

**FY2002 ended March 2003  
Consolidated Results Bulletin  
Tokyo Gas Co., Ltd.**

Code No.: 9531  
(URL <http://www.tokyo-gas.co.jp>)  
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**Shares listed on:**

Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya  
Stock Exchange  
Location of head office (prefecture): Tokyo

Meeting of Board of Directors to approve end of year accounts: April 23, 2003  
Application of U.S. accounting standards (yes/no): No

**1. Consolidated results for FY2002 ended March 2003 (April 1, 2002 – March 31, 2003)**

## (1) Consolidated business results

(Rounded down to the nearest million yen)

	Sales		Operating profits		Ordinary profits	
	(Unit: ¥1 million)	(%)	(Unit: ¥1 million)	(%)	(Unit: ¥1 million)	(%)
FY2002 ended Mar. 2003	1,127,633	2.7	123,294	11.5	91,955	14.1
FY2001 ended Mar. 2002	1,097,589	1.0	110,607	6.7	80,626	20.6

	Current net profits	Net earnings per share	Net earnings per share adjusted for latent shares	Net rate of return on shareholders' equity	Ratio of current profits to total capital	Ratio of current profits to sales
	(Unit: ¥1 million) (%)	(Unit: ¥1)	(Unit: ¥1)	(%)	(%)	(%)
FY2002 ended Mar. 2003	59,201 14.0	21.18	19.11	10.4	5.4	8.2
FY2001 ended Mar. 2002	51,911 88.1	18.47	16.66	9.3	4.6	7.3

Note: 1. Profit or loss on investment accounted for by equity method:

FY2002 ended March 2003 ¥220 million

FY2001 ended March 2002 ¥310 million

2. Average number of shares outstanding during the term

FY2002 ended March 2003 2,791,588,384 shares

FY2001 ended March 2002 2,809,973,251 shares

3. Changes in accounting methods: Yes

4. Percentage figures on sales, operating profits, ordinary profits and current net profits indicate the percentage change on the previous year.

## (2) Consolidated financial position

	Total assets	Shareholders' equity	Ratio to shareholders' equity	Shareholders' equity per share
	(Unit: ¥1 million)	(Unit: ¥1 million)	(%)	(Unit: ¥1)
FY2002 ended Mar. 2003	1,676,064	579,706	34.6	208.65
FY2001 ended Mar. 2002	1,702,712	564,077	33.1	200.75

Note: Number of outstanding shares (consolidated basis) at year end:

FY2002 ended March 2003 2,777,997,987 shares

FY2001 ended March 2002 2,809,899,189 shares

## (3) Consolidated cash flow

	Cash flow from operating activities	Cash flow from investment activities	Cash flow from financing activities	Balance of cash and cash equivalents at year end
	(Unit: ¥1 million)	(Unit: ¥1 million)	(Unit: ¥1 million)	(Unit: ¥1 million)
FY2002 ended Mar. 2003	213,532	-110,143	-78,517	52,129
FY2001 ended Mar. 2002	191,675	-111,820	-117,176	27,260



- (4) Scope of subsidiaries and affiliates and application of equity method  
 Consolidated subsidiaries: 18  
 Non-consolidated subsidiaries accounted for by equity method: 0  
 Affiliates accounted for by equity method: 1
- (5) Changes in scope of consolidated subsidiaries and affiliates and application of equity method  
 Consolidated subsidiaries
- Newly added: 4
  - Excluded: 0
- By equity method
- Newly added: 0
  - Excluded: 0

**2. Results forecast for FY2003 ending March 2004 (April 1, 2003 - March 31, 2004)**

	Sales	Ordinary profits	Current net profits
	(Unit: ¥1 million)	(Unit: ¥1 million)	(Unit: ¥1 million)
Mid-term	487,000	9,000	6,000
Full term	1,139,000	89,000	58,000

Reference: Forecast net earnings per share (full year): ¥20.85

Forecast Operating profits per share (full year): ¥108 billion

\* The forecast above was prepared on the basis of information available at the time of the release of this document. Due to various factors, the actual result may vary from the forecast data.

