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Financial Results Briefing for the Second Quarter of the Fiscal Year Ending March 31, 2027 (FY3/27) Supplementary Materials

TOKAI Corp.

Tokyo Stock Exchange Prime Market
Securities Code: 9729

Thursday, Nov 12, 2026

Executive Summary

FY3/27 2Q results

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✓ Net sales and profit at all levels reached record high

Revision of full-year business forecast and dividend forecast

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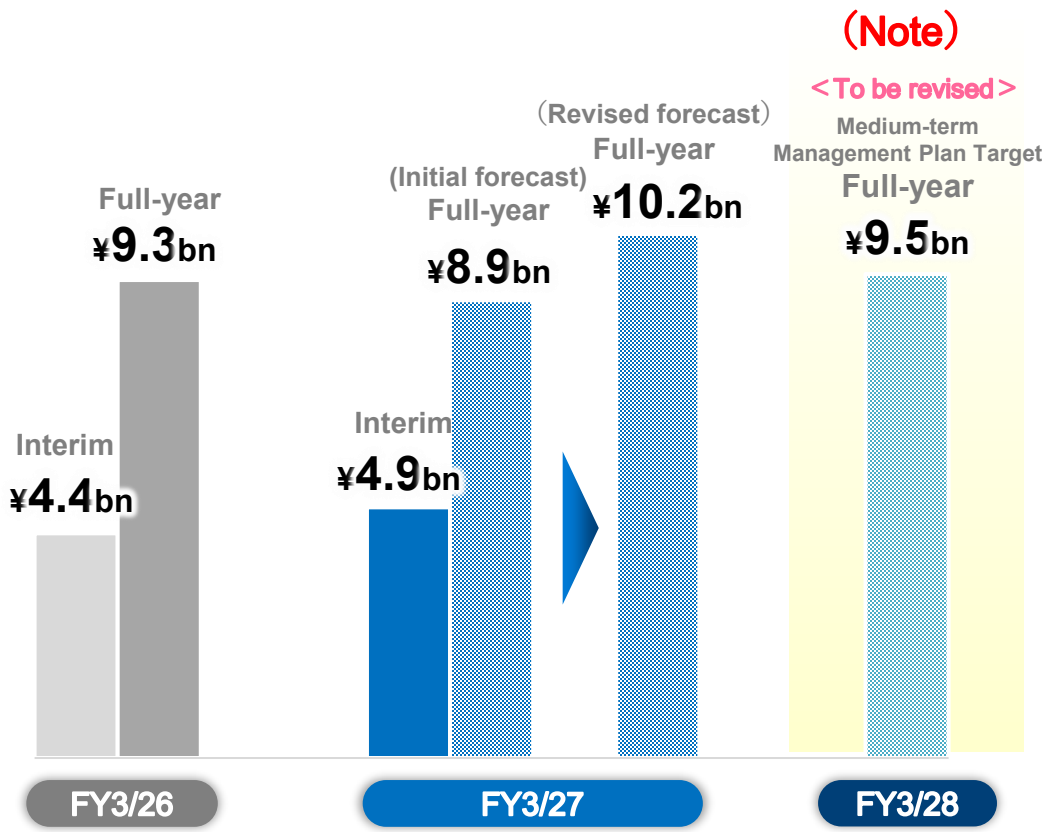
✓ Initial forecasts for YoY decreases in operating profit and ordinary profit were upwardly revised to forecasts for increases in profit

✓ Expecting record-high levels of net sales and profits at each stage, achieving the operating profit target for the final fiscal year (FY3/28) of the Medium-term Management Plan one year ahead of schedule

→ Plan to announce a new FY3/28 target after review (Note)

✓ The forecast for the FY3/27 dividend per share was raised by ¥9 from the initial forecast following the upward revision to the business forecast (+¥21 YoY)

Changes in Consolidated Operating Profit



*At the end of the previous fiscal year, provisional accounting treatment for a business combination was finalized, and the figures for the interim period of the previous fiscal year are based on the amounts revised to reflect the finalization of the provisional accounting treatment.

