

May 26, 2025

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(Securities code: 9729; Prime  
Market Tokyo Stock Exchange)  
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### Notice Regarding the Formulation of the Medium-term Management Plan (FY3/26 to FY3/28)

TOKAI Corp. (the Company) hereby announces that, at a meeting of the Board of Directors on May 26, 2025, it has formulated the Medium-term Management Plan (the Plan) for the three-year period from the fiscal year ending March 2026 to the fiscal year ending March 2028, based on the outline of “The next Medium-term Management Plan” released on November 28, 2024, as described below.

#### 1. The Long-term Vision and Positioning of the Plan

As a foundation for the Plan, our Group has formulated a long-term vision titled “Vision 2035.” This vision outlines our desired future state 10 years from now:

“Contribute to the realization of a health and longevity society as an infrastructure company supporting clean and healthy living for people.”

The Plan is positioned as a phase of sowing seeds for increasing profitability and creating new value toward achieving this long-term vision.

#### 2. Basic Policies of the Plan

- 1) Reform business structure in each business to maximize profit
- 2) Develop new businesses to drive growth in 10 years
- 3) Create and maximize Group synergies
- 4) Establish a beneficial cycle in which human capital investment leads to growth
- 5) Implement balanced growth investments and shareholder returns

#### 3. Key Performance Targets of the Plan

	FY3/25 results	FY3/28 targets	FY3/35 vision
Net sales	149.5bn	170.0bn	250.0bn
Operating profit	8.2bn	9.5bn	16.0bn
ROE	5.5%	8%	10%

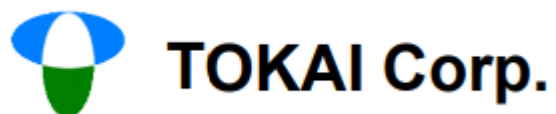
For more information, please refer to the attached document entitled “Medium-term Management Plan.”

Note: This document has been translated from the Japanese original for reference purposes only.  
In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

# **FY3/26 to FY3/28**


# **Medium-term Management Plan**

**Monday, May 26, 2025**



Tokyo Stock Exchange Prime Market  
Securities Code: 9729

# Review of the Previous Medium-term Management Plan (FY3/22 to FY3/25)



# Review of the Previous Medium-term Management Plan (Net Sales and Operating Profit Targets)

- ✓ Sales targets reached due to steady growth in existing businesses and proactive M&A activity
- ✓ Operating profit target not met, mainly due to increase in the cost ratio in pharmacy business and food supply business, as well as increased investment in new factories

	FY3/25 medium-term plan target	FY3/25 result	Main results and key factors in difference from target
<b>Net sales</b>	<b>¥140.0bn</b>	<b>¥149.5bn</b>	
Healthcare Services	¥71.0bn	¥76.9bn	<ul style="list-style-type: none"> <li>• Favorable performance in hospital business and elderly care equipment rental, with contribution from M&amp;As in the elderly care equipment business</li> <li>• Dramatic growth in hotel linen following expansion in tourism demand</li> </ul>
Pharmacy Services	¥54.0bn	¥58.0bn	<ul style="list-style-type: none"> <li>• Favorable trend in prescription unit price, although prescription numbers fell below the plan, mainly due to revision in store-opening plan</li> </ul>
Environmental Services	¥14.8bn	¥14.4bn	<ul style="list-style-type: none"> <li>• Leasekin business grew significantly due to the effect of M&amp;As, but did not reach the target, mainly due to revision of the Kansai expansion plan for the cleaning business</li> </ul>
<b>Operating profit</b>	<b>¥9.5bn</b>	<b>¥8.2bn</b>	<ul style="list-style-type: none"> <li>• In Pharmacy Services, drug procurement costs increased due to factors such as drug price revisions, and technical fees declined due to a decrease in the number of prescriptions.</li> <li>• In food supply business, the cost ratio increased mainly due to higher food ingredient costs</li> <li>• The amount invested in the Saitama Plant increased due to high construction costs, with an attendant increase in depreciation</li> <li>• System related-costs, such as security measures, increased</li> </ul>

# Review of the Previous Medium-term Management Plan (Qualitative Evaluation)

## Basic policies

### Continue

to meet the needs of  
society and of customers

### Change

to respond to changes in  
the business  
environment and that will  
lead to further growth

### Create

to generate new value  
that will lead to next-  
generation businesses

## Main results

- Achieve new record high consolidated net sales by expanding the core rental business
- Expansion of service provision capabilities by establishing new production facilities such as the Saitama Plant and the Kyushu Maintenance Center
- Strengthening of training and education systems for employee expertise enhancement and career development based on the Human Resource Development Policy, etc.
- Response to various cost increases through service price optimization
- Diversification of pharmacy store-opening formats and transformation of the business structure through initiatives such as strengthening toilet-related products in the Leasekin business
- Promotion of DX strategies and work style reforms initiatives across the entire Group
- Promotion of overseas expansion of the linen supply business
- Launch foreign national recruitment business for nursing care facilities
- New entry into new business domains, including rehabilitation-type daycare services and the drugstore business

## Main ongoing issues

- Continued investment to strengthen and expand business foundation
- Need to continuously implement initiatives for using human resource development to drive company growth
- Profitability increase through business structure reforms and DX for further productivity improvement remains a work in progress
- Execution of specific human capital measures to encourage participation by diverse human resources
- Establishment of new businesses to become next generation of earnings pillars
- Business value creation utilizing Group synergies such as mutual use of abundant management resources
- Execution of growth investments and shareholder returns based on balance sheet management

# Review of the Previous Medium-term Management Plan (Growth Investment Amount During the Period)

- ✓ Conducted ¥34.5bn in growth investments, exceeding the growth investment budget (¥25.0bn) of the initial plan
- ✓ Proactively conducted initiatives including plant investment to create a foundation for the mainstay rental business, M&As to strengthen existing businesses and expand peripheral businesses, and investments in DX and systems

FY3/22 to FY3/25 growth investment amount (cumulative for four years)

Growth investment budget  
under the medium-term  
management plan

¥25.0bn

【Main investment areas】

Plant equipment Including new plant construction	¥9.5bn
Rental materials	¥6.5bn
Digital field	¥3.5bn
New store opening expenses, M&A	¥3.0bn
Others	¥2.5bn



Plant equipment    ¥11.2bn  
(Of which, new plant construction  
¥8.6bn)

Rental materials	¥5.4bn
Digital field	¥2.1bn
New store openings and M&A + new business- related	¥11.9bn
Others	¥3.8bn

Total ¥34.5bn

Proceeded with plant investments essential to  
strengthening the foundation of the rental  
business

Promoted M&As and new business development for  
strengthening the service foundation for existing businesses  
and expanding peripheral businesses that utilize management  
resources

