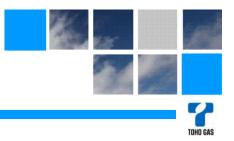


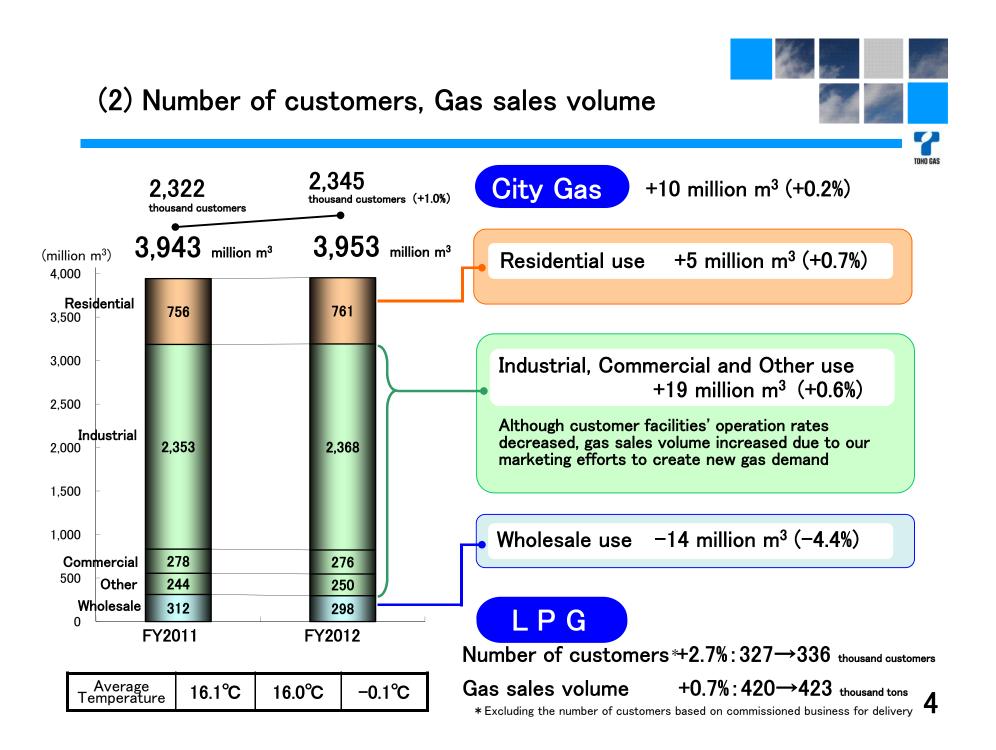


Earning forecasts and other forward-looking statements in this document are management's current views and beliefs in accordance with data currently available, and are subject to a number of risks, uncertainties and other factors that may cause actual results to differ materially from those projected.



- Gas sales volume was 3,953 million m, an increase by 0.2% from the previous year.
 - LPG sales volume was 423 thousand tons, an increase by 0.7%

Sales were ¥518.3 billion, an increase by 7.5% from the previous year. Ordinary income was ¥13.3 billion, a decrease by 26.3%



(3) Sales, Incomes 7 (¥ billions) TOHO GAS Change **Change** Forecast From Rate of Fy 2012 Fy 2011 From **Previous** change (at the 3Q) forecast vear Gas sales Volume 3,953 3,943 3,943 10 0.2% 10 (million m) 510.0 482.3 35.9 7.5% 8.3 518.3 Sales **Cost of** 364.5 319.5 44.9 14.1% sales Selling, general 145.2 141.1 -2.9% -4.1 and administrative expenses Ordinary -26.3% 13.3 18.1 -4.7 13.0 0.3 incomé 8.5 8.5 -0.5% -0.0 7.5 1.0 Net income (Notes 1) Crude oil price (CIF national average); FY2012 113.9 \$/bbl, FY2011 114.2 \$/bbl (-0.3 \$/bbl) FY2011 79.1 yen/\$ (+3.8 yen/\$) Currency exchange rate (TTM) ; FY2012 82.9 yen/\$,

(Notes 2) Net income of FY2011 includes the impact of a partial write-off of deferred tax assets based upon the enactment of laws concerning a reduction in the corporate income tax rate.

