

Company: Tokyo Gas Co., Ltd.
 Representative: President, Takashi Uchida
 Tokyo Stock Exchange, Tokyo 1st Section
 Security code : 9531

Establishment of a Subsidiary in the United States and the Acquisition of a 500MW Solar Power Project

Tokyo Gas America Ltd., a wholly owned subsidiary of Tokyo Gas Co., Ltd. (hereinafter “Tokyo Gas”), is pleased to announce the establishment of subsidiaries (TG Aktina Holdings LLC and its subsidiaries) in the United States and the acquisition of the 500MWac/631MWdc Aktina Solar Project (hereinafter “Aktina”) in Wharton County, Texas, USA, through the subsidiaries. Aktina has been developed by Hecate Energy LLC, a renewable energy development company headquartered in Chicago, Illinois, USA.

1. Reasons

Texas (ERCOT) has one of the highest GDP and population growth rates among the U.S. power markets and is equipped with abundant solar resource. While installed solar capacity is relatively low in Texas today, Texas is expected to develop into a substantial solar market within the U.S. Aktina is strategically located near the high-demand Houston load center, and has acquired its interconnection rights at 345kV Hillje Substation through CenterPoint Energy. The generated power will be sold to the ERCOT wholesale market.

2. Overview of the Subsidiaries

(1) Name	TG Aktina Holdings LLC *Subsidiaries of TG Aktina Holdings LLC TG Aktina Ramsey Holdings LLC/TG Aktina Ramsey Solar LLC/TGAKS Phase 1 LLC/TGAKS Phase 2 LLC/TGAKS Phase 3 LLC/TG Aktina LLC/TG Aktina BR Finance LLC/TG Aktina TE Finance LLC	
(2) Address	Delaware, USA	
(3) Representative	Kazuya Kurimoto	
(4) Main Business	Investment and management of renewable energy projects	
(5) Capital Contribution	Approx. 49 billion JPY	
(6) Date of Establishment (planned)	July 30, 2020 *other subsidiaries are scheduled in August 2020 or later	
(7) Shareholder	Tokyo Gas 100% through Tokyo Gas America Ltd. and its subsidiaries	
(8) Relationship with Tokyo Gas	Capital	Tokyo Gas 100%
	Human Resources	Employees from Tokyo Gas will be appointed to the board of directors.
	Transaction	N/A

3. Prospective

The acquisition is scheduled for August 5, 2020. Construction of Aktina is planned to commence in Q3 2020, and Aktina is planned to be brought online in blocks starting in the mid-2021. This marks the first global Solar Project in which Tokyo Gas Group will take initiative from construction to commercial operation. With the acquisition of the Aktina project, the total equity renewable energy capacity Tokyo Gas owns or is under contract to acquire in Japan and globally*1 will exceed 1,200 MWdc*2. The impact of the transaction on consolidated

performance for the 2020 2Q is expected to be relatively small.

Tokyo Gas Group is committed to the challenge of achieving net-zero CO₂ emissions and growing its global business profits as stated in the group's Management Vision, "Compass 2030". Tokyo Gas will continue to seek new renewable power generation projects to achieve 5GW renewable power sources both in Japan and in global markets by 2030 and will contribute to the supply of clean energy globally.

*1: Renewable energy business in Mexico

(<https://www.tokyo-gas.co.jp/IR/english/library/pdf/tekijikaiji/20190408-01e.pdf>)

*2: Approximately 1,080MW in global markets and 130MW in Japan *Including projects under development (output at generator)

Tokyo Gas America Ltd. Announces Acquisition of Hecate Energy’s 500 MW Solar Project in Wharton County,
Texas, USA

Tokyo Gas Co., Ltd.
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Tokyo Gas America Ltd., a wholly owned subsidiary of Tokyo Gas Co., Ltd. (hereinafter “Tokyo Gas”), is pleased to announce the acquisition of the 500MWac/631MWdc Aktina Solar Project (hereinafter “Aktina”) in Wharton County, Texas, USA, which has been developed by Hecate Energy LLC (headquartered in Chicago, Illinois, USA), a renewable energy development company. The acquisition is scheduled for August 5, 2020.

Construction of Aktina is planned to commence in Q3 2020, and Aktina is planned to be brought online in blocks starting in the mid-2021. This marks the first global Solar Project in which Tokyo Gas Group will take initiative from construction to commercial operation. With the acquisition of the Aktina project, the total equity renewable energy capacity Tokyo Gas owns or is under contract to acquire in Japan and globally will exceed 1,200 MWdc*1.

ERCOT has one of the highest GDP and population growth rates among the U.S. power markets and is equipped with abundant solar resource. While installed solar capacity is relatively low in Texas today, Texas is expected to develop into a substantial solar market within the U.S. Aktina is strategically located near the high-demand Houston load center, and has acquired its interconnection rights at 345kV Hillje Substation through CenterPoint Energy. The generated power will be sold to the ERCOT wholesale market.

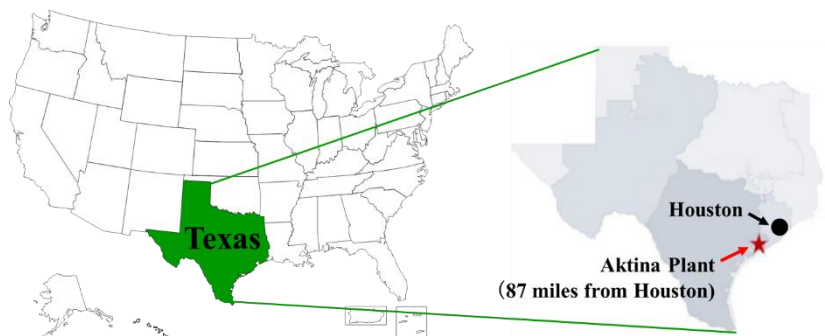
Tokyo Gas Group is committed to the challenge of achieving net-zero CO₂ emissions and growing its renewable power sources both in Japan and in global markets to 5GW by 2030 as stated in the group’s Management Vision, “Compass 2030”. Tokyo Gas will continue to seek new renewable power generation projects and will contribute to the supply of clean energy globally.

*1: Approximately 1,080MW in global markets and 130MW in Japan *Including projects under development (output at generator)

<Overview of Aktina >

Project Name	Aktina
Location	Wharton County, Texas (Approximately 87 miles from Houston)
Generation Capacity	500MWac (631MWdc)
Expected Commercial Operation Date	Block Completion Starting mid-2021

<Aktina Plant Location>



<Overview of Tokyo Gas America>

Company Name	Tokyo Gas America Ltd.
Date of Establishment:	February 2013
Headquarters	Houston, Texas
President and CEO	Kazuya Kurimoto
Capital	USD 1,000,000
Parent Company	Wholly Owned Subsidiary of Tokyo Gas
Business Objective	New Investment and Management in North America