**Of which, M&A expenses    ¥9.9bn**

Main results

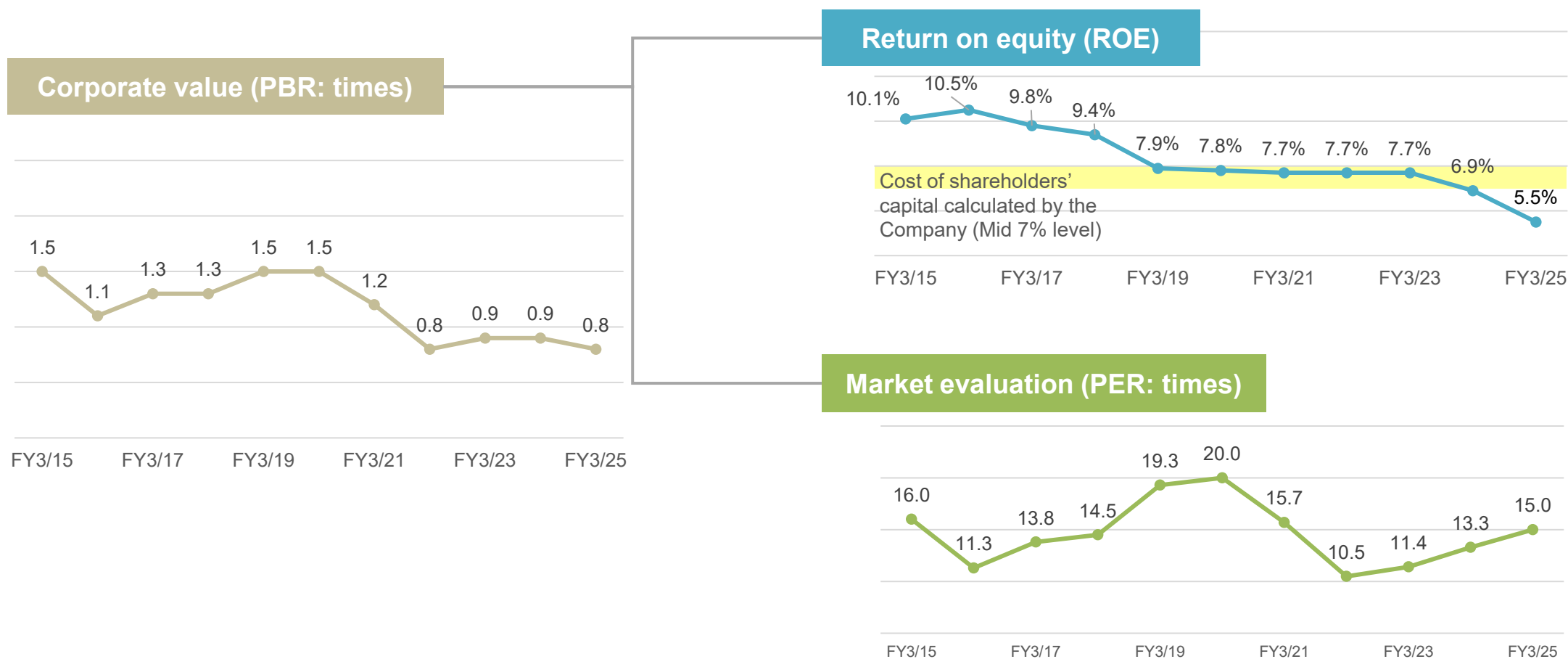
mik japan	¥2.4bn	(rehabilitation-type daycare services, drugstore business)
Kaigo Center Hanaoka	¥4.8bn	(elderly care equipment rental business)
Others	¥2.7bn	(A total of 15 businesses, including 11 elderly care equipment rental businesses)

\*“Growth investment” includes related costs other than capital investment.

\*The main factor behind the divergence of digital field investment was an increase in certain expenses.

# Current Status of Main Management Indicators — Analysis

- ✓ PER is currently lower than FY3/19–FY3/20 due to factors such as business maturation and environmental changes. Despite continued stable profit growth, ROE is lower than the cost of shareholders' equity due to the accumulation of net assets
- ✓ To achieve management that is conscious of the cost of capital, the Company must take steps to improve ROE, which is the most important management indicator under the new medium-term plan



# Long-Term Vision —Vision 2035





- ✓ In discussing the management plan based on the medium- to long-term management environment and business environment, we reorganized the corporate philosophy and management policy in the form of a Purpose, Mission, and Vision that encompasses the concepts and values that Group employees should share



## Purpose (Preamble to the Tokai Charter)

We will realize the happiness of all people connected to the Company, taking as our mission the cleanliness and health of people and the earth

## Mission (Basic Policy on Sustainability)

1. We will contribute to the reduction of waste and the realization of a recycling-based society through the rental business, a core area since our founding
2. We will contribute to the sound development of the medical care and nursing care areas in a super-aging society
3. We will aim to be a company infused with smiles and appreciation among all Group employees

## Vision 2035

Contribute to the realization of a health and longevity society as an infrastructure company supporting clean and healthy living for people.

# The Tokai Group's Business Domains

## Supporting medical and elderly care front lines

- Bedding and linen supply for medical institutions and nursing care facilities
- Nursing assistance
- Distribution management within hospitals
- Food supply
- Hospitalization and residence sets
- NEXSURG (surgical linen reuse)
- Cleaning



## Supporting independent living for seniors

- Rental and sales of elderly care equipment
- Home modification (barrier free conversion)
- Rehabilitation-type daycare service



## Supporting the health of the local community

- Pharmacy / At-home dispensing services
- Drugstores



## Supporting clean daily living

- Bedding and linen supply for accommodation facilities
- Development and sale of labor-saving equipment for linen supply factories
- Aqua Clara (water server rental and water home delivery)
- Leasekin (environmental beautification equipment rental)



### <Reference> Business Segments

Healthcare Services			Pharmacy Services	Environmental Services
<ul style="list-style-type: none"> <li>● Bedding and linen supply for medical institutions and nursing care facilities</li> <li>● Nursing assistance</li> <li>● Distribution management within hospitals</li> <li>● Food supply</li> <li>● Hospitalization and residence sets</li> <li>● NEXSURG</li> </ul>	<ul style="list-style-type: none"> <li>● Rental and sales of elderly care equipment</li> <li>● Home modification</li> <li>● Rehabilitation-type daycare service</li> </ul>	<ul style="list-style-type: none"> <li>● Bedding and linen supply for accommodation facilities</li> <li>● Development and sale of labor-saving equipment for linen supply factories</li> <li>● Aqua Clara</li> </ul>	<ul style="list-style-type: none"> <li>● Pharmacy / At-home dispensing services</li> <li>● Drugstores</li> </ul>	<ul style="list-style-type: none"> <li>● Leasekin</li> <li>● Cleaning</li> </ul>

# Tokai Group Strengths

- ✓ The Tokai Group is developing a wide range of businesses centered on medical and elderly care services, with the themes of “cleanliness and health” and “rental”  
The Group has a variety of management resources that will form the foundation for future business expansion, such as knowledge in rental services and a strong customer base

## Keyword 1 “Cleanliness and health”



**Cleanliness and health** are essential to modern society, and are the Group’s main theme.

We have accumulated expertise in professional hygiene management and health management services.

## Keyword 2 “Rental”



Since its foundation, the Group has developed its business centered on **rental**, which contributes to the realization of a sustainable society.

## Keyword 3 “Medical and elderly care”



The Group is developing a wide range of businesses in the **medical and elderly care** fields, contributing to the building of Community-based Integrated Care Systems.

Customer base  
(management resource)  
built up through 70  
years of business  
activities



### Connections with medical institutions, etc.

**Medical institutions**  
Customers

Approx. **1,000** contracts  
(Linen supply contracts)

**Nursing care facilities, etc.**  
Customers

Approx. **2,900** contracts  
(Linen supply contracts)



### Connections with elderly people at home

**Elderly care equipment rental**  
Users

Approx. **143,000** people  
Sales offices  
**95** locations nationwide

**Rehabilitation-type  
daycare service**  
Users

Approx. **2,500** people  
Locations  
**33** locations nationwide

**At-home support  
business offices**  
(Care managers)

Approx. **17,500**



### Connections with community medical care

**Pharmacies**  
Users per year

**700,000** people  
No. of stores **164** stores nationwide  
LINE App Users  
Approx. **280,000** people

**Drugstores**

Cumulative users per year  
Approx. **1.9** million people  
No. of stores  
**12** stores in Kansai area



### Connections with clean life

**Hotels and other accommodation  
facilities**  
Business partners

Approx. **1,900** contracts  
(Linen supply contracts)

**Leasekin franchise chain**  
Affiliated stores  
Nationwide Approx. **900** locations  
Toilet advisers  
Approx. **500** people

Note: Numbers of locations and stores are as of March 31, 2025.

