

June 6, 2016

Toho Gas in Agreement with Diamond Gas International Pte. Ltd. for a purchase of LNG produced at the U.S. Cameron Project

Today (June 6), Toho Gas Co., Ltd. (Koichi Yasui, President) has entered into a sale and purchase agreement with Diamond Gas International Pte. Ltd. ("Seller"), a 100% subsidiary of Mitsubishi Corporation, for a purchase of LNG produced at the U.S. Cameron Project ("the Project").

1. Introduction

We accurately keep track of any change in the environment for procuring energy, and strive for LNG procurement diversification, including diversification of the price-index, supply sources and types of contracts to ensure a stable energy supply to customers at a competitive price.

From this perspective, we have positioned this contract as a strong candidate of the new LNG supply sources and have negotiated on a sale and purchase agreement of LNG. Today, we have entered into the sale and purchase agreement after discussion with the Seller about the contract details since entering into Heads of Agreement in April 23, 2015.

2. Outline of the Agreement

- (1) Parties : Seller Diamond Gas International Pte. Ltd.
(Wholly-owned subsidiary of Mitsubishi Corporation)
Buyer Toho Gas Co., Ltd.
- (2) Duration : 19 years from 2019
- (3) LNG Volume : 3 cargoes per annum (Approx. 200,000 tons per annum)
- (4) Price Index : Linked to the U.S. natural gas price
- (5) Delivery : Ex-Ship (Seller arranges LNG transportation to Buyer's receiving terminals)
- (6) Change of Destination : Feasible both domestically and overseas by prior agreement between the Parties

We will continue diversifying LNG procurement to ensure stable city gas supply to customers at a competitive price.

<Overview of the Project>

Cameron LNG LLC. plans to construct LNG liquefaction facilities in Cameron, Louisiana, U.S. (overall capacity, 12 million tons per annum) to liquefy the U.S. natural gas, including shale gas, and to export as LNG.

LNG Operator : Cameron LNG LLC. (a subsidiary of Sempra Energy)

Location : Hackberry, Louisiana, U.S.

Liquefaction Facilities : 12 million tons per annum (4 million tons × 3 trains)

