

December 15, 2014

Signing of a Memorandum of Understanding with PetroVietnam Gas on an Energy Solution Business Feasibility Study

A first step towards LNG value chain development in Vietnam

Tokyo Gas Co., Ltd.

Tokyo Gas Co., Ltd. (President: Michiaki Hirose) and PetroVietnam Gas (PV Gas; President and CEO: Do Khang Ninh) signed a memorandum of understanding (MOU) on December 12 to conduct a feasibility study on energy solution business in Vietnam.

Tokyo Gas and PV Gas back in March 5, 2012 signed a memorandum of understanding for cooperation on the development of the LNG value chain in Vietnam (Comprehensive MOU), and have been in discussions since then on the specifics of the cooperation. The feasibility study on energy solution business is the first time for the two companies to collaborate under the Comprehensive MOU with the aim of LNG value chain development in Vietnam.

Energy demand is expected to increase in Vietnam as the country is in the midst of strong economic growth. Through market surveys* and a series of discussions, Tokyo Gas and PV Gas confirmed the importance of energy conservation and of infrastructure building for expanding the use of environmentally friendly LNG. In the course of these studies, the two companies discovered the potential for further cooperation in energy solution businesses, such as energy-saving services enabling efficient use of LNG and other energy, and LNG satellite provision to bring LNG to areas not served by gas pipelines.

The companies therefore decided to go on to the next stage of a more detailed feasibility study.

The Tokyo Gas Group will continue to utilize its technologies and expertise in total energy businesses on behalf of customers operating in Southeast Asia and North America, helping them with energy solutions, while engaging in local infrastructure development. The Group is also taking up the challenge of value chain development in each region, including through partnerships with local energy companies.



MOU signing ceremony. Tokyo Gas President Michiaki Hirose (right) and PV Gas Chairman Le Nhu Linh

*Tokyo Gas and PV Gas spent approximately one year starting from last fiscal year conducting demand surveys in southern Vietnam, including direct interviews with customers, to determine how LNG is being used, its price competitiveness with other fuels, and market trends.

Overview of PetroVietnam Gas Joint Stock Corporation

Established: September 1990

Headquarters: PVGAS Tower, No. 673 Nguyen Huu Tho Street, Nha Be District, Ho Chi Minh City, S.R. Vietnam

Main business operations: Procurement, processing, storage, transport, and sales of natural gas, LPG, CNG, and condensate

Shareholders: Vietnam Oil and Gas Group (PVN): 96.72%; Others: 3.28%

Employees: 3,640