# Vision 2035 (Ideal Form for 2035)

- ✓ Leveraging the strengths we have built up in terms of our connection with customers, we will aim to resolve social issues through our business activities, aiming to grow continuously as a corporate group that is essential for people

**Contribute to the realization of a health and longevity society as an infrastructure company supporting clean and healthy living for people**

## Problems facing society

- Further progression of falling birthrates and aging population
- Serious labor shortages due to decrease in childbearing age population
- Concerns regarding sustainability of social security system
- Increase in hygiene consciousness
- Fear of disease transmission risk
- Deepening climate change problem

## Themes addressed by the Tokai Group's business activities

Provision of support services for realizing sustainable medical and elderly care

Assistance for seniors' autonomy and extension of healthy life expectancy

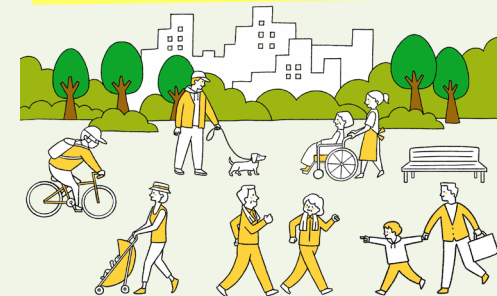
Expansion of products and services that respond to labor shortages in various front lines

Creating secure and comfortable lives for people with the "cleanliness" of Japanese quality

Environmentally friendly business model

## Vision of the society that the Tokai Group seeks to realize

- Living healthily in your own way in the era of the 100-year life span
- Living with peace of mind, even if medical and elderly care become necessary
- Hygienic spaces for a relaxing time wherever you go



# The New Medium-term Management Plan (FY3/26 to FY3/28)





“Sowing seeds for increasing profitability and creating new value” phase for realization of Vision 2035

New medium-term management plan

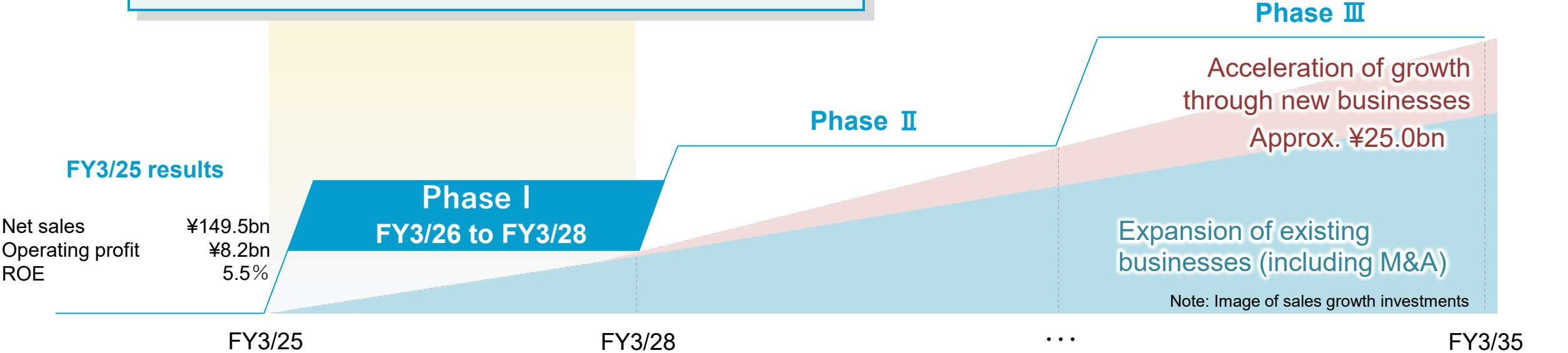
Sowing seeds for increasing profitability and creating new value

FY3/28 management targets	Net sales	¥170.0bn
	Operating profit	¥9.5bn
	ROE	8%

Vision 2035

FY3/35 management targets

Net sales	¥250.0bn
Operating profit	¥16.0bn
ROE	10%



# Basic Policies for Achieving ROE 8%

- ✓ We aim to enhance profitability and capital efficiency through initiatives based on the five basic policies ,with an early achievement of ROE 8% as a key target

## Medium-term management plan — Five basic policies

**Basic policy 1** Reform business structure in each business to maximize profit

**Basic policy 2** Develop new businesses to drive growth in 10 years

**Basic policy 3** Create and maximize Group synergies

**Basic policy 4** Establish a beneficial cycle in which human capital investment leads to growth

**Basic policy 5** Implement balanced growth investments and shareholder returns

Profitability  
increase

★Consolidated operating  
margin  
5.6% (FY3/25 5.5%)

Capital efficiency  
increase

★Growth investment: ¥25.0bn

★Shareholder returns:

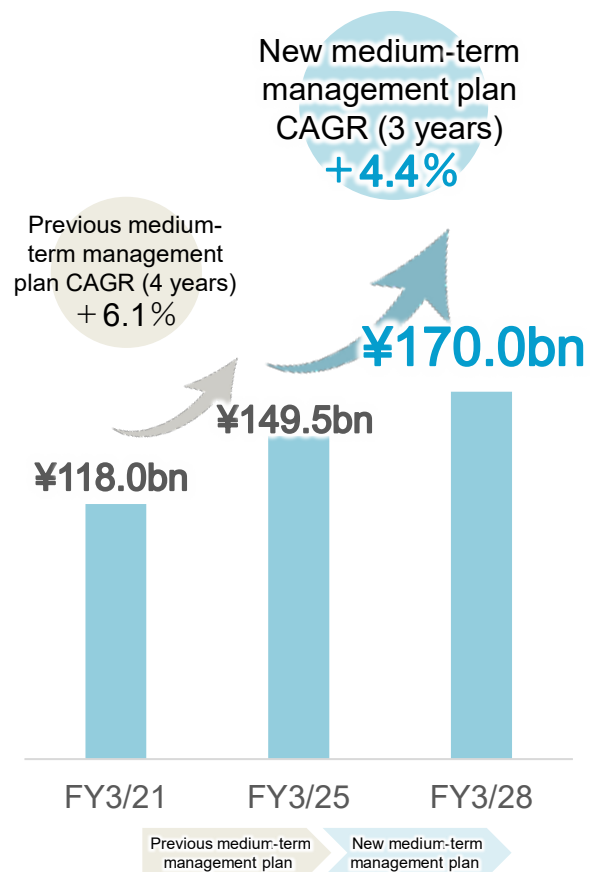
Total payout ratio above 70% (Three-year total)

**ROE  
8%**

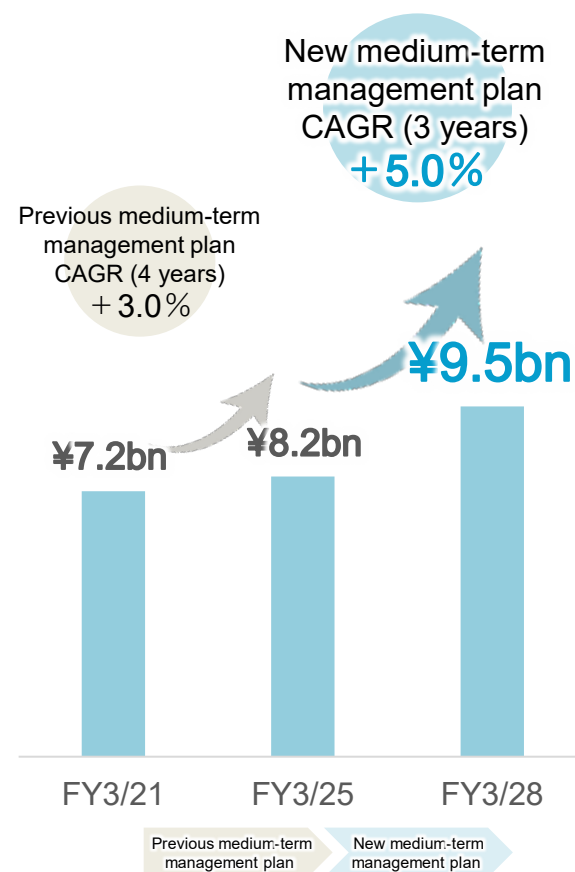
# New Medium-term Management Plan Targets

- ✓ We will address profitability increase as the top priority, aiming to increase net sales by approx.14% and operating profit by approx.16% over three years

