TOKYO GAS

August 31, 2026

Press Release

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(Securities code: 9531, TSE Prime Market & NSE Premier Market)
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Notice Regarding an Absorption-type Company Split (Simplified Absorption-type Demerger, Short Form Absorption-type Demerger) with Wholly-owned Subsidiary (Tokyo Gas Engineering Solutions Corporation)

Tokyo Gas Co., Ltd. (hereinafter, the “Company”) hereby announces, as detailed below (hereinafter, the “corporate demerger”), its decision regarding the succession by Tokyo Gas Engineering Solutions Corporation (TGES) of a part of the service business for industrial customers (hereinafter, the “Businesses”) operated by the Company, in accordance with the absorption-type demerger method on April 1, 2027 (scheduled), and the signing of an absorption-type demerger agreement with TGES today.

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

1.Background and purpose of the demerger

The Company aims to accelerate the nationwide expansion of its solutions business by having Tokyo Gas Engineering Solutions (TGES) succeed to the Businesses, operate them integrally with TGES’s own solutions, expand contact points with new customers, and create opportunities to propose solutions.

2.Outline of the demerger

(1) Demerger schedule

Date of approval for the absorption-type demerger	August 31, 2026
Date of signing of the absorption-type demerger agreement	August 31, 2026
Date the absorption-type demerger takes effect	April 1, 2027 (scheduled)

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

(2) Demerger method

In this absorption-type demerger, the Company will be demerged and TGES will be the succeeding company.

(3) Allotment pertaining to the demerger

Regarding the corporate demerger of the Company, there will be no allotment of shares or delivery of other considerations.

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

The Company issues neither share acquisition rights nor corporate bonds with share acquisition rights.

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

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

(6) Succession rights and obligations for the succeeding company

The succeeding company, in accordance with the stipulations in the absorption-type demerger agreement, signed and dated August 31, 2026 by the Company and succeeding company, will assume the rights and obligations pertaining to the Businesses from the Company on the effective date.

That being said, any assumption of debt due to the demerger by the succeeding company shall be undertaken without recourse.

(7) Prospect of fulfillment of obligations

No problems are foreseen in the fulfillment of obligations by the Company and the succeeding company after the corporate demerger given the assets of both the Company and the succeeding company are expected to exceed liabilities after the corporate demerger, and at present, there are no circumstances anticipated that could impede the fulfillment of obligations that arise after the corporate demerger.

3.Outline of companies involved in the demerger

(1) Demerged company (As of June 30, 2026)

(1) Company name	Tokyo Gas Co., Ltd.
(2) Address	1-5-20 Kaigan, Minato-ku, Tokyo
(3) Name and title of representative	SASAYAMA Shinichi, Representative Corporate Executive Officer, President and CEO
(4) Business	Gas business, etc.
(5) Capital	141,844 million yen
(6) Establishment	October 1, 1885
(7) Number of shares outstanding	334,959,259 shares
(8) Closing date	March 31
(9) Major shareholder(s) and shareholding ratio (As of March 31, 2026)	The Master Trust Bank of Japan, Ltd. (Trust Account) 15.44% Nippon Life Insurance Company 6.64% Custody Bank of Japan, Ltd. (Trust Account) 4.74% Meiji Yasuda Life Insurance Company (Retirement Benefit Trust, Mizuho Trust & Banking Co., Ltd. re-trust, Custody Bank of Japan, Ltd. re-trust) 2.13% Tokyo Gas Employee Shareholding Association 2.02%

(10) Financial position and operating results of the latest fiscal year (Fiscal year ended March 31, 2026)	
Net assets	1,796,567 million yen(Consolidated)
Total assets	3,892,268 million yen(Consolidated)
Net assets per share	5,151.08 yen(Consolidated)
Net sales	2,834,749 million yen(Consolidated)
Operating profit	197,677 million yen(Consolidated)
Ordinary profit	193,701 million yen(Consolidated)
Profit attributable to owners of parent	226,857 million yen(Consolidated)
Profit per share	654.76 yen(Consolidated)

(2) Succeeding company（as of April 1, 2026）

(1) Company name	Tokyo Gas Engineering Solutions Corporation (TGES)
(2) Address	1-2-3 Kaigan, Minato-ku, Tokyo
(3) Name and title of representative	UENAKA Takayuki, Representative Director, President & Chief Executive Officer
(4) Business	Heat supply business, etc.
(5) Capital	14,000 million yen
(6) Establishment	April 1, 2015
(7) Number of shares outstanding	700,001 shares
(8) Closing date	March 31
(9) Major shareholder(s) and shareholding ratio	Tokyo Gas Co., Ltd. 100%
(10) Financial position and operating results of the latest fiscal year (Fiscal year ended March 31, 2026) (Non-consolidated)	
Net assets	134,508 million yen
Total assets	241,543 million yen
Net assets per share	192,155.02 yen
Net sales	187,694 million yen
Operating profit	14,470 million yen
Ordinary profit	16,933 million yen
Net profit	11,691 million yen
Profit per share	16,701.77 yen

4.Outline of the businesses to be Succeeded

(1) Description of operations to be absorbed

A part of the Company’s service business for industrial customers

Refers to the businesses listed below:

① Digital and Visualization business

② Water business (excluding those related to sludge return control and cooling tower control)

③ Utility business (excluding Air fit services and other compressed air services, and Satellite fit services and other LNG receiving equipment)

④ Cogeneration service business

(2) Financial results of the business to be assumed (Results for the Fiscal Year ended March 31, 2026)

Description of operations to be absorbed	**Sales of businesses that are subject for absorption (a)**	**The Company's non-consolidated net sales (b)**	**Ratio (a/b)**
A part of services for industrial customers	166 million yen	2,072,759 million yen	0.008%

(3) Asset and liability items to be spun off and the respective monetary value (As of March 31, 2026)

Assets		Liabilities	
Item	Value	Item	Value
Fixed assets	258 million yen	Fixed liabilities	—
Current assets	86 million yen	Current liabilities	—
Total	344 million yen	Total	—

Note: The aforementioned values were calculated based on the balance sheet statement as of March 31, 2026. In light of this, the actual value to be succeeded will reflect fluctuations to the above values up to the business day prior to the date the corporate demerger takes effect.

5.Status of the Company after the demerger

There will be no changes to the name, address, name and title of representative, business description, capital, and fiscal year of the Company after the corporate demerger.

6.Status of the succeeding company after the demerger

There will be no changes to the name, address, name and title of representative, business description, capital, and fiscal year of the succeeding company after the corporate demerger.

7.Financial outlook

The corporate demerger will have minimal impact to the consolidated financial performance of the Company given the corporate demerger is between the Company and its wholly-owned subsidiary.