaura City, Chiba Prefecture)	Ensure supply capacity & balancing capacity for expansion of electricity business; Decarbonize electricity	Decarbonization technology trends
Green Transformation	• Joint acquisition of solar power projects in Okayama & Hyogo prefectures	Decarbonize electricity; Create new revenue stream	Drop in power generation output due to equipment failures, etc; Impact on equipment due to natural disasters, etc.
	• Launch of commercial operation of solar power plant in Ichikai Town, Tochigi Prefecture	Decarbonize electricity; Create new revenue stream	Drop in power generation output due to equipment failures, etc.; Impact on equipment due to natural disasters, etc.
	• Investment in Octopus Energy-led offshore wind power investment fund	Promote development of offshore wind power projects and gain related insights; Create new revenue stream	Stagnant fund growth; Drop in power generation output due to equipment failure, etc.
Solutions	• Expansion of comprehensive utility service (steam, etc.) for Toray plant in the US	Enhance earnings base overseas	Not disclosed
	• Commencement of construction of solar plant at Narita Airport	Enhance decarbonization solutions	Not disclosed
Overseas	• Acquisition of all shares of Rockcliff Energy, natural gas development/production firm in Texas and Louisiana, USA	Develop/grow shale gas business; expand marketing, trading, and other functions in North America	Gas price trends
	• Decision to acquire grid storage battery business in Texas, USA	Expand marketing, trading, and other functions in North America	Electricity price trends
Real estate	• M&A of real estate asset management companies ans participation in private REIT business based on the concept of ESG value (scheduled to start operation within FY2023)	Provide decarbonization solutions, etc.; Improve asset efficiency by taking assets off balance sheet	Volatility in real-estate market (Building cost and Rental market)

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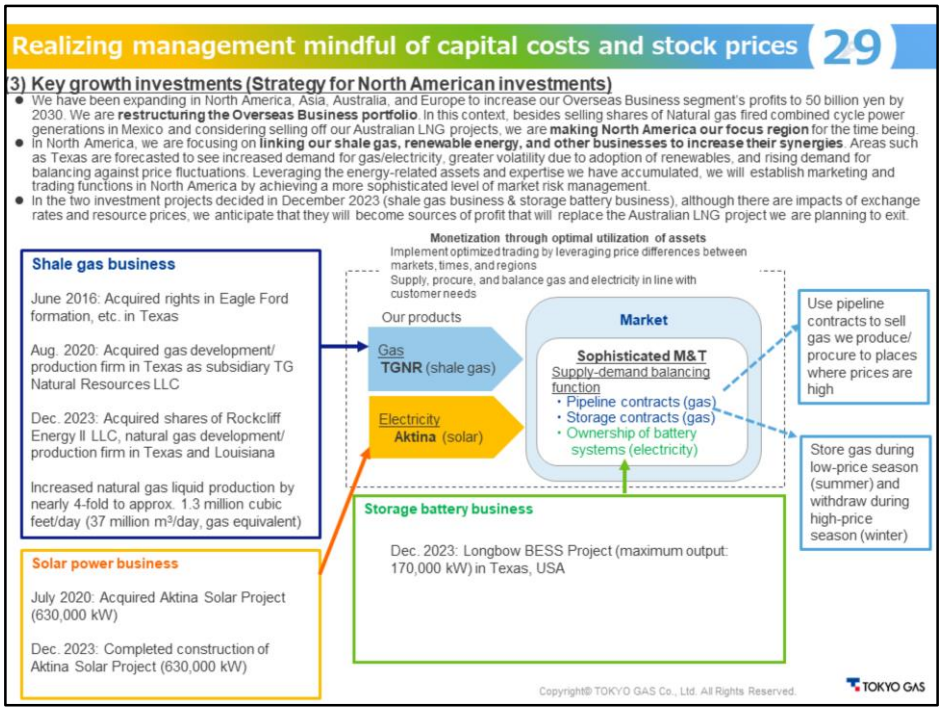
We believe that enhancing our dialogue with stakeholders and improving our disclosure of information on how investments in growth areas produce results are crucial for improving our PER. Here are the major projects we have announced since the start of the current medium-term management plan, and we will brief you in future on the status and progress of each project as appropriate.