## Consolidated net sales



## Consolidated operating profit



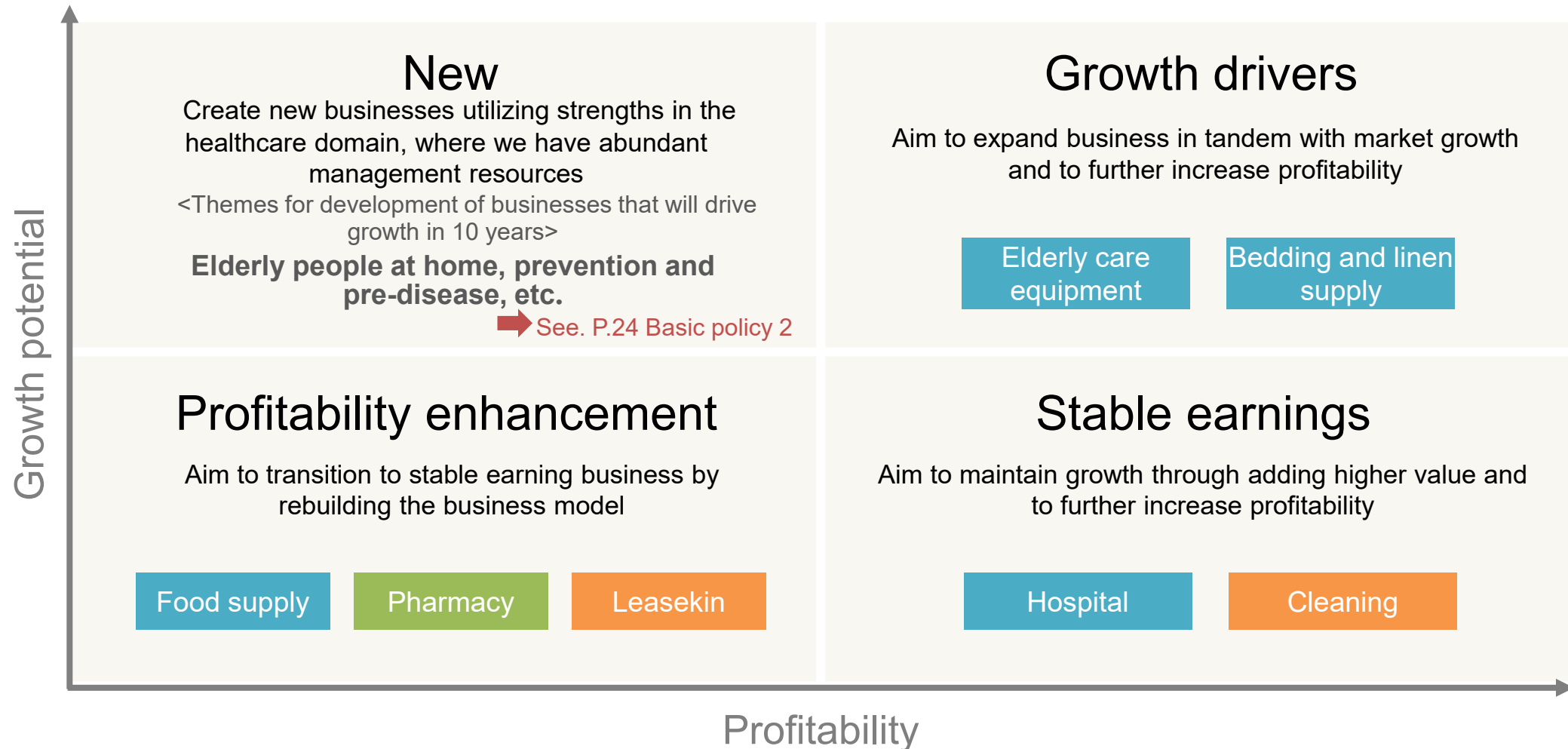
## Management targets by segment

		FY3/25 results	FY3/28 targets
Healthcare	Net sales	¥76.9bn	¥89.0bn
	Operating profit	¥7.1bn	¥9.0bn
Pharmacy	Net sales	¥58.0bn	¥65.3bn
	Operating profit	¥2.3bn	¥2.1bn
Environmental	Net sales	¥14.3bn	¥15.8bn
	Operating profit	¥1.2bn	¥1.5bn
Adjusted amount		-¥2.5bn	-¥3.1bn



# Recognition of Current Business Portfolio Predicated on Medium-term Management Plan

- ✓ We will establish clear positioning and strategic direction for each business to allocate management resources appropriately, while working to increase profitability in line with their respective positions



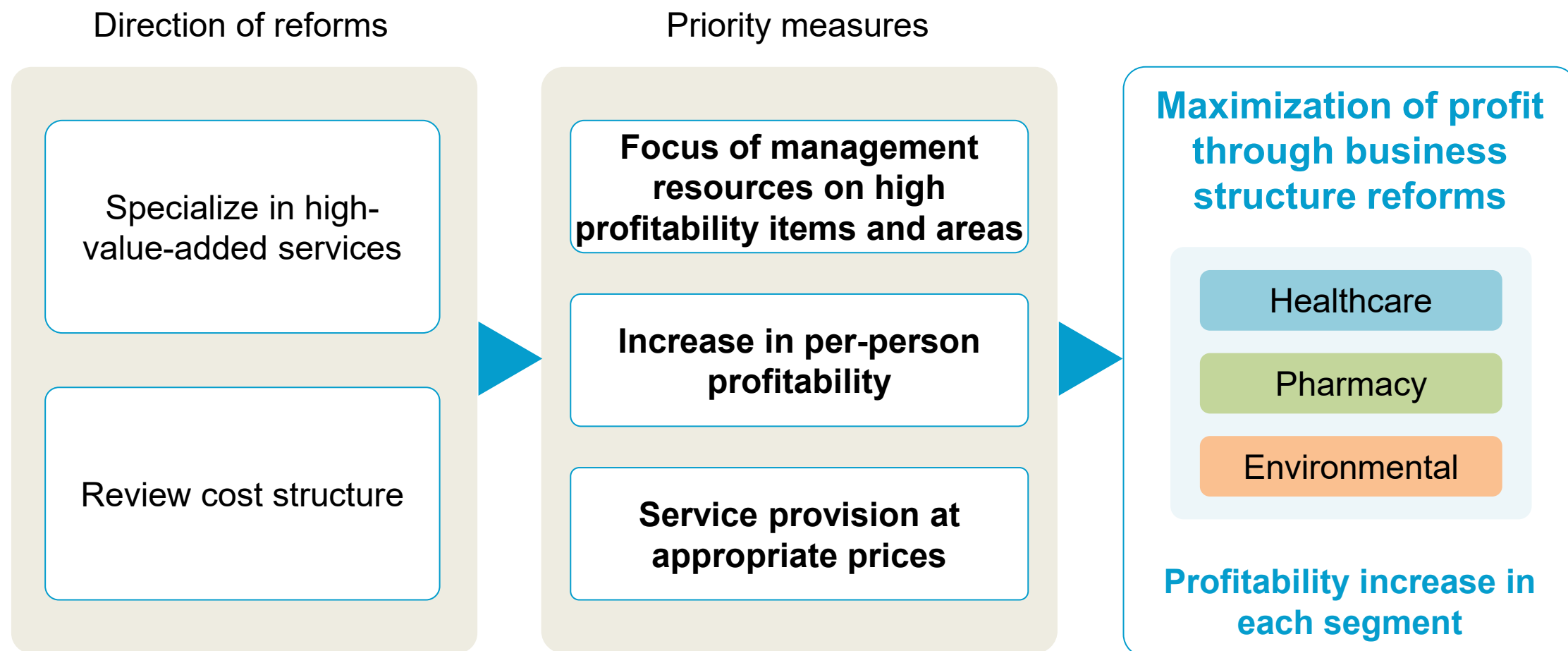
## Basic policy 1

Reform business structure in each business to maximize profit



# Reform Business Structure in Each Business to Maximize Profit

- ✓ Each business will specialize in high-value added services for which there are higher needs, while transforming to a business structure that can realized sustainable profit growth through cost structure revisions



# Main Strategies in Each Business to Maximize Profit

- ✓ Based on our business portfolio, we will implement strategies aligned with the target direction of each business to maximize the profits of the Tokai Group

