

To: all concerned parties

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Announcement of revision of financial forecasts

Based on recent business results trends, Toho Gas Co., Ltd. has revised the financial forecasts which were released at the financial results announcement on April 30, 2014 as shown below.

(Consolidated)

1. Revisions of financial forecasts for the first half of FY2014 (April 1, 2014 – September 30, 2014)

	Sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecasts (A) (Announced on April 30, 2014)	(Unit: million yen) 272,000	(Unit: million yen) 7,000	(Unit: million yen) 7,000	(Unit: million yen) 5,000	(Unit: yen) 9.17
Revised forecasts (B)	269,000	14,000	14,000	9,500	17.42
Change (B-A)	-3,000	7,000	7,000	4,500	—
Rate of change (%)	-1.1	100.0	100.0	90.0	—
<Reference>Results for previous year (Results ended September 2013)	250,346	4,845	5,219	3,274	6.00

2. Revisions of financial forecasts for FY2014 ending March 2015 (April 1, 2014 – March 31, 2015)

	Sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecasts (A) (Announced on April 30, 2014)	(Unit: million yen) 610,000	(Unit: million yen) 23,000	(Unit: million yen) 23,000	(Unit: million yen) 15,000	(Unit: yen) 27.51
Revised forecasts (B)	602,000	23,000	23,000	15,000	27.51
Change (B-A)	-8,000	—	—	—	—
Rate of change (%)	-1.3	—	—	—	—
<Reference>Results for previous year (Results ended March 2014)	560,462	15,751	17,053	11,241	20.61

(Non-consolidated)

3. Revisions of financial forecasts for the first half of FY2014 (April 1, 2014 – September 30, 2014)

	Sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecasts (A) (Announced on April 30, 2014)	(Unit: million yen) 239,000	(Unit: million yen) 6,500	(Unit: million yen) 7,000	(Unit: million yen) 5,000	(Unit: yen) 9.17
Revised forecasts (B)	236,000	13,500	14,000	9,500	17.42
Change (B-A)	-3,000	7,000	7,000	4,500	—
Rate of change (%)	-1.3	107.7	100.0	90.0	—
<Reference>Results for previous year (Results ended September 2013)	218,239	3,830	5,047	3,386	6.21

4. Revisions of financial forecasts for FY2014 ending March 2015 (April 1, 2014 – March 31, 2015)

	Sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecasts (A) (Announced on April 30, 2014)	(Unit: million yen) 535,000	(Unit: million yen) 20,000	(Unit: million yen) 21,000	(Unit: million yen) 14,000	(Unit: yen) 25.67
Revised forecasts (B)	527,000	20,000	21,000	14,000	25.67
Change (B-A)	-8,000	—	—	—	—
Rate of change (%)	-1.5	—	—	—	—
<Reference>Results for previous year (Results ended March 2014)	490,088	13,072	15,602	10,587	19.41

3. Reasons

As for the consolidated and the non-consolidated financial forecasts for the first half of FY2014, we assume that incomes will increase from the previous forecasts, since fuel cost decreased due to decline in crude oil price and rise in the value of the yen as shown below (Reference), and general expense will decrease due to delay in accrual to the second half.

As for full year of FY2014, we have not changed the forecasts of income, though we have revised down the consolidated and the non-consolidated forecasts of sales by ¥8 billion.

(Reference) Crude oil price, Currency exchange rate

Assumption for Revised forecasts (Apr.–Sept. 2014*): Crude oil price approx. \$112/bbl (CIF national average), Currency exchange rate ¥104/\$

*Apr.–June 2014: Results/ July–Sept. 2014: Crude oil price approx. \$115/bbl, Currency exchange rate ¥105/\$ (same as the previous forecasts)

Assumption for previous forecasts (Apr.–Sept. 2014): Crude oil price approx. \$115/bbl (CIF national average), Currency exchange rate ¥105/\$

Note: The above forecasts are based on information available at the time of the release of this document.

Due to various factors, the actual result may vary from the forecast data.