With regard to key growth investments, let me give you some additional details about our North American shale gas business and other major investments announced in the third quarter of this fiscal year. Our management vision – Compass 2030 – depicts our overseas business as having revenues of 500 hundred million yen by 2030, and we have been developing our operations accordingly. As we work to restructure our business portfolio and consider the sale of our natural gas-fired power generation business in Mexico as well as the sale of our upstream LNG business in Australia, we are making North America our focus region for the time being.

We are expanding our shale gas business in North America based on the prospect of increased demand for natural gas in the United States, and we are also already moving forward with our solar power generation business. In addition to these efforts, we will strive to establish marketing and trading (or M&T) capabilities in response to increasing market volatility in energy prices. Furthermore, we will utilize our expertise in producing gas and electricity and coordinating energy supply and demand.

The two investments we made in the third quarter – our acquisitions of Rockcliff Energy II LLC and a storage battery business – are expected to contribute to earnings in place of the Australian LNG project scheduled to be sold, despite the impact of foreign exchange rates and resource prices.

Key Topics in FY2023 3Q (Excerpted from Press Releases)

Below are key initiatives of the 3 core strategies of the FY2023-2025 Medium-term Management Plan, which are based on our material issues. The strategies are: "**Achieve both stable energy supply & decarbonization**," "**Fully roll out Solutions business**," and "**Realize a flexible corporate culture resilient to change**"

< material issues >

Society/Customers

- Responsibly transitioning to a decarbonized society
- Protecting the global environment
- Securing stable energy supply
- Enhancing safety & disaster prevention, resilient regional development
- Contributing to well-being of people and communities

Tokyo Gas Group (Us)

- Realizing an organization that embraces diverse talent
- Respecting human rights across the entire value chain

< 3 core strategies >

1 Achieve both stable energy supply & decarbonization

Actively commit resources to GX (renewables, e-methane, etc.) while maximizing the diverse value of LNG

2 Fully roll out Solutions business

Use digital technologies to expand Solutions business on our platform of real-world strengths, and establish a revenue model

3 Realize a flexible corporate culture resilient to change

Use digital technologies to reform back-office operations. Exercise human capital management

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Key Topics in FY2023 3Q (Excerpted from Press Releases)

FY2023-2025 Medium-term Management Plan: Initiatives for the 3 core strategies		Material issues
Achieve both stable energy supply & decarbonization	Carbon-negative concrete used at Motomachi Elementary School in Yokohama (Apr. 13)	
	Joint acquisition of solar power generation business in Okayama and Hyogo prefectures (Apr. 14)	
	Tokyo Gas Network and French gas pipeline operator GRDF establish mutual cooperation agreement for developing gas pipeline business (May 9)*1	
	Tokyo Gas Group's implementation of retail supply business for offsite corporate PPA (May 30)	
	Tokyo Metropolitan Government's Bureau of Waterworks and Tokyo Gas Network enter into comprehensive partnership agreement (July 11)*1	
	Started selling hydrogen produced by AEM water electrolyzer at hydrogen refueling station (July 13)	
	Investment Decision-Making Concerning the LNG-fired Thermal Power Generation Business in Anticipation of the Realization of Carbon Neutrality (July 21)	
	Signing of cooperative agreement with Gas Malaysia for growing gas pipeline business (July 28)*1	
	Launch of Demonstration Experiment for CO2 Capture from Waste-to-Energy Plant Flue Gas for Use in Methanation (July 28)	
	Launch of commercial operation of mega solar power plant in Ichikai Town, Tochigi Prefecture (July 31)	
	Participation of Sempra Infrastructure to the Detailed Study regarding the Introduction of e-methane to Japan Utilizing Cameron LNG Terminal (Aug. 30)	