Segment and business		Direction	Main strategies for profit maximization
Healthcare	Hospital	Stable growth	<ul style="list-style-type: none"> <li>● Increase added value and expand sales of hospitalization and residence sets</li> <li>● Increase operational efficiency with new core systems</li> </ul>
	Bedding and linen supply	Maximize scale and earnings	<ul style="list-style-type: none"> <li>● Aim to strengthen the production system and steadily capture expanding hotel linen demand</li> <li>● Optimize pricing for stable supplies</li> </ul>
	Elderly care equipment	Maximize scale and earnings	<ul style="list-style-type: none"> <li>● Expand business scale through aggressive store openings and M&amp;As centered on cities</li> <li>● Streamline operations through pursuit of capital efficiency by strengthening maintenance center functions and through DX promotion</li> <li>● Pursue Group synergies and strengthen coordination with other companies in the elderly care field</li> </ul>
	Food supply	Profitability increase	<ul style="list-style-type: none"> <li>● Transition business model from cooking inside hospital (inside facilities) to completed meal provision using a central kitchen</li> </ul>
Pharmacy	Pharmacy	Profitability increase	<ul style="list-style-type: none"> <li>● Strengthen pharmacy functions and promote store openings aligned with needs under a dominant strategy</li> <li>● Improve operational efficiency and store operation efficiency through centralization of pharmacy operations and promotion of DX</li> <li>● Strengthen the role required by Community-based Integrated Care Systems through Group synergies</li> <li>● Enhance the product line-up to the characteristics and needs of each area in the drugstore business, and expand e-commerce sales through the Company's website and other channels</li> </ul>
Environmental	Leasekin	Profitability increase	<ul style="list-style-type: none"> <li>● Expand sales of high-added-value toilet-related products, based on dust control products (increase profitability through an increase in the ratio of toilet-related products)</li> </ul>
	Cleaning	Stable growth	<ul style="list-style-type: none"> <li>● Expand contracts for high-added-value operating room support services</li> <li>● Increase operation efficiency and respond to labor shortages through the introduction of AI cleaning robots</li> </ul>

See P.20 for details

See P.21 for details

# Medium-Term Direction of the Elderly Care Equipment Rental Business as a Growth Driver

- ✓ The elderly care equipment rental business has been positioned as a growth drive. We aim to increase our share of the elderly care equipment rental market to **10%** through aggressive store openings and M&As

## Direction of medium-term strategies

### Expansion of business scale through aggressive store openings and M&As

- Store openings in areas where the senior population is expected to grow, centered on cities
- Aggressive promotion of M&As that increase geographical share
- Open new stores through satellite sales offices utilizing the stores of Tanpopo Pharmacy (Details on P.28)

### Improvement of production efficiency and operational efficiency

- Pursuit of asset efficiency by enhancing the functions of maintenance centers
- Promotion of operational efficiency gains by integrating sales and back office, including the operation start of a one-stop order system

### Strengthening of internal and external coordination

- Strengthening of sales through coordination with elder care equipment rental and rehabilitation-type daycare services
- Creation of growth opportunities through collaboration with other companies in the elderly care field

## Vision for 10 years in the future

Industry leader with a share of 10%\*

Elderly care equipment business

Positioning of the business

Growth driver

\*Ratio of expenditures for welfare equipment rental and preventive care welfare equipment rental services (Ministry of Health, Labour and Welfare statistics) representing the Group's corresponding service sales. Approximately 5% in FY2023.

# Medium-Term Direction of the Pharmacy Business

- ✓ We aim to expand existing store sales by strengthening family pharmacy functions, strengthen public-facing roles through DX promotion, and increase profitability by streamlining operations

## Direction of medium-term strategies

### Strengthening of pharmacy functions and promotion of a dominant strategy

- Strengthening registration of certified pharmacies and cultivating specialist pharmacists and experts
- Promotion of store opening formats aligned to local needs
- Strengthening public-facing duties of pharmacists by utilizing store staff (pharmacy operation assistants)

### Improvement of operational efficiency and store operation efficiency

- Strengthening of store network through centralization of pharmacy operations
- Promotion of DX such as visualization of data through introduction of cloud-based electronic medication records

### Pursuit of Group synergies

- Strengthening of role in Community-based Integrated Care Systems through coordination with elderly care equipment business and drug store business, etc.
- Development of expert personnel in the elderly care field

## Vision for 10 years in the future

A primary pharmacy that comprehensively meets the health needs of the local community

Pharmacy  
business

Positioning of the  
business

Profitability  
enhancement

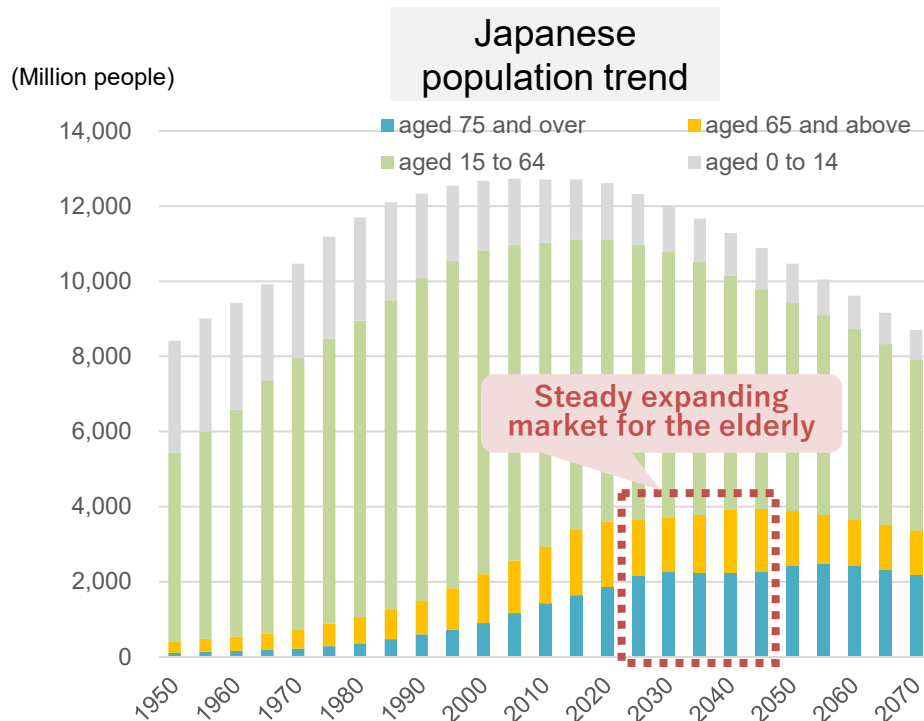
## Basic policy 2

Develop new businesses to drive growth in 10 years



- ✓ In light of future population statistics and social security system maintenance, the field of prevention and pre-disease is set to grow in importance alongside at-home nursing care
  - In addition to services based on the insurance system, we will establish new services not covered by insurance in these fields

## Current status of the healthcare market, which the Tokai Group is focused on (assumed fields for engaging in new business development)



### — Trend by age group —

#### Late-stage elderly population (aged 75 and over)

- Continues increasing until 2055

#### Elderly population (aged 65 and over)

- Peaks in 2043 then begins to decline

#### Working-age population (aged 15 to 64)

- Continued contraction since 1995

- Strained financial resources for medical and elderly care expenses
- Labor shortages for medical and elderly care
- Decline in the elderly population over the long term