Consolidated Profit and Loss (P/L)

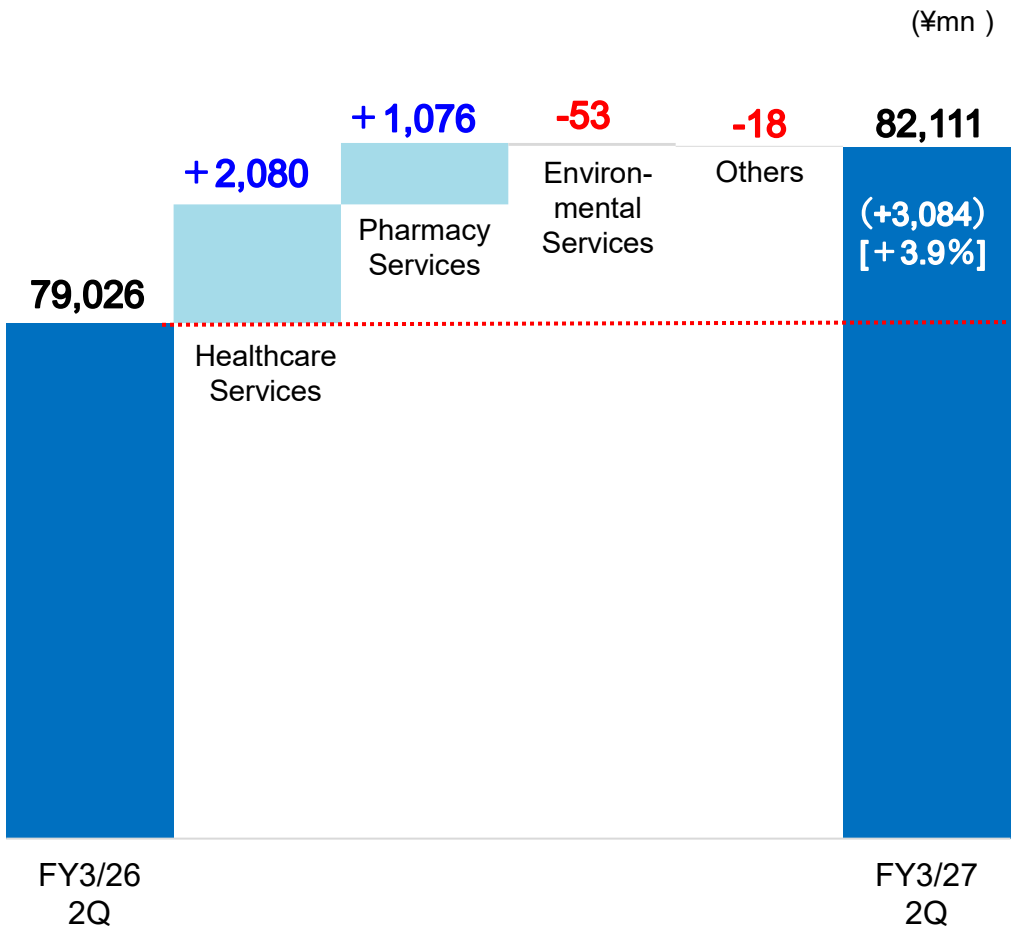
✓ **Net sales and profit at all levels reached record high**

(¥mn)

	FY3/25 2Q	FY3/26 2Q	FY3/27 2Q	Change	Change %
Net sales	**72,725**	**79,026**	**82,111**	**+3,084**	**+3.9%**
Healthcare Services	37,498	40,587	**42,667**	+2,080	+5.1%
Pharmacy Services	27,950	30,922	**31,999**	+1,076	+3.5%
Environmental Services	7,196	7,430	**7,377**	-53	-0.7%
Others	79	86	**67**	-18	-21.8%
Operating profit	**3,664**	**4,410**	**4,920**	**+509**	**+11.5%**
Healthcare Services	3,317	4,164	**4,699**	+534	+12.8%
Pharmacy Services	920	961	**893**	-68	-7.1%
Environmental Services	721	699	**768**	+69	+9.9%
Others	-15	-4	-23	-18	—
Adjustments	-1,279	-1,409	-1,417	-7	—
Ordinary profit	**3,917**	**4,674**	**5,170**	+496	**+10.6%**
Profit attributable to owners of parent for the interim period	**3,041**	**3,040**	**3,351**	**+311**	**+10.2%**