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Key Topics in FY2023 3Q (Excerpted from Press Releases)

FY2023-2025 Medium-term Management Plan: Initiatives for the 3 core strategies		Material issues
Achieve both stable energy supply & decarbonization	TES and Tokyo Gas Forge New Partnership to accelerate the decarbonization of hard to abate sectors through e-NG (Nov. 7)	
	Tokyo Gas Investment in the Octopus Energy Offshore Wind Fund (Nov. 17)	
	Commencement of the Joint Feasibility Study with Santos for Production and Export of e-methane in Australia (Nov. 21)	
	Signing of cooperative agreement with Italian gas distributor Italgas for growing gas pipeline business (Dec. 4) *1	
	Acquisition of Shares in Rockcliff Energy II LLC and Change in Subsidiaries (Dec. 16)	
	Deployment of city gas smart meters across entire service area*1 (Dec. 21) *1	
	Establishment of Subsidiaries in the United States and the Acquisition of a 174MW Battery Energy Storage System (BESS) Project (Dec. 22)	

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Key Topics in FY2023 3Q (Excerpted from Press Releases)

FY2023-2025 Medium-term Management Plan: Initiatives for the 3 core strategies		Material issues
Fully roll out Solutions business	Acquisition of real estate asset management company and entry into private REIT business (Apr. 3)[*2]	
	Signing of comprehensive partnership agreement for sustainable urban development in Aikawa Town (Apr. 14)	
	Action for further reduction of energy consumption and CO_2 emissions at Amu Plaza Kagoshima (Apr. 27)[*3]	
	Launch of Charge Planner service for supporting businesses and local governments seeking to introduce electric vehicles (May 10)	
	Summer Energy Saving Campaign 2023 demand response service (May 15)	
	Launch of Mirai Hopuratto, web media service for supporting post-retirement lifestyles (June 20)	
	Cross-industry effort to strengthen operating system of Kurashino Sasukatsu, starting with Summer 2023 campaign (June 23)	
	Signing of comprehensive partnership agreement for realizing carbon neutrality in Ota City (June 28)	
	Signing of comprehensive partnership agreement for decarbonized urban development in Sakado City (June 28)	
	Japan's first! Development of hydrogen burner with built-in waster heat recovery device (July 5)	
	Acquisition of new rental housing units for the LATIERRA series: 125 units in two buildings[*2] (July 6)	
	Launch of Zuttomo Solar flat-rate plan for existing detached homes in Chugoku/Shikoku region (July 11)	

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Key Topics in FY2023 3Q (Excerpted from Press Releases)

FY2023-2025 Medium-term Management Plan: Initiatives for the 3 core strategies		Material issues
Fully roll out Solutions business	Signing of comprehensive partnership agreement for realizing a carbon neutral city in Tochigi City (July 13)	
	Launch of project for increasing social impact of real estate through collaboration with tenant workers*2 (July 27)	
	Signing of comprehensive partnership agreement for realizing Zero Carbon City Koto (July 27)	
	Provision of factory effluent treatment solution using the Tokyo Gas Group's proprietary water treatment technology*3 (Aug. 10)	
	Notice of executive officer appointments and organizational changes in line with the establishment of Regional Co-creation Company (Aug. 30)	
	Signing of comprehensive partnership agreement on value co-creation for realizing carbon neutrality in Setagaya City (Sept. 13)	
	Signing of comprehensive partnership agreement for realizing Zero Carbon City Kumagaya (Sept. 25)	
	Notice of changes in personnel appointments (general manager class) (Sept. 27)	
	Construction starts on solar plant at Narita Airport to realize 180 MW output by FY2045 (Oct. 2) *3	
	Disaster-resilient energy system begins operating at Ariake Medical Center in Kumamoto Prefecture (Oct. 5) *3	
	Signing of comprehensive partnership agreement for promoting Green Transformation in Kokubunji City (Oct. 10)	
	Signing of comprehensive partnership agreement for realizing a decarbonized society in Minato City (Oct. 19)	

