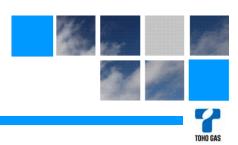
Consolidated Financial Results Results for the 1st half of FY2013 (April-September 2013)

October 30, 2013 TOHO GAS CO.,LTD.



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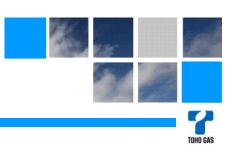
2. Forecasts for FY2013 • • • • • • • • • • • • • • •

⟨Reference1⟩ Progress of Medium-term management plan • •13

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.

1. Results for the 1st half of FY2013

(1) Summary



■ Gas sales volume was 1,847 million m³, a decrease by 0.2% from the previous year.

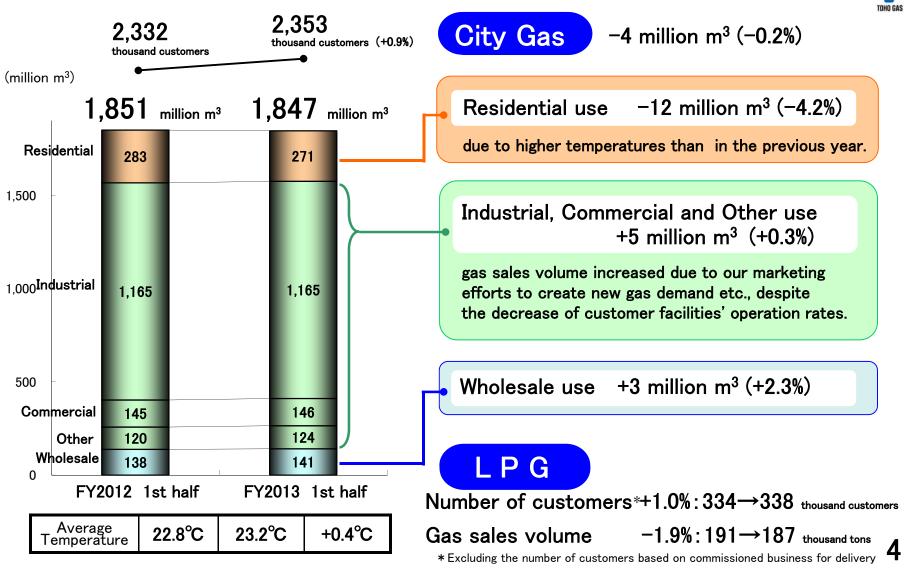
LPG sales volume was 187 thousand tons, a decrease by 1.9%

Sales were ¥250.3 billion, an increase by 5.9% from the previous year.

Ordinary income was ¥5.2 billion, a decrease by 40.6%

(2) Number of customers, Gas sales volume (1st half)





(3) Sales, Incomes



(¥ billion)

	Fy 2013 (1st half)	Fy 2012 (1st half)	Change From Previous year	Rate of change
Gas sales Volume (million m³)	1,847	1,851	-4	-0.2%
Sales	250.3	236.4	13.8	5.9%
Cost of sales	182.2	162.3	19.9	12.3%
Selling, general and administrative expenses	63.2	65.5	-2.3	-3.6%
Ordinary income	5.2	8.7	-3.5	-40.6%
Net income	3.2	4.9	-1.6	-34.2%

(Note) Crude oil price (CIF national average); FY2013 (Apr.-Sept.) 107.7 \$/bbl, FY2012 (Apr.-Sept.) 114.0 \$/bbl (-6.3 \$/bbl) Currency exchange rate (TTM) ; FY2013 (Apr.-Sept.) 98.9 yen/\$, FY2012 (Apr.-Sept.) 79.4 yen/\$ (+19.5 yen/\$)



(4) Factors for Changes in Ordinary Income (1st half)



♦ Change from the previous year

Ordinary income (± 8.7 billion $\Rightarrow \pm 5.2$ billion) $- \pm 3.5$ billion

Effect of gas sales volume

- ¥ 1.0 billion
- Impact of time lag in fuel cost adjustment system ± 1.0 billion (FY2012 (1st half) ± 5.0 billion \Rightarrow FY2013 (1st half) ± 6.0 billion)
- Others

— ¥ 1.5 billion





♦ Change from the forecasts

- Impact of time lag in fuel cost adjustment system + ¥ 2.5 billion
- Others + ¥ 0.7 billion

<Reference > Assumption for the 1st half of FY2013

(\$/bbl, yen/\$)

	Result	Forecast [※]	Change
Crude oil price (CIF national average)	108	111	-3
Currency exchange rate(TTM)	99	99	-0