Changes in Consolidated Net Sales

✓ **Sales increased YoY, with strong performance in rental sales in Healthcare Services, while Pharmacy Services sales also increased steadily due to an increase in the prescription unit price**



Healthcare

Hospital and Bedding +1,549
- Promote initiatives to ensure appropriate service pricing
- Sales of hospitalization and residence sets, which are strategic products, increased (+8.1% YoY)
- Increase in hotel linen rental revenue (+16.6%)
  (Excluding the impact of an increase in consolidated subsidiary +8.4%)
- One subsidiary operating the Bedding and Linen Supply Business was consolidated from April

Elderly Care +650
- Strong results from elderly care equipment rental drive (+5.5%)

Food Supply -119
- Withdrawal of underperforming establishments

Pharmacy

Dispensing Pharmacy +1,246
- Increase in the prescription unit price driven by increased long-term prescriptions and prescriptions for high-cost pharmaceuticals (+5.5%)

Drugstore Related -169
- Decrease in sales resulting from the withdrawal of underperforming establishments

Environmental

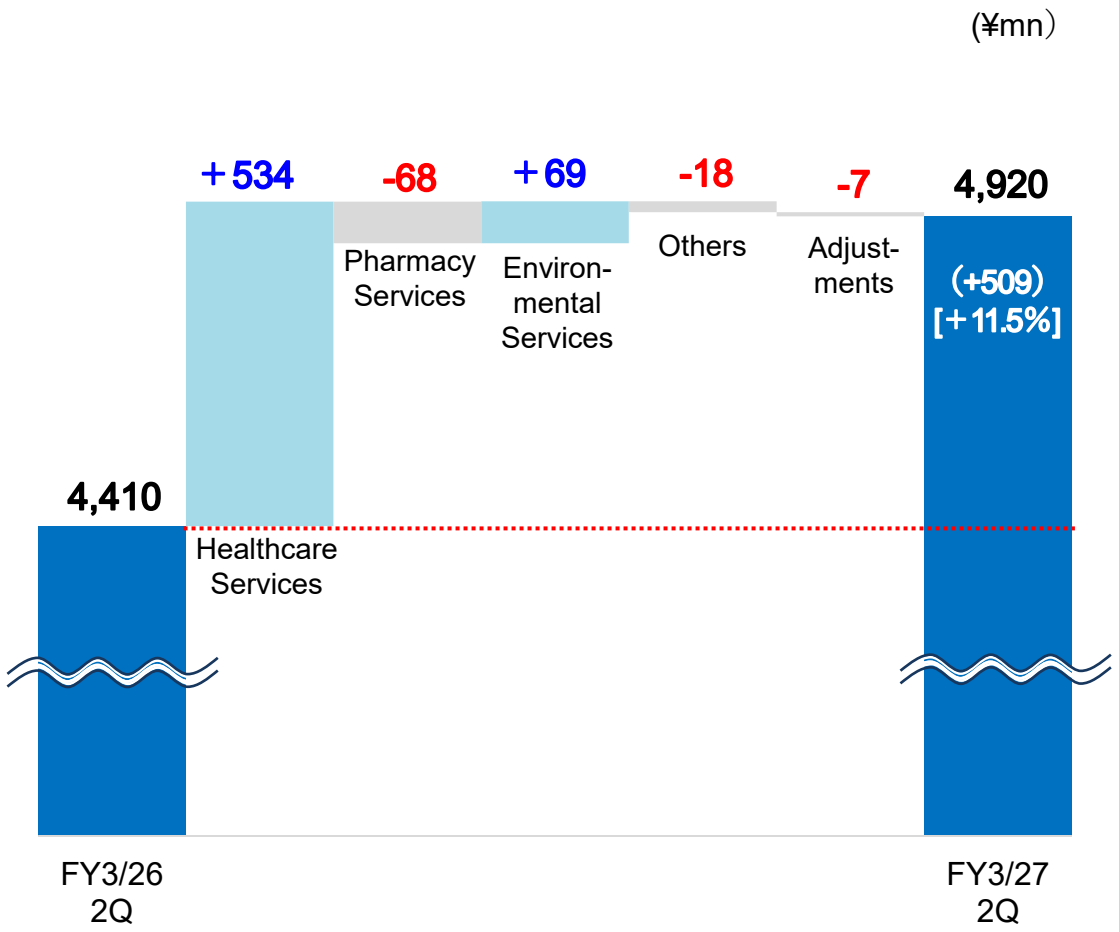
Leasekin -7
- Steady performance in toilet-related products and a decrease in sales of dust control products