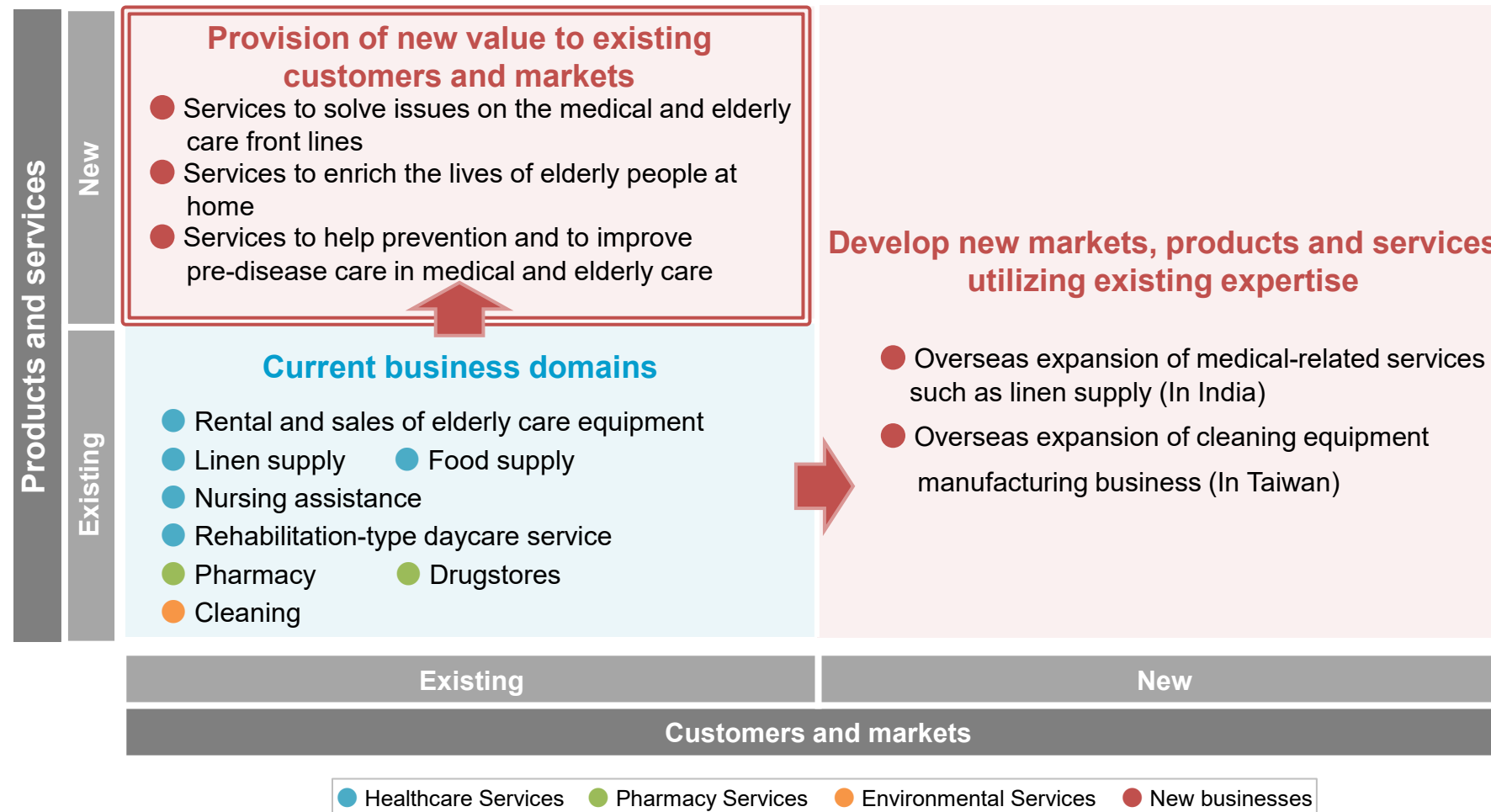
How to extend healthy life expectancy and enhance services outside of the public insurance system have become important social issues

Note: Based on the Population Census (1950–2015) and Population Projections for Japan (2023 Estimates, Medium-Fertility and Medium-Mortality Scenario), National Institute of Population and Social Security Research from 2020 and beyond.



# Strategic concepts of new business domains

- ✓ We will continue to strengthen and expand our existing core businesses, while focusing on the development of new businesses that leverage our strengths in the healthcare domain, where we have abundant management resources through our business activities to date



## Basic policy 3

Create and maximize Group synergies



# Create and Maximize Group Synergies

- ✓ While sales collaboration and information sharing have taken place across businesses and organizations, efforts have primarily focused on local optimization at the individual department level
- ✓ From a perspective of overall optimization, we will create Group synergies focused on our current management resources and customer base, aiming to maximize the value of the entire Tokai Group

## New business and service creation synergies: Create new value proposition utilizing the management resources of each business

### Example

**Solutions to customer issues in the hospital business based on expertise from the cleaning business (commercialized from January 2024)**

#### Customer base and needs

##### Hospital business

- Approx. 2,900 nursing care facilities



#### Expertise

##### Cleaning business

- Experience in accepting foreign technical interns (building cleaning)



New  
business

### Launch overseas human resources (nursing care workers) staffing business

Contributing to solution of issues for customers, mainly nursing care facilities

Status of overseas human resources staffing business (As of May 31, 2025)

### Requirements\*

over 100

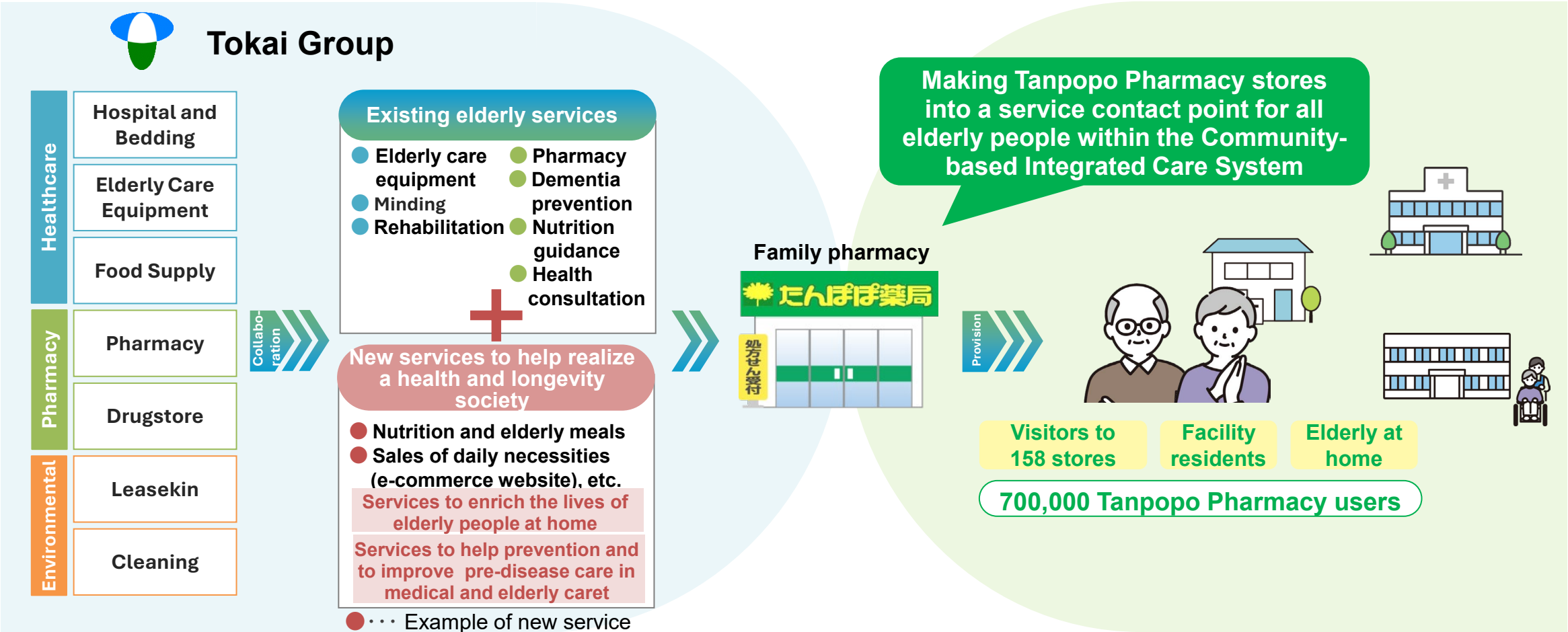
\*Numbers of staffing requested by clients for placement