(4) Factors for Changes in Ordinary Income (Change from the previous year)



Ordinary income (¥18.1 billion \Rightarrow ¥13.3 billion) — ¥ 4.7 billion

Effect of gas sales volume

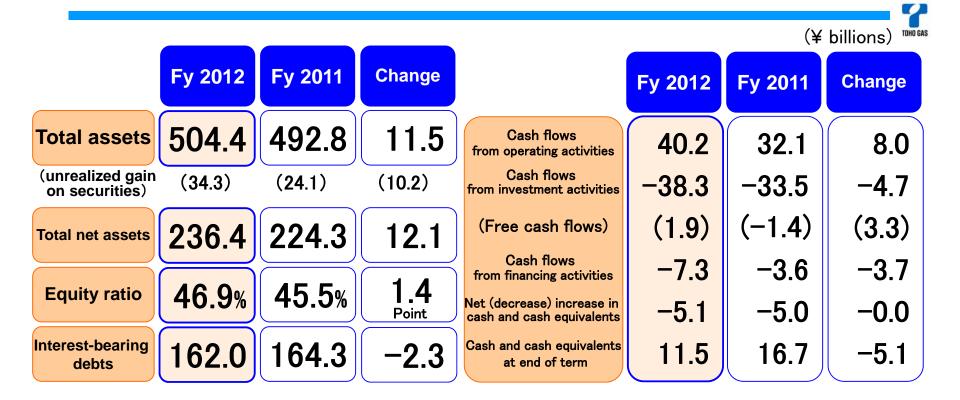
+ ¥ 0.5 billion

Impact of time lag in fuel cost adjustment system + ¥ 1.5 billion (FY2011 − ¥ 17.0 billion ⇒ FY2012 − ¥ 15.5 billion)

Impact of Gas rate revision — ¥ 2.0 billion

Others — ¥ 4.7 billion

(5) Balance Sheet



САРЕХ	35.1	32.5	2.6
Depreciation	36.9	40.2	-3.3

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Year-end dividend of FY2012 is ¥ 4.5, and ¥ 9 in annual base

<	<reference>Return to shareholders</reference>						≨ billions)
	FY2007 FY2008 FY2009 FY2010					FY2011	FY2012
Ν	et income (a)	12.1	5.8	10.9	14.4	8.5	8.5
	Cash dividend	4.2	4.4	4.4	4.4	4.6	4.9
	(per share)	(¥ 7.5)	(¥ 8)	(¥ 8)	(¥ 8)	(¥ 8.5)	(¥ 9)
	Share buy-back	2.7	—	3.0	2.7	—	_
D	ividend + share buy-back (b)	7.0	4.4	7.4	7.1	4.6	4.9
	(b) / (a)	58%	77%	68%	49%	54%	58%

(Notes) Dividend is amounted by annual appropriation of income.

Share buy-back is amounted by annual meeting of shareholders (July to June).

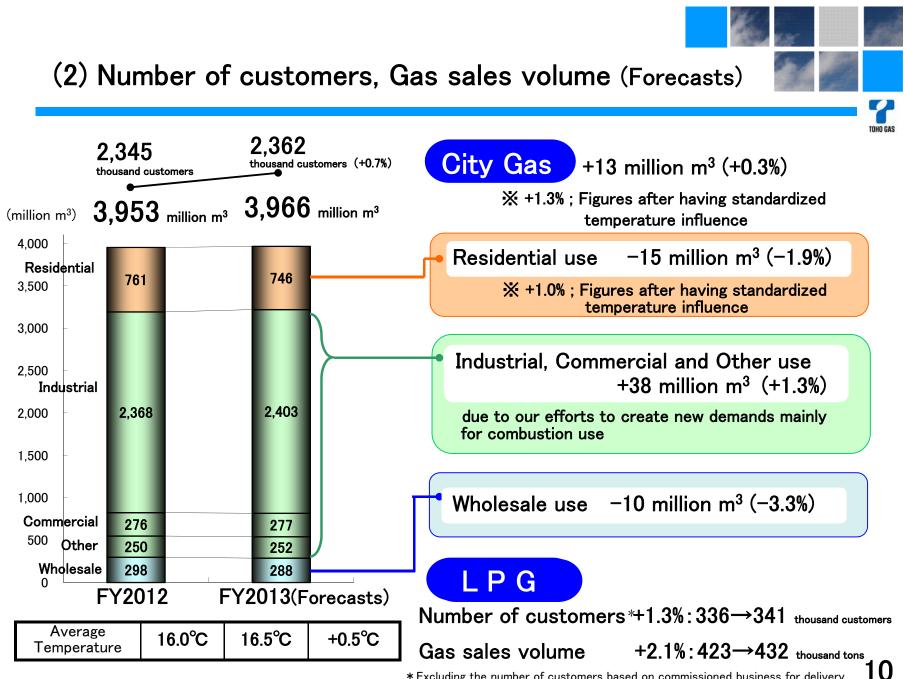
TOHO GAS

2. Forecasts for FY2013 (1) Summary



Gas sales volume expected to be 3,966 million m³, an increase by 0.3% from the previous year. LPG sales volume to be 432 thousand tons, an increase by 2.1%