X After July: Crude oil price 115\$/bbl, Exchange rate 100yen/\$

(6) Balance Sheet and Cash flows



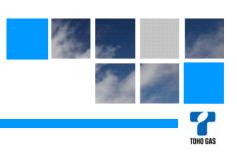


						(¥	billions)
	Fy 2013 (1st half)	Fy 2012 (end of Fy)	Change		Fy 2013 (1st half)	Fy 2012 (1st half)	Change
Total assets	496.6	504.4	-7.8	Cash flows from operating activities	14.9	18.0	-3.0
(unrealized gain on securities)	(41.7)	(34.3)	(7.3)	Cash flows from investment activities	-14.5	-19.1	4.5
Total net assets	244.4	236.4	7.9	(Free Cash flows)	(0.3)	(-1.0)	(1.4)
				Cash flows from financing activities	0.2	-3.9	4.2
Equity ratio	49.2%	46.9%	2.3 Point	Net (decrease) increase in cash and cash equivalents	1.4	− 5.1	6.5
Interest-bearing debts	164.8	162.0	2.8	Cash and cash equivalents at end of period	13.0	11.5	1.4

CAPEX	14.4	17.5	-3.1
Depreciation	17.1	18.3	-1.1

2. Forecasts for FY2013

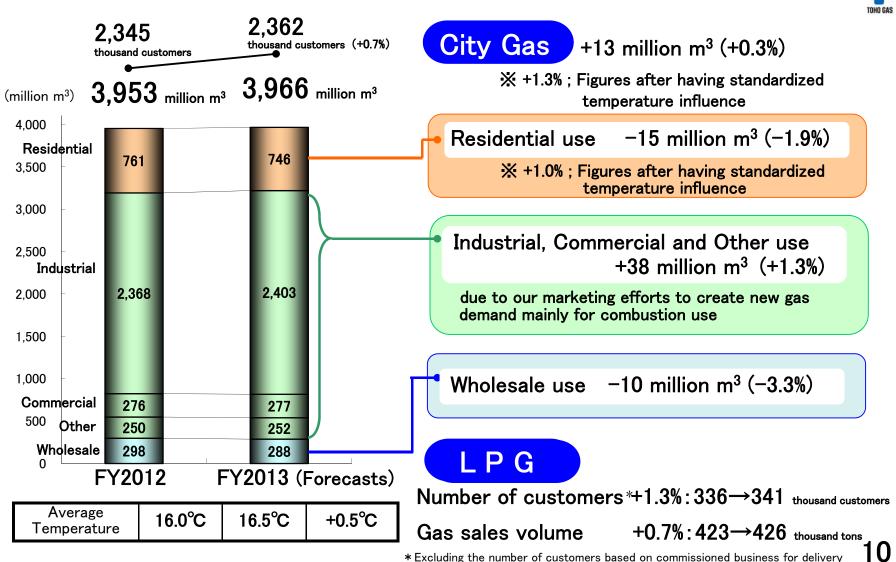
(1) Summary



- Gas sales volume expected to be 3,966 million m³, an increase by 0.3% from the previous year.
 - LPG sales volume to be 426 thousand tons, an increase by 0.7%
- Based on crude oil price of 115 dollars/barrel and exchange rate of ¥100/dollar for the 2nd half of FY2013, sales projected to be ¥557 billion, an increase by 7.5% from the previous year, ordinary income to be ¥15 billion, an increase by 12.1%
- We have not changed the previous forecasts of assumption and income
 - (Sales were revised down by ¥8 billion)

(2) Number of customers, Gas sales volume (Forecasts)







(3) Forecasts for FY2013/Sales, Incomes

				(¥ billion)
	Fy 2013 forecasts	Fy 2012	Change From Previous year	Rate of change
Gas sales Volume (million m³)	3,966	3,953	13	0.3%
Sales	557.0	518.3	38.6	7.5%
Ordinary income	15.0	13.3	1.6	12.1%
Net income	10.0	8.5	1.4	17.3%
CAPEX	38.0	35.1	2.8	8.0%
Depreciation	36.0	36.9	-0.9	-2.4%

[Assumption]

(\$/bbl, yen/\$)

	FY2013**	FY2012(Result)	Change
Crude oil price	111.3	113.9	-2.6
Exchange rate	99.4	82.9	+16.5

[Sensitivity (full-year)]

		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

X Assumption for the 2nd half of FY2013: Crude oil price 115\$/bbl, Exchange rate 100yen/\$



(4) Factors for Changes in Ordinary Income (Forecasts)



♦ Change from the previous year

Ordinary income (¥13.3 billion⇒¥15.0 billion) + ¥ 1.6 billion

Effect of gas sales volume

- ¥ 1.0 billion
- Others ¥ 0.4 billion

Change from the previous forecasts

Ordinary income (¥15.0 billion⇒¥15.0 billion)