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Key Topics in FY2023 3Q (Excerpted from Press Releases)

FY2023-2025 Medium-term Management Plan: Initiatives for the 3 core strategies		Material issues
Fully roll out Solutions business	Introduction of renewable energy-derived J-Credit scheme at three Calbee sites at Kiyohara Industrial Park (Oct. 19)*3	
	Tokyo Gas Real Estate joins in its second real estate development project in Australia, Bloom1 (Oct. 20)*2	
	Launch of Japan's first onsite CO2 recycling service! (Oct. 25)*3	
	Signing of comprehensive partnership agreement for realizing Zero Carbon City Bunkyo (Nov. 7)	
	World's first! Solar power generated at elementary and junior high schools is supplied to public facilities via self-wheeling! (Nov. 8)*3	
	Launch of demand response service Winter Energy-saving Campaign 2023 (Nov. 8)	
	Expansion of comprehensive utility service (steam, etc.) for Toray plant in the US (Nov. 14)*3	
	Development of world's first laser-based technology for remote detection of R32 refrigerant leaks (Nov. 15)*3	
	Signing of comprehensive partnership agreement for realizing Zero Carbon City Nishitokyo (Nov. 16)	
	Signing of comprehensive partnership agreement for realizing Zero Carbon Eco City Kodaira (Nov. 22)	
	Signing of comprehensive partnership agreement for carbon-neutral urban development in Hino City (Nov. 28)	
	Launch of Solutions business brand IGNITURE (Nov. 30)	

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Key Topics in FY2023 3Q (Excerpted from Press Releases)

FY2023-2025 Medium-term Management Plan: Initiatives for the 3 core strategies		Material issues
Fully roll out Solutions business	Signing of comprehensive partnership agreement for promoting carbon neutrality and realizing highly disaster-resilient urban development in Inagi City (Dec. 11)	
	Kiyose City and Tokyo Gas sign comprehensive partnership agreement on community revitalization (Dec. 18)	
	Saitama Prefecture Public Enterprise Bureau and Tokyo Gas sign partnership agreement for realizing sustainable communities and carbon neutrality (Dec. 20)	
	Signing of partnership agreement for carbon-neutral urban development in Kimitsu City (Dec. 21)	
	Signing of partnership agreement for realizing Zero Carbon City Shinjuku (Dec. 25)	

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Key Topics in FY2023 3Q (Excerpted from Press Releases)

FY2023-2025 Medium-term Management Plan: Initiatives for the 3 core strategies		Material issues
Realize a flexible corporate culture resilient to change	Notification of Resolution to Acquire of Treasury Shares (Apr. 26)	-
	Nihon L'Oreal and Tokyo Gas Real Estate reach agreement on promoting building development that uses construction materials upcycled from scrapped cosmetic products*2 (May 24)	
	Notice of Shares Buyback (Progress Report) (June 7)	-
	Tokyo Gas selected for "Noteworthy DX Companies 2023" (June 1)	
	Notice of Shares Buyback (Progress Report) (July 4)	-
	Notice of Shares Buyback (Progress Report) (Aug. 2)	-
	Notice of Shares Buyback (Progress Report) (Sept. 4)	-
	Notice of Shares Buyback (Progress Report) (Oct. 3)	-
	Adoption of TG Octopus Energy's Kraken and Kraken Flex platforms brings greater improvements to CX and to the value of distributed energy resources (Oct. 12)	
	Notice of Shares Buyback (Progress Report) (Nov. 2)	-
	Notice of Shares Buyback (Progress Report) (Dec. 4)	-

*1 Press releases issued by Tokyo Gas Network
*2 Press releases issued by Tokyo Gas Real Estate
*3 Press releases issued by Tokyo Gas Engineering Solutions

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Key Topics in FY2023 3Q (Excerpted from Press Releases)

Here is a look at one example of how we are advancing the three core strategies of our FY2023-2025 Medium-term Management Plan. This particular initiative contributes to our efforts to **fully roll out the Solutions business**.

