

Press Release

Company: Tokyo Gas Co., Ltd.
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Representative: Representative Corporate Executive
Officer, President and CEO
(Securities code: 9531, TSE Prime Market & NSE
Prime Market)
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Notice Regarding Demerger (Simplified Absorption-type Demerger, Short Form Absorption-type Demerger) to
Wholly-owned Subsidiary (Tokyo Gas i-Net Co., Ltd.)

Tokyo Gas Co., Ltd. (hereinafter, the “Company”) hereby announces that it has decided to transfer the IT and communication infrastructure equipment (including software) owned by the Company and the management business for such equipment (hereinafter, the “Business”) to Tokyo Gas i-Net Co., Ltd. (hereinafter, “TGiNet”) by way of a demerger on April 1, 2025, and entered into an absorption-type demerger agreement as detailed below.

Note that since the demerger entails the succession of a business by a wholly-owned subsidiary of the Company, some of the disclosure items and details of the demerger have been omitted from this release.

1. Purpose of the demerger

The Company decided to transfer the Business to TGiNet in order to improve business efficiency and optimize the Group’s IT costs by consolidating managerial resources for IT and communication infrastructure at TGiNet.

2. Outline of the demerger

(1) Demerger schedule

Date of resolution for the absorption-type demerger	December 24, 2024
Date of execution of the absorption-type demerger agreement	December 24, 2024
Effective date of the absorption-type demerger	April 1, 2025 (scheduled)

Note: Since the demerger is a simplified absorption-type demerger for the Company pursuant to Paragraph 2, Article 784 of the Companies Act and a short form absorption-type demerger for TGiNet pursuant to Paragraph 1, Article 796 of the Companies Act, the approval by a general meeting of shareholders has been omitted in either case.

(2) Demerger method

An absorption-type demerger with the Company as the demerging company and TGiNET as the successor company.

(3) Allotments related to the demerger

There will be no allotment of shares or other consideration upon the demerger.

(4) Treatment of share acquisition rights and bonds with share acquisition rights accompanying the demerger

The Company has not issued any share acquisition rights or corporate bonds with share acquisition rights.

(5) Changes in paid-in capital due to demerger

There will be no change in the Company's paid-in capital due to the demerger.

(6) Rights and obligations assumed by successor company

Pursuant to the absorption-type demerger agreement entered into with the Company and dated December 24, 2024, the successor company will assume the rights and obligations of the Company with respect to the Business as of the effective date.

The assumption of debt by the successor company as a result of the demerger shall be done without recourse to the demerging company.

(7) Prospect of fulfillment of obligations

No problems are foreseen in the fulfillment of obligations by the Company and the successor company after the demerger, as the assets of both the Company and the successor company are expected to continue to exceed the liabilities after the demerger, and no circumstances are currently anticipated that could impede the fulfillment of obligations to be assumed after the demerger.

3. Outline of companies involved in the demerger

	Demerging company	Successor company
(1) Name	Tokyo Gas Co., Ltd.	Tokyo Gas i-Net Co., Ltd.
(2) Address	1-5-20 Kaigan, Minato-ku, Tokyo	1-5-20 Kaigan, Minato-ku, Tokyo
(3) Name and title of representative	SASAYAMA Shinichi, Representative Corporate Executive Officer, President and CEO	ENDO Yo, President and Representative Director
(4) Business	Gas business, etc.	Information processing services
(5) Paid-in capital	141,844 million yen	400 million yen
(6) Establishment	October 1, 1885	July 1, 1987
(7) Number of shares outstanding	388,893,859 shares	9,600 shares
(8) Fiscal year end	March 31	March 31
(9) Major shareholders and shareholding ratio (as of September 30, 2024)	The Master Trust Bank of Japan, Ltd. (Trust Account) 15.18% Nippon Life Insurance Company 8.07% Custody Bank of Japan, Ltd. (Trust Account) 4.67% BNY GCM CLIENT ACCOUNT JPRD AC 3.34% ISG(FE-AC) 2.27% STATE STREET BANK WEST CLIENT-TREATY 505234	Tokyo Gas Co., Ltd. 100.00%

(10) Financial position and operating results of the latest fiscal year (Fiscal year ended March 2024)		
Net assets	1,733,218 million yen (Consolidated)	3,736 million yen
Total assets	3,888,855 million yen (Consolidated)	12,446 million yen
Net assets per share	4,249.83 yen (Consolidated)	389,236.44 yen
Net sales	2,664,518 million yen (Consolidated)	31,142 million yen
Operating profit	220,308 million yen (Consolidated)	1,012 million yen
Ordinary profit	228,179 million yen (Consolidated)	978 million yen
Profit attributable to owners of parent	169,936 million yen (Consolidated)	823 million yen
Profit per share	411.88 yen (Consolidated)	85,781.36 yen

4. Outline of business to be succeeded

(1) Description of business to be demerged

The Company's IT and communication infrastructure equipment (including software) and the management business for such equipment

(2) Financial results of the division to be demerged or assumed (Fiscal year ended March 31, 2024)

Description of business to be demerged	Sales of business subject to demerger (a)	The Company's non-consolidated net sales (b)	Ratio (a/b)
The Company's IT and communication infrastructure equipment (including software) and the management business for such equipment	5,712 million yen	2,376,447 million yen	0.24%

(3) Assets and liabilities to be demerged and their monetary value (As of March 31, 2024)

Assets		Liabilities	
Item	Value	Item	Value
Non-current assets	7,048 million yen	Non-current liabilities	— million yen
Current assets	46 million yen	Current liabilities	— million yen
Total	7,094 million yen	Total	— million yen

Note: The above values were calculated on the basis of the balance sheet as of March 31, 2024. Therefore, the actual value to be assumed will reflect fluctuations in the above values until the business day prior to the effective date of the demerger.

5. Status of the Company after the demerger

There will be no change in the name, address, name and title of representative, business description, paid-in capital, or fiscal year end of the Company as a result of the demerger.

6. Status of successor company after the demerger

There will be no change in the name, address, name and title of representative, business description, paid-in capital, or fiscal year end of the successor company as a result of the demerger.

7. Financial outlook

The demerger will have a minimal impact on the Company's consolidated earnings as the demerger involves the Company's wholly-owned subsidiary.

Reference: Earnings forecast for the fiscal year ending March 2025 and actual performance for the fiscal year ended March 2024 (Tokyo Gas Co., Ltd.)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share
Consolidated earnings forecasts for the fiscal year ending March 2025	2,653 billion yen	125 billion yen	106 billion yen	81 billion yen	209.64 yen
Actual consolidated earnings for the fiscal year ended March 2024	2,664.5 billion yen	220.3 billion yen	228.1 billion yen	169.9 billion yen	411.88 yen