Based on crude oil price of 115 dollars/barrel and exchange rate of ¥100/dollar, sales projected to be ¥565 billion, an increase by 9.0% from the previous year, ordinary income to be ¥15 billion, an increase by 12.1%



* Excluding the number of customers based on commissioned business for delivery

				(¥ billions)
	Fy 2013 forecasts	Fy 2012	Change From Previous year	Rate of change
Gas sales Volume (million m ³)	3,966	3,953	13	0.3%
Sales	565.0	518.3	46.6	9.0%
Ordinary income	15.0	13.3	1.6	12.1%
Net income	10.0	8.5	1.4	17.3%
САРЕХ	38.0	35.1	2.8	8.0%
Depreciation	36.0	36.9	-0.9	-2.4%

(3) Forecasts for FY2013/Sales, Incomes

[Assumption]		(\$/	′bbl, yen∕\$)
	FY2013	$FY2012 ({\sf Result})$	Change
Crude oil price	115	113.9	+1.1
Exchange rate	100	82.9	+17.1

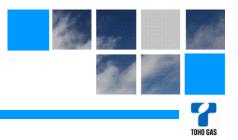
	Sensitivity	(full-year)
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		Gas resource cost	Gross profit		
Crude oil price	1\$/bbl	¥ 2.1 billion	¥ 0.7 billion		
Exchange rate	1yen/\$	¥ 2.4 billion	¥ 0.8 billion		

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TOHO GAS

(4) Factors for Changes in Ordinary Income (Change from the previous year)



Ordinary income (¥13.3 billion \Rightarrow ¥15.0 billion) + ¥ 1.6 billion

Effect of gas sales volume

- ¥ 1.0 billion

■ Impact of time lag in fuel cost adjustment system + ¥ 3.0 billion (FY2012 -¥ 15.5 billion ⇒ FY2013 - ¥ 12.5 billion)



- ¥ 0.4 billion

〈 Reference	〉Prog	ress o	f Mec	dium-1	term r	nanagei	ment plan
【Number of customers】	FY2009	FY2010	FY2011	FY2012	FY2013 (forecast)	FY2008 to 2013 Average growth rate	FY2013 target < Average growth rate > TOHO GAS
City gas (thousand)	2,295	2,307 2	2,322	2,345	2,362	2 0.7%	2,405 <1.1%>
LPG (thousand)	317	320	327	336	341	2.1%	359 <3.2%>
【 Gas sales volume 】							
City gas (million m ³)	3,627	3,910 3	3,943	3,953	3,966	6 1.5%	4,039 <1.9%>
LPG (thousand tons)	397	416	420	423	432	2 1.1%	440 <1.5%>
CAPEX (¥ billion)	43.6	33.2	32.5	35.1	38.0	⁵ years average 36.5	A total of FY2009 to 2013 177 (Average of 35.4 per year)
[Financial targets]	FY2009	FY2010	FY2	2011 F	Y2012	FY2013 (forecast)	FY2013 target
ROA	2.1%	2.9%	<u> </u>	.7%	1.7%	About 2%	About 3% (FY2013)
Return to Shareholders Upper: Dividend Lower: Share buy-back		re ¥8 per sha n ¥2.7 billi		per share ¥S) per share	¥9 per share	The basis is stable dividends. Implementing share buy back depending on the situation.
Interest-bearing debts (¥ billion) Equity ratio	171.0 43.6%	_	: -	64.3 5.5%	:	About 164 About 46%	About 180 (at the end of FY2013) Over 40% (at the end of FY2013)



Toho Gas Group Vision —For the 100th Anniversary of our Establishment—



Ideal form of Toho Gas Group & our Four challenges

TOHO GAS

Ideal form of Toho Gas Group

Towards energy that opens up the way to the future

- Delivering higher and wider scope of value to customers -

Four challenges

Ensure stable energy supply to customers in our expanding service area at a competitive price

02 Promote energy use best suited to individual customers

Support the development of communities that are in harmony with the local environment and resistant to disasters

Ensure customer's safety and freedom from anxiety in gas use

Strengthening of management foundation



Ensure stable energy supply to customers in our expanding service area at a competitive price

Diversification of LNG procurement

Secure stable LNG supply at a competitive price by diversifying supply sources, type of contracts and price-index.



[Natural gas reserves and our procurement regions] Source: IEA [World Energy Outlook 2012 Special Report] 

Ensure stable energy supply to customers in our expanding service area at a competitive price

TOHO GAS

Enhancement of gas resources receiving facilities and wide-area supply network

Strengthen flexible and efficient system for receiving gas resources and wide-area supply network for natural gas and LPG.