<Consolidated Statements>

1. Consolidated balance sheet

(Unit: ¥1 million)

Account	FY2002 (Mar. 31, 2003)	FY2001 (Mar. 31, 2002)	Change
(Assets)			
Fixed assets	1,411,513	1,450,814	-39,301
Tangible fixed assets	1,217,465	1,249,936	-32,471
Production facilities	244,058	262,026	-17,968
Distribution facilities	538,191	549,416	-11,225
Business facilities	71,297	76,154	-4,857
Other facilities	288,469	303,132	-14,663
Idle facilities	5	5	-
Construction in progress	75,442	59,199	16,243
Intangible fixed assets	20,609	19,196	1,413
Other intangible fixed assets	20,609	19,196	1,413
Investments, etc.	173,438	181,681	-8,243
Investment securities	71,544	92,712	-21,168
Long-term loans receivable	10,238	6,338	3,900
Deferred tax assets	44,306	30,083	14,223
Miscellaneous investments	49,591	54,207	-4,616
Allowances for doubtful accounts	-2,243	-1,660	-583
Current assets	264,551	251,898	12,653
Cash and deposits	35,672	23,040	12,632
Notes and accounts receivable	132,235	128,549	3,686
Inventories	21,125	28,758	-7,633
Deferred tax assets	11,480	10,049	1,431
Other current assets	65,484	62,431	3,053
Allowances for doubtful accounts	-1,448	-932	-516
Total assets	1,676,064	1,702,712	-26,648

(Unit: ¥1 million)

Account	FY2002 (Mar. 31, 2003)	FY2001 (Mar. 31, 2002)	Change
(Liabilities)			
Fixed liabilities	751,572	836,977	-85,405
Straight bonds	257,633	253,233	4,400
Convertible bonds	182,814	235,693	-52,879
Long-term bank loans payable	157,875	191,960	-34,085
Deferred tax liabilities	792	1,652	-860
Estimated retirement benefits	120,896	125,554	-4,658
Allowances for repairs of gas holders	3,457	3,520	-63
Other fixed liabilities	28,104	25,362	2,742
Current liabilities	340,746	297,861	42,885
Fixed liabilities due within one year	91,239	40,443	50,796
Notes and accounts payable	37,676	38,055	-379
Short-term bank loans payable	41,900	42,709	-809
Corporation tax payable, etc.	41,221	33,663	7,558
Deferred tax liabilities	13	18	-5
Other current liabilities	128,695	142,971	-14,276
Total liabilities	1,092,319	1,134,838	-42,519
Minority interest	4,039	3,796	243
(Shareholders' equity)			
Common stock	—	141,843	-141,843
Capital reserve	—	2,064	-2,064
Consolidated retained earnings	—	387,315	-387,315
Unrealized gains on other securities	—	32,835	-32,835
Translation adjustment account	—	114	-114
Treasury stock	—	-95	95
Total shareholders' equity	—	564,077	-564,077
Common stock	141,844	—	141,844
Capital surplus	2,065	—	2,065
Retained earnings	429,652	—	429,652
Unrealized gains on other securities	17,002	—	17,002
Translation adjustment account	4	—	4
Treasury stock	-10,862	—	-10,862
Total shareholders' equity	579,706	—	579,706
Total liabilities, minority interest and shareholders' equity	1,676,064	1,702,712	-26,648

## 2. Consolidated statement of income

(Unit: ¥1 million)

Account	FY2002 (Apr. 2002~ Mar. 2003)	FY2001 (Apr. 2001~ Mar. 2002)	Change
Sales	1,127,633	1,097,589	30,044
Cost of sales	571,929	561,988	9,941
(Gross profit)	( 555,704 )	(535,600)	(20,104)
Supply and sales expenses	359,999	353,977	6,022
General and administrative expenses	72,409	71,015	1,394
(Operating profit)	( 123,294 )	(110,607)	(12,687)
Non-operating income	7,441	7,605	-164
Interest income	239	187	52
Dividend income	849	833	16
Return on investment accounted for by equity method	220	310	-90
Income from rents	985	1,003	-18
Miscellaneous revenues	5,147	5,270	-123
Non-operating expenses	38,780	37,586	1,194
Interest paid	17,472	19,274	-1,802
Balance on commissioned construction	4,648	6,827	-2,179
Loss from debenture redemption	6,327	4,618	1,709
Environmental conditioning costs	5,656	—	5,656
Miscellaneous expenditures	4,674	6,866	-2,192
(Ordinary profit)	( 91,955 )	(80,626)	11,329
Extraordinary profits	8,699	4,200	4,479
Gain on sales of fixed assets	5,503	744	4,759
Gain on sales of investment securities	3,196	3,455	-259
Extraordinary losses	4,771	1,965	2,806
Loss from sale of fixed assets	113	241	-128
Losses on compression of fixed assets	4,415	424	3,991
Expenses for special measures for product compensation	242	1,300	-1,058
Current net profit before adjustment for tax, etc.	95,882	82,861	13,021
Corporation tax, residence tax and business tax	43,621	31,507	12,114
Adjustment for corporate taxes, etc.	-7,244	-741	-6,053
Minority shareholder profit (loss)	304	184	120
Current net profit	59,201	51,911	7,290