# Group Synergies Targeted in the Long-Term Vision

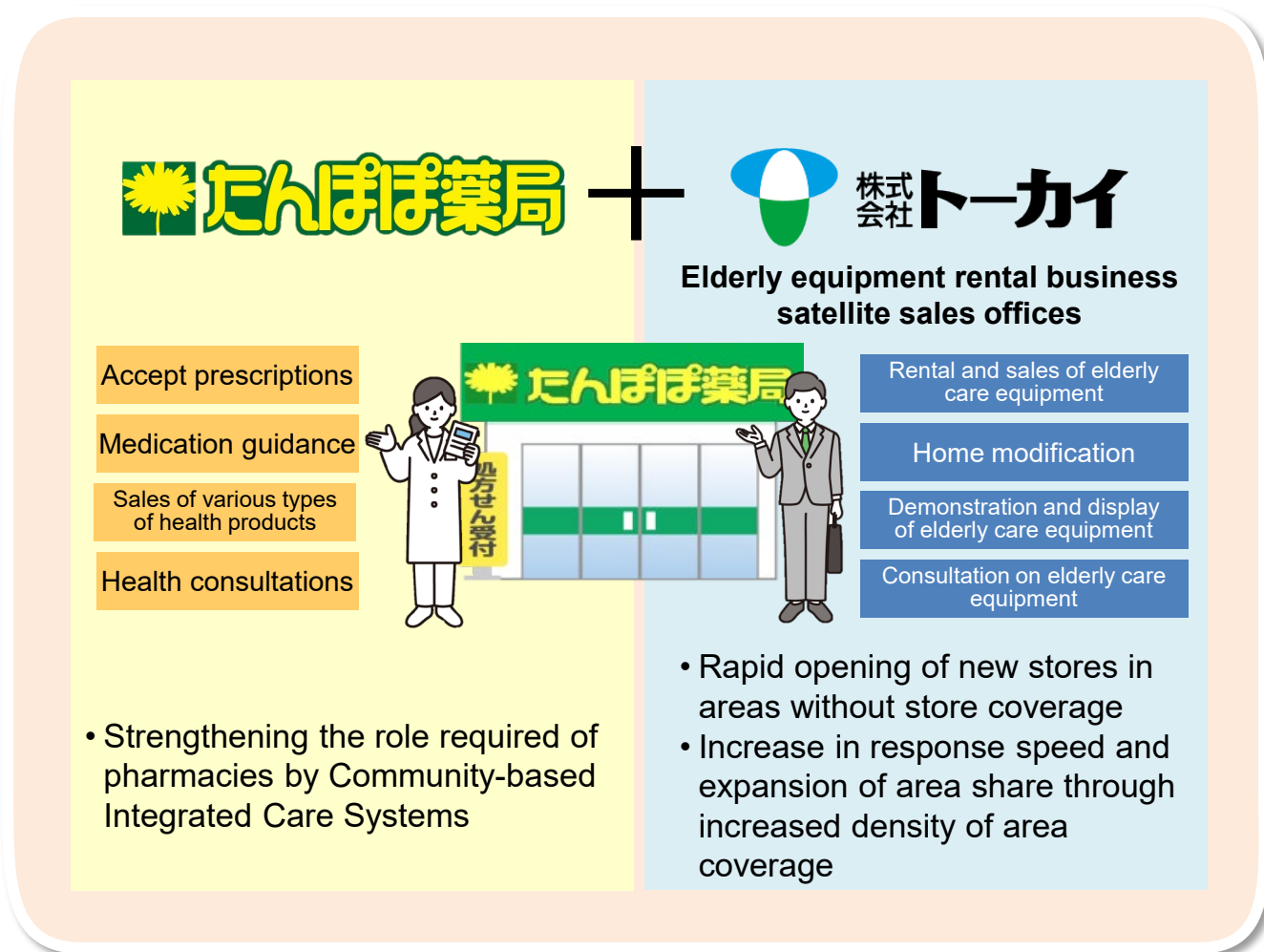
## Vision 2035

Contribute to the realization of a health and longevity society as an infrastructure company supporting clean and healthy living for people.



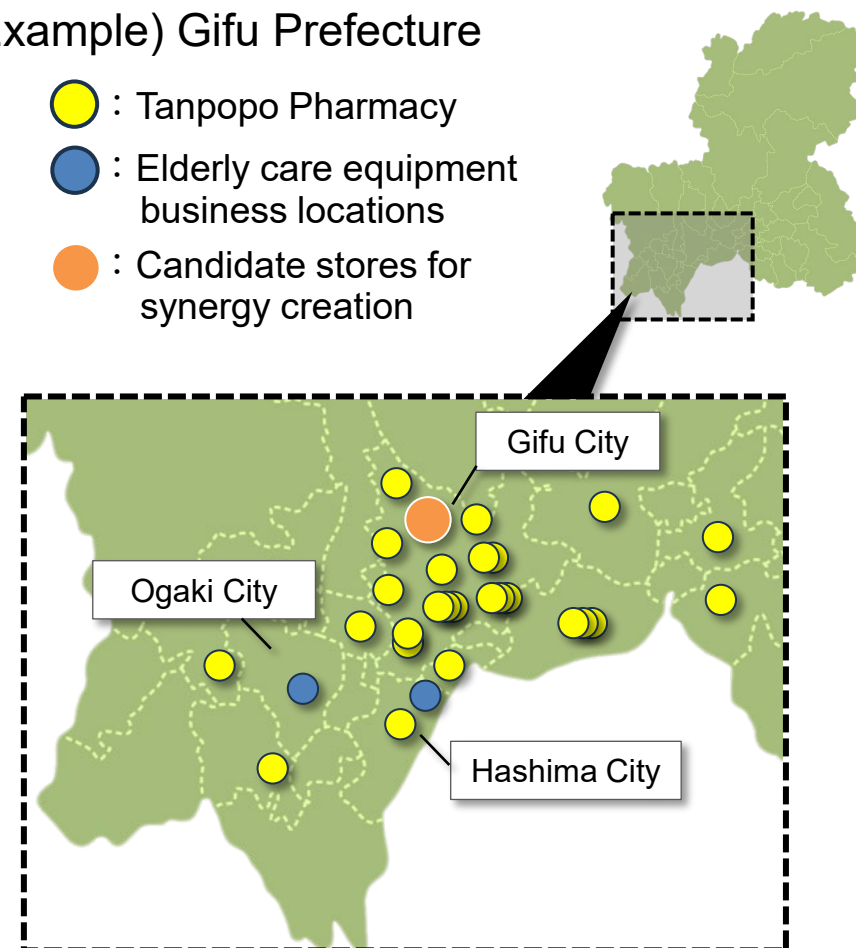
# New Group Synergy Created by Tanpopo Pharmacy and the Elderly Care Equipment Business

- ✓ Planning to open satellite sales offices for the elderly equipment rental business inside Tanpopo Pharmacy stores
- ✓ Aiming for low-cost, rapid elderly equipment rental business store opening, with strengthening of functions required of pharmacies in the Community-based Integrated Care System




## (Example) Gifu Prefecture

- : Tanpopo Pharmacy
- : Elderly care equipment business locations
- : Candidate stores for synergy creation



## Basic policy 4

Establish a beneficial cycle in which human capital investment  
leads to growth




# Establish a Beneficial Cycle in which Human Capital Investment Leads to Growth TOKAI Corp.

- ✓ We will continue proactive investment in human capital to promote sustainable corporate growth