No Revision







[Nur	mber of customers]	FY2009	FY2010	FY2011	FY2012	FY2013 (forecasts)	FY2008 to 2013 Average growth rate
	City gas (thousand)	2,295	2,307	2,322	2,345	2,362	0.7%
	LPG (thousand)	317	320	327	336	341	2.1%

FY2013 target	< Average >
2,405	<1.1%>
359	<3.2%>

[Gas sales volume]

City gas (million m³)	3,627	3,910	3,943	3,953	3,966	1.5%
LPG (thousand tons)	397	416	420	423	426	0.8%

4,039	<1.9%>
440	<1.5%>

CAPEX (¥ billion)

43.6 33.2 32.5 35.1 38.0

5years average 36.5

A total of FY2009 to 2013 177 (Average of 35.4 per year)

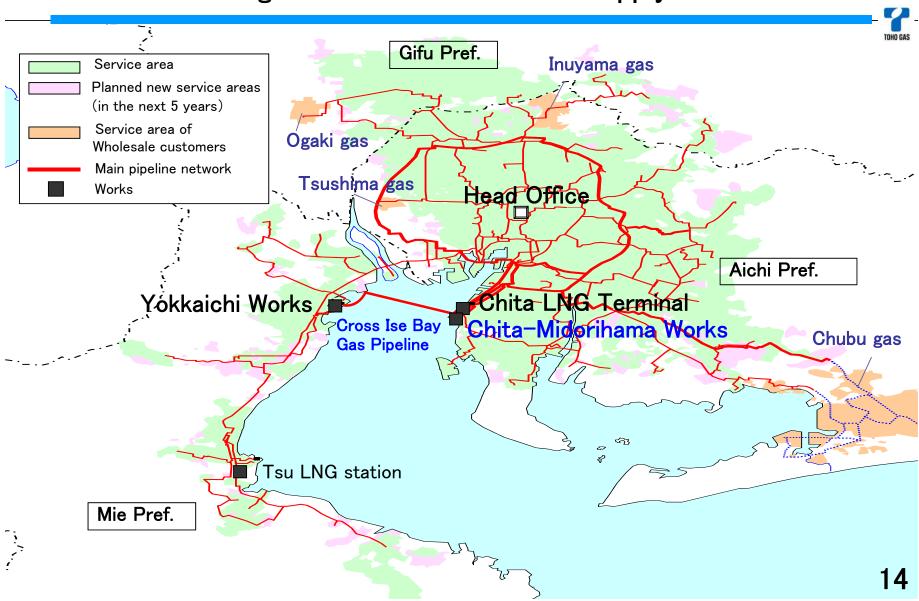
【Financial targets 】		FY2009	FY2010	FY2011	FY2012	FY2013 (forecasts)
	ROA	2.1%	2.9%	1.7%	1.7%	About 2%
	Return to Shareholders Upper: Dividend Lower: Share buy-back		¥8 per share ¥2.7 billion	¥8.5 per share	¥9 per share	¥9 per share
	Interest-bearing debts (¥ billion)	171.0	161.4	164.3	162.0	About 164
	Equity ratio	43.6%	44.7%	45.5%	46.9%	About 46%

FY2013 target											
oout.	3%	(EV2013)									

The basis is stable dividends. Implementing share buy back depending on the situation.

About 180 (at the end of FY2013) Over **40%** (at the end of FY2013)

(Reference2) Enhancement of gas resources receiving facilities and wide-area supply network



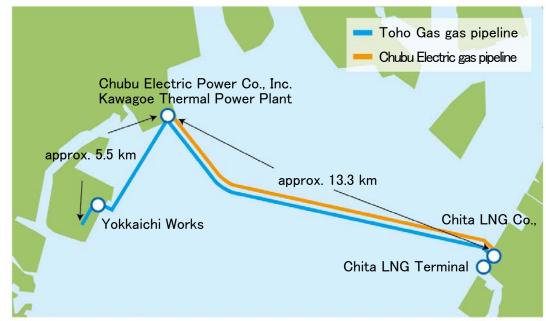




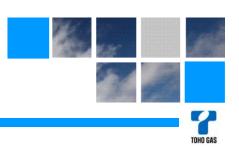
◆Construction period April 2008 - September 2013

◆Purpose of construction

- Enhancement of stable supply
- Flexible and efficient operations of LNG terminal
- Strengthen capacity of LNG supply
 bound for Mie Prefecture



2 Construction of No.3 LNG tank at Chita-Midorihama Works



- ◆Capacity 220,000kl (In-ground type)
- **♦**Purpose of construction
 - In response to the increase of gas demand
 - Diversification of LNG procurement



Construction schedule

	FY2012	FY2013	FY2014	FY2015	FY2016
Slurry wall					
Inner excavation					
Bottom slab, Side wall					
Roof					
Membrane, Insulation					