### 3. Statement of consolidated retained earnings

(Unit: ¥1 million)

Account	FY2002 (Apr. 2002~ Mar. 2003)		FY2001 (Apr. 2001~ Mar. 2002)		Change	
Initial balance of consolidated retained earnings		—		353,793		-353,793
Decrease in consolidated retained earnings						
Dividends	—		18,265		-18,265	
Directors' bonuses	—	—	125	18,390	-125	-18,390
Net profit		—		51,911		51,911
End of year balance of consolidated retained earnings		—		387,315		-387,315
(Capital surplus)						
Initial balance of capital surplus						
Initial balance of capital reserve	2,064	2,064	—	—	2,064	2,064
Increase in capital surplus		—		—		—
End of half-year balance of capital surplus		2,065		—		2,065
(Retained earnings)						
Initial balance of retained earnings						
Initial balance of consolidated retained earnings	387,315	387,315	—	—	387,315	387,315
Increase in retained earnings						
Net profit	59,201	59,201	—	—	59,201	59,201
Decrease in retained earnings						
Dividends	16,768		—		16,768	
Directors' bonuses	95	16,863	—	—	95	16,863
End of half-year balance of consolidated retained earnings		429,652		—		429,652

#### 4. Consolidated statement of cash flows

(Unit: ¥1 million)

Account	FY2002 (Apr. 2002~ Mar. 2003)	FY2001 (Apr. 2001~ Mar. 2002)	Change
<b>I. Cash flow from operating activities</b>			
Net profit before adjustment for tax, etc.	95,882	82,861	13,021
Depreciation	137,299	141,646	-4,347
Amortization of long-term prepaid expenses	3,727	3,917	-190
Loss on retirement of tangible fixed assets	2,481	3,576	-1,095
Profit/loss on sales of fixed assets	5,379	—	-5,379
Losses on compression of fixed assets	4,415	—	4,415
Profit/loss on sale of investment securities	-3,195	-3,457	262
Profit/loss on valuation of investment securities	891	666	225
Loss from debenture redemption	6,327	4,618	1,709
Change in allowances for doubtful accounts	1,099	—	1,099
Change in provision for retirement benefits	-4,658	-8,661	4,003
Interest and dividends earned	-1,088	-1,020	-68
Interest paid	17,472	19,274	-1,802
Change in accounts receivable	-6,777	—	-6,777
Change in inventories	7,633	-1,339	8,972
Change in accounts payable	1,784	-3,674	1,890
Change in consumption tax payable	—	2,748	-2,748
Other	12,592	-5,669	18,261
Sub-total	266,940	235,486	31,454
Proceeds from interest and dividends	1,166	1,089	77
Payment of interest	-18,069	-19,325	1,256
Payment of corporation tax, etc.	-36,504	-25,574	-10,930
Cash flow from operating activities	213,532	191,675	21,857
<b>II. Cash flow from investing activities</b>			
Purchases of investment securities	-7,297	-3,711	-3,586
Proceeds from sale of investment securities, etc.	5,861	5,003	858
Purchases of tangible fixed assets	-98,148	-104,883	6,735
Purchases of intangible fixed assets	-9,014	-7,791	-1,223
Spending on long-term prepaid expenses	-1,799	-1,006	-793
Proceeds from sale of fixed assets	6,888	2,527	4,361
Expenditures based on lending for long-term loans	-4,256	-1,693	-2,563
Other	-2,375	-265	-2,110
Cash flow from investing activities	110,143	-111,820	1,677
<b>III. Cash flow from financing activities</b>			
Net decrease in short-term debt	-809	2,788	-3,597
Net change in commercial papers	-12,000	12,000	-24,000
Proceeds from long-term debt	17,340	15,485	1,855
Payments for long-term debt	-36,474	-39,015	2,541
Proceeds from bond issues	20,000	30,000	-10,000
Payments for redemption of bonds	-38,975	-120,054	81,079
Dividend payments	-16,777	-18,236	1,459
Payment of dividends to minority shareholders	-53	-50	-3
Payments for acquiring treasury stock	-10,767	-92	-10,675
Cash flow from financing activities	-78,517	-117,176	38,659
<b>IV. Difference due to conversion of cash and cash equivalents</b>	-2	6	-8
<b>V. Change in cash and cash equivalents</b>	24,869	-37,314	62,183
<b>VI. Cash and cash equivalents at beginning of year</b>	27,260	64,575	-37,315
<b>VII. Cash and cash equivalents at end of year</b>	52,129	27,260	24,869