## Basic policy 5

Implement balanced growth investments and  
shareholder returns

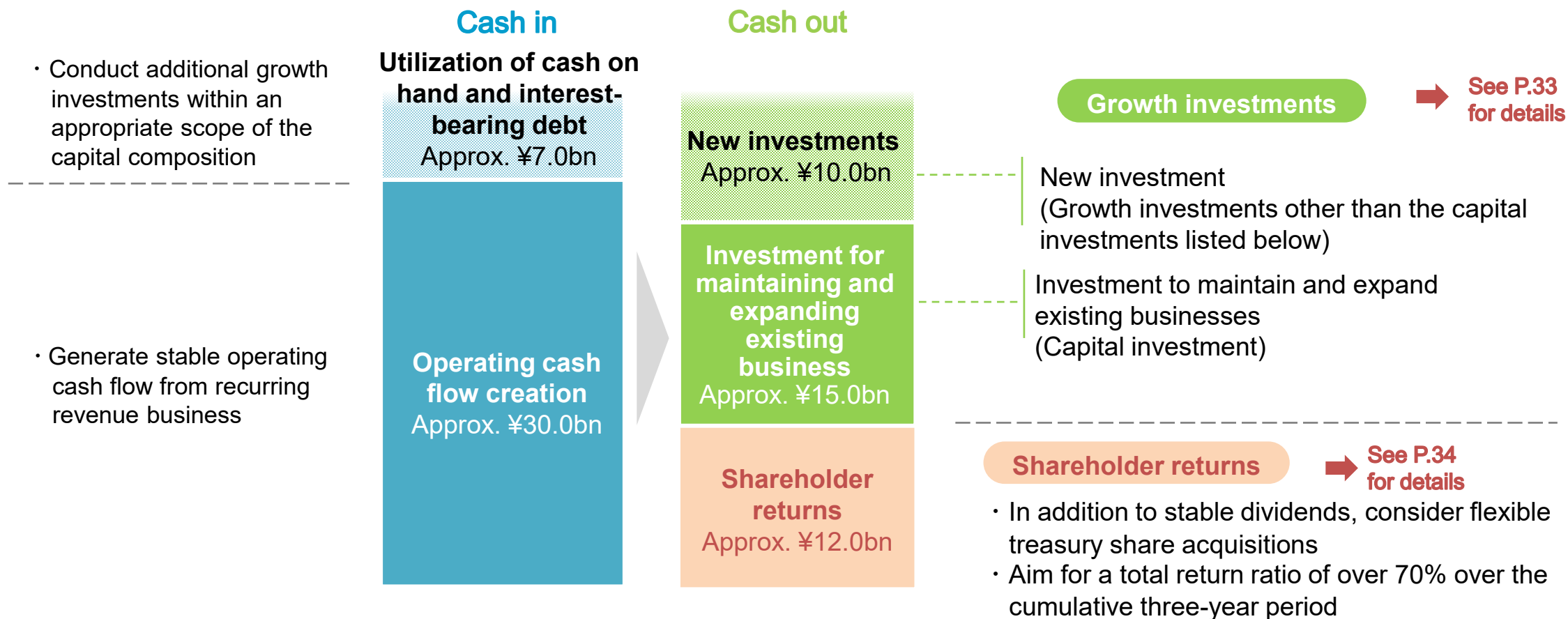




# Implementing Balanced Growth Investments and Shareholder Returns

- ✓ We will proactively conduct balanced growth investment and shareholders returns to enhance capital efficiency
- ✓ For shareholder returns, we will aim for a total return ratio of 70% or higher over the cumulative three-year period

## Cash allocation plan under the new shareholder return policy (cumulative three-year total)



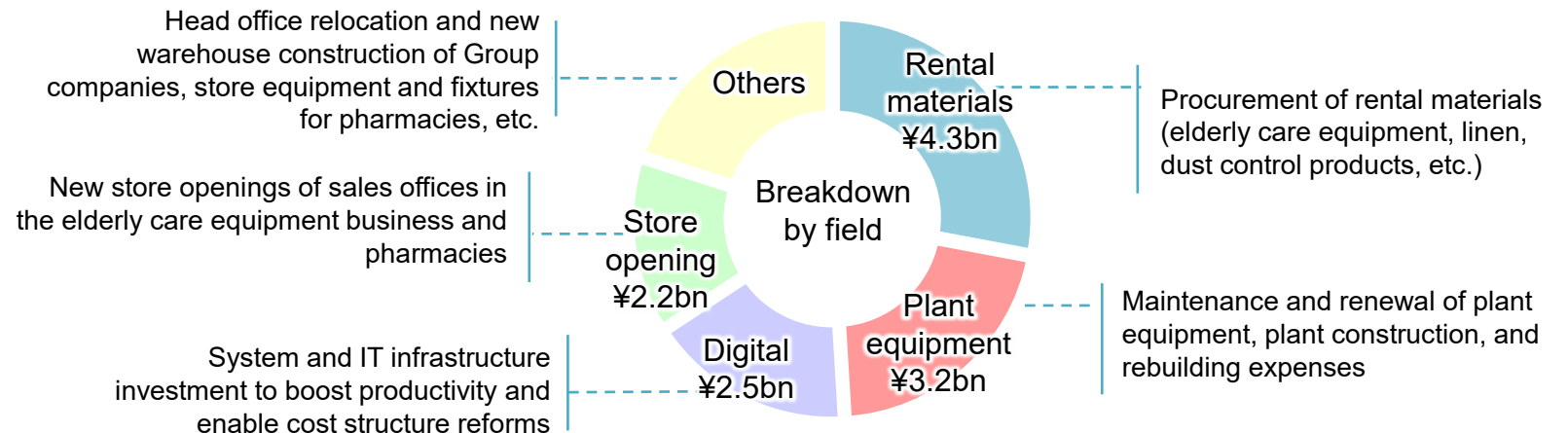
- ✓ We are allocating a new investment budget of ¥10.0 billion, primarily for new business development and for mergers and acquisitions in the elderly care equipment business
- ✓ We will continue to invest in expanding the foundation of our rental business, while proactively promoting system investments and new store openings aimed at improving profitability

**1** **New investment**  
(growth investment allocation  
other than the capital  
investments below)  
**Approx. ¥10.0bn**

<Investment in fields to help realize a health and longevity society>

- Investment in new business development domains (P.24)
- M&A in growth driver fields such as the elderly care equipment business (P.16)
- Research and development, M&A, and strategic alliances to expand and strengthen our business foundation

**2** **Investment for  
maintaining and  
expanding existing  
business**  
(capital investment)  
**Approx. ¥15.0bn**

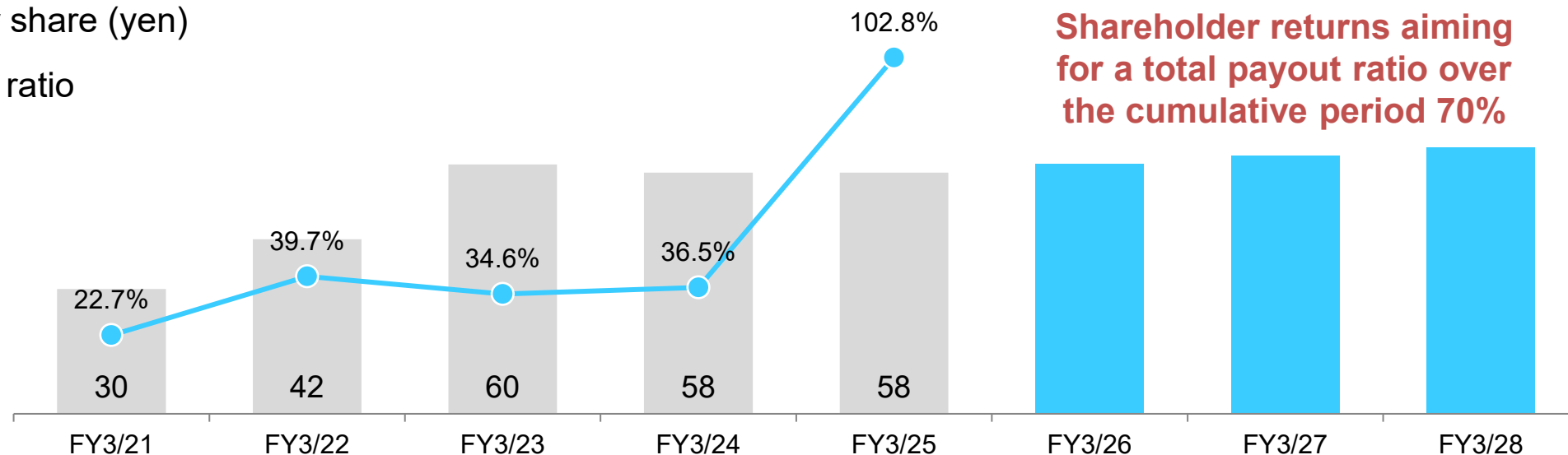


# Shareholder Returns

- ✓ We will aim for a total return ratio of 70% or higher over the cumulative period (approx. 50% over the cumulative period of the previous medium-term management plan)
- ✓ Prioritizing the continued payment of stable dividends, we will consider shareholder return measures such as flexible treasury stock acquisitions, aiming to achieve an appropriate capital composition

■ Dividend per share (yen)

● Total payout ratio



**Shareholder returns aiming for a total payout ratio over the cumulative period 70%**

Total dividend amount	1,067mn	1,480mn	2,113mn	2,042mn	1,962mn
Dividend payout ratio	19.5%	25.5%	34.6%	35.1%	41.7%
Treasury stock acquisition amount	176mn	824mn	0mn	78mn	2,906mn
Total payout ratio	22.7%	39.7%	34.6%	36.5%	102.8%

**Balance between investment in growth and shareholder returns**

Continuation of stable dividends  
+  
consideration of flexible treasury stock acquisitions

**For inquiries regarding these materials and other IR matters:**

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**Caution Regarding Forecasts**

These materials contain predictions and forecasts regarding the future. These reflect the judgment of the Company based on information currently available, and they include potential risks and uncertainties. Therefore, please understand that changes in various factors could cause the actual results to be different from the forecasts herein.