

April 23, 2015

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

Toho Gas Co., Ltd. (Koichi Yasui, President), today has entered into a Heads of 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. Objective of agreement conclusion

We have developed Medium-term Management Plan (FY2014 to FY2018) in March 2014. In this plan, we set “to provide a stable supply of energy at a competitive price” as an action plan. We accurately keep track of any change in the environment for procuring energy, and strive for LNG procurement diversification, including diversification of supply sources, types of contracts and the price-index.

In accordance with the agreement with Seller, we will annually purchase approximately 200,000 tons of LNG for 20 years from the start of production (scheduled in 2018) in the Project at prices linked to the U.S. natural gas price. By the agreement, we will diversify supply sources and the price-index.

The agreement for LNG purchase from the Project is the second one following the sale and purchase agreement with Mitsui & Co., Ltd. (January 30, 2014), and procurement volume will be 500,000 tons in total.

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

2. Outline of the Agreement

- (1) Parties : Seller Diamond Gas International Pte. Ltd.
Buyer Toho Gas Co., Ltd.
- (2) Duration : 20 years from the start of production (scheduled in 2018)
- (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 by prior agreement between the parties

<Overview of the Project>

Cameron LNG LLC., a subsidiary of Sempra Energy, plans to construct LNG liquefaction facilities in Cameron, Louisiana, U.S. (overall capacity, 12 million tons per annum; 4 million tons x 3 trains) to liquefy the U.S. natural gas, including shale gas, and to export as LNG.

LNG Operator : Cameron LNG LLC.

Location : Hackberry, Louisiana, U.S.

Liquefaction Facilities : 4 million tons/year ×3 trains