## 5. Segment information by business category

(Unit: ¥1 million)

		Gas	Gas appliance sales	Related construction	Real estate rental business	Other	Total	Elimination or corporate	Consolidated
Current year	I. Sales and operating profit (loss)								
	Sales								
	(1) External sales	789,687	141,225	67,045	14,943	114,732	1,127,633	—	1,127,633
	(2) Intersegment sales and transfers	2,765	1,410	3,523	21,402	43,594	72,696	(72,696)	—
	Total	792,453	142,635	70,568	36,346	158,326	1,200,330	(72,696)	1,127,633
	Operating expenses	632,226	134,794	66,393	28,723	148,700	1,010,840	(6,501)	1,004,339
	Operating profit (loss)	160,223	7,841	4,174	7,623	9,626	189,489	(66,195)	123,294
Current year	II. Assets, depreciation expenses and capital expenditures								
	Assets	1,067,439	52,531	23,057	215,197	185,981	1,544,207	131,856	1,676,064
	Depreciation expenses	111,342	501	140	14,590	12,216	138,791	(1,492)	137,299
	Capital expenditures	88,572	537	276	1,408	21,287	112,082	(1,893)	110,188
Previous year	I. Sales and operating profit (loss)								
	Sales								
	(1) External sales	750,438	148,270	67,632	15,685	115,561	1,097,589	—	1,097,589
	(2) Intersegment sales and transfers	—	932	3,705	21,866	40,449	66,952	(66,952)	—
	Total	750,438	149,203	71,337	37,551	156,011	1,164,541	(66,952)	1,097,589
	Operating expenses	601,229	141,959	67,688	31,460	145,211	987,549	(567)	986,981
	Operating profit (loss)	149,209	7,243	3,649	6,091	10,799	176,992	(66,384)	110,607
Previous year	II. Assets, depreciation expenses and capital expenditures								
	Assets	1,105,279	56,547	22,931	226,980	184,473	1,596,212	106,500	1,702,712
	Depreciation expenses	113,157	608	127	15,999	13,214	143,107	(1,461)	141,646
	Capital expenditures	91,501	313	203	2,189	11,939	106,148	(1,857)	104,290

Note: 1. Classification of business categories and main products in each business category

Business categories are classified by their aggregate sale category in accordance with the Gas Business Accounting Regulations standard.

Business categories	Main products
Gas Gas appliances Contracted construction work Building lease Other businesses	Gas Gas appliances Gas construction work Lease and management of buildings, etc. District heating and cooling, coke, LPG, petroleum products, credit leases, information processing services, general engineering

Note: 2. The main unapportionable operating expenses included under “corporate and eliminations” are general expenses relating to the administration department of the company submitting the consolidated financial statements.

FY2002: ¥66,503 million (FY2001: ¥66,428 million)

Note: 3. In the category of assets, the main company-wide assets included under "corporate and eliminations" are surplus operating funds (cash and cash equivalents), deferred tax assets, and long-term investment capital (investment securities).

FY2002: ¥ 187,615million (FY2001: ¥159,806 million)

(2) Segment information by location

Not applicable due to absence of overseas consolidated subsidiaries.

(3) Overseas sales

Not included due to the insignificance of overseas sales as a proportion of consolidated sales.