City gas/LPG business

		FY2012	100th Anniversary (FY2022)	Average Annual Rate of Increase
Number	Natural Gas	2.34 million	2.5 million	0.6%
of Customers LPG* 0.		0.43 million	0.5 million	1.5%
Gas	Natural Gas	4 billion m ³	5 billion m ³	2.2%
Sales Volume	LPG	420 thousand tons	500 thousand tons	1.7%

* Including the number of customers based on commissioned business for delivery

Four challenges of the Toho Gas Group

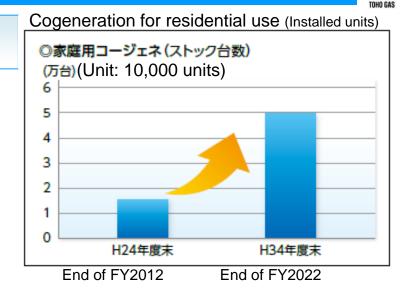
Promote energy use best suited to individual customers

Optimal energy use for home

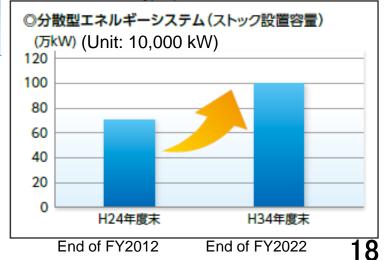
Promote smart lifestyles with gas, through the diffusion and expansion of advanced gas equipment and development of community-based sales activities and services.

Optimal energy use in the manufacturing business

Realize minimum cost and high security for customers by developing one-stop services to support energy-related matters and diffusion and expansion of distributed energy supply systems.



Distributed energy system (Installed capacity)





Support the development of communities that are in harmony with the local environment and resistant to disasters

Smart energy for communities

By improving energy efficiency throughout entire towns, save energy and reduce CO₂ emissions, and realize improvements in energy security in a time of disaster.

Realization of smart towns

By introducing advanced distributed energy systems, promote town planning with excellent environmental and disaster prevention aspects in the redeveloped areas.

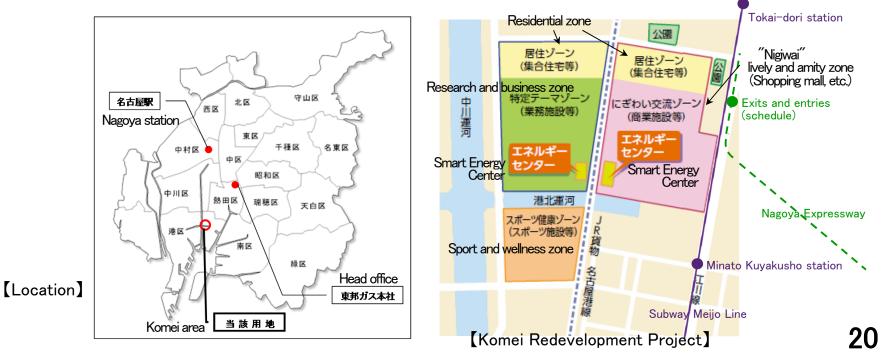
Four challenges of the Toho Gas Group 03

Support the development of communities that are in harmony with the local environment and resistant to disasters

TOHO GAS

Komei Redevelopment Project

- Developing advanced communities through efforts to protect the environment and promote energy saving
- Developing disaster-resistant communities contributing to disaster prevention in local areas
- Developing lively communities where various persons gather and interact





Ensure customer's safety and freedom from anxiety in gas use

Further enhancement of disaster prevention measures

Consistently protect regional daily life and manufacturing by continuing to supply energy even in a time of large-scale disaster.

Maintenance & improvement of security levels

Secure the safety of gas facilities and ensure customer's safety and freedom from anxiety in gas use by providing preventive maintenance services and scheduled replacement of gas facility.

Strengthening of management foundation

Improvement of R&D and Engineering

Enhancement of human resources and "Genba-Ryoku" (capabilities needed at the front of business)

Strengthening of business structure

- Management efficiency development
- Improving Cash Flow
- Stable dividend and implementing share buy back depending on the situation

Thoroughness in CSR management

Enhancement of Toho Gas Group's strengths

Financial performance indicators

	100th Anniversary (FY2022)
Operating Cash Flow	60 billion yen and over /year
D/E Ratio*1	1.0 and under
ROA* ²	3% and over

*1 D/E Ratio : Debt Equity Ratio (Interest-bearing debt/Equity)

*2 ROA : Return On Assets (Net income/Total assets × 100)