

July 30, 2015

Tohoku Electric Power Co, Inc.

Tokyo Gas Co., Ltd.

### **Regarding Agreement to Establish Electric Power Retail Sales Company**

Tohoku Electric Power Co., Inc. (Representative Director and President Hiroya Harada) and Tokyo Gas Co., Ltd (Representative Director and President Michiaki Hirose) have agreed to establish a new electric power retail sales company through joint investment to carry out the electric power retailing business in the Kanto area. The new company is scheduled to be established in October 2015.

With the full-scale liberalization of electric power retailing, the two companies will make the maximum use of their accumulated business experience and competitive power sources for the stable supply of electric power to high-voltage and extra-high-voltage customers in the Kanto area through the new company.

In this way, both companies will work to achieve optimal and comfortable energy usage and cost reductions for customers, provide part of energy supply for the Kanto area, prosper together with local customers, and stimulate regional economies.

#### Outline of the New Company

Company name:	To be decided
Main office location:	Inside Tokyo (planned)
Date of establishment:	October 2015 (scheduled)
Executive officers:	To be dispatched from both companies
Capital at establishment:	990 million yen (capital of 495 million yen, capital reserves of 495 million yen)
Investment ratio:	50% by each company
Business contents:	Retail electric power sales to high-voltage and extra-high-voltage customers in the Kanto area centered on northern Kanto
Supply start date:	April 2016 (scheduled)