Launch of Solutions business brand IGNITURE

IGNITURE

Nov. 30, 2023 press release

Tokyo Gas Co., Ltd. and Tokyo Gas Engineering Solutions Corporation have launched IGNITURE, a new brand for the Solutions business segment.

IGNITURE provides customers with solutions offering three forms of value—decarbonization, optimization, and resilience—with the aim of enabling families, corporations, and communities to effortlessly achieve both a prosperous future and sustainable lifestyles/operations. Combining advanced technologies in GX, DX, and other areas with the customer base and energy management expertise that Tokyo Gas has built up over the years, IGNITURE goes beyond the realm of buildings—homes, public facilities, commercial buildings, factories, and so on—to connect the Tokyo Gas Group with communities as a whole.

We will seek to realize sales totaling 3,100 hundred million yen by FY2025 with new solutions to be developed, as well as existing solutions.

- **Responsibly transitioning to a decarbonized society**
- **Enhancing safety & disaster prevention, resilient regional development**
- **Contributing to well-being of people and communities**

Providing 3 forms of value

	Value provided	Tokyo Gas's strengths
Decarbon-ization	Providing environmental value for sustainability into the future through decarbonization solutions in daily life and business operations	Technologies and expertise in renewable energy, construction of storage batteries, etc., and O&M*1 / development & investment of Decarbonization technology
Optimi-zation	Providing harmony for daily life, business, and communities as a whole through not only energy optimization, but also optimized use of time, space, and management resources	Provision of optimized energy plans to over 10 million customers / AI-driven data analytics
Resilience	Providing safety, peace of mind, and stability for daily life, business management, and communities as a whole—in addition to the security and safety already provided through energy supply	Construction & operational management of energy infrastructure / Stable supply 24 hours a day, 365 days a year

Achieving a prosperous future

	Future to be achieved
Families	Ideal homes and lifestyles for each person, in harmony with the global environment
Corporations	Sustainable & smart business operation
Communities	Solution of community challenges through co-creation with local governments, businesses, and other stakeholders

*1 Operation & maintenance

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Overseas Projects

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Area	No	Country	Subject	Main Business		Participation year
North America	1	U.S.A	Eagle Ford	Upstream	Shale gas	2016
			TG Natural Resources	Upstream	Shale gas	2017
			TGES America	Downstream	Energy Service	2015
			Birdsboro Power Plant	Downstream	Natural gas power	2017
			Aktina	Downstream	Solar power	2020
			Longbow	Downstream	Battery Energy Storage System	2024
	2	Mexico	Bajio	Downstream	Natural gas power	2004
			Heolios EnTG	Downstream	Renewable venture(Solar・wind power generation)	2019
Southeast Asia	3	Malaysia	GAS MALASIA Bhd.	Downstream	City gas	1992
			GAS MALASIA ENERGY ADVANCE Sdn.Bhd.	Downstream	Energy Service	2014
	4	Thailand	Bang bo	Downstream	Natural gas power	2016
			GWHAMT	Downstream	Gas Supply	2018
			One Bangkog	Downstream	District Cooling Solutions and power distribution	2020
	5	Vietnam	PVGD	Downstream	CNG Supply	2017
	6	Indonesia	PRA	Downstream	Gas Supply, Transfer	2017
			Super Energy	Downstream	Gas Supply, Transfer	2020
	7	Philippines	FGEN LNG	Downstream	Construction, operation and maintenance of the LNG terminal	2020
Oceania	8	Australia	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
Europe	9	Denmark	TOWII Renewables	Downstream	Onshore wind power	2022

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< 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.

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