

January 31, 2025
Tokyo Gas Co., Ltd.

Presentation of Financial Results for the Third Quarter for Fiscal Year
2024 (Ending March 31, 2025)

Q&A

Q1: You mentioned that you are committed to achieving 8% ROE in FY2025. How do you plan to achieve it?

A1: We expect a recovery from temporary factors that are negatively affecting income and expenditure in FY2024, such as the impact of North American gas prices in the overseas business, as well as the temporary increase in costs associated with the institutional impact and with repairs of power plants in the electricity business. In addition, we will expand the profits in the numerator of ROE, by increasing profits through appropriate hedging, etc. amid the improvement of North American gas prices in the North American shale business, and by divesting inefficient assets.
Furthermore, for shareholders' equity in the denominator, we will swiftly take measures by taking into account factors such as profits in the numerator.

Q2: How will you aim to achieve 10% ROE around FY2030?

A2: We plan to raise ROE by driving our business portfolio management, such as driving earnings growth by investing in growth areas and increasing capital efficiency through optimization of assets and businesses. We will announce the basic concept for our business portfolio management and an appropriate capital policy for the formulation of a management plan subsequent to the Current Medium-Term Management Plan, in March 2025.