Cleaning -14
- While sales from core hospital cleaning services remained solid, sales in the Cleaning Business decreased due to a review of contract terms aimed at improving profitability

Others -32
- Lower revenue in the solar power business due to a decrease in power generation caused by unfavorable weather conditions

Changes in Consolidated Operating Profit

✓ **Profit increased YoY as profitability improvement measures centered on Healthcare Services continued to deliver steady results, while the impact of a temporary increase in expenses in Environmental Services in the same period of the previous fiscal year decreased**



Healthcare

Hospital and Bedding +169
- Increase in profit due to higher revenue

Elderly Care +217
- Increase in profit due to higher revenue
- Shrank costs through efficient management of rental materials
- Improved gross profit margin for rehabilitation day-care services due to increased utilization

Food Supply +72
- Revenue improved due to factors such as pursuing structure reforms and other initiatives

Others +76
- Gross profit margin improved in the Cleaning Equipment Manufacturing Business as a result of promoted price optimization and changes in the composition of product sales

Pharmacy

Dispensing Pharmacy -85
- Although profit increased due to higher revenue, profit decreased due to the impact of drug price revisions and a temporary increase in expenses related to M&A

Drugstore Related +17

Environmental

Leasekin +34
- Increase in profit due to one-time expenses incurred in the previous fiscal year and initiatives to optimize pricing

Cleaning +61
- Increase in profit due to the absence of initial costs related to new contracts incurred in the previous fiscal year and initiatives to optimize pricing

Others -26
- Profit decreased due to a decline

Consolidated Financial Status (B/S)

(¥mn)

	FY3/26	FY3/27 2Q	Change
Current assets	57,434	57,728	＋294
Non-current assets	57,261	61,093	＋3,832
Total assets	114,695	118,822	＋4,126
Current liabilities	25,003	25,169	＋166
Non-current liabilities	5,260	5,898	＋637
Total liabilities	30,264	31,068	＋803
Total net assets	84,431	87,753	＋3,322
Total of liabilities and net assets	114,695	118,822	＋4,126
Equity ratio	73.0%	73.2％	＋0.2pp

Capital Investment Results

(¥mn)

	FY3/26 2Q	FY3/27 2Q	Main investment	FY3/27 (full-year planned)
Capital investments	2,153	2,376	(+10.3% YoY)	5,865
Rental materials	506	372		1,181
Plant equipment, etc.	286	355		996
Plant construction, etc.	7	651	- Relocation of a Group company headquarter and construction of a plant and warehouse	559
System investment	639	350	- Expansion and renewal of system infrastructure	1,260
New site openings and facility renovation in the Elderly Care Business	103	165		658
New dispensing pharmacy openings	106	61		73
Others	504	417	- Upgrade of equipment and fittings in pharmacy stores, etc.	1,134
Depreciation	2,365	2,195	(-7.2% YoY)	4,906

New investments in FY3/27 (Excluding the capital investments listed above)

Major investments made through 2Q (through the end of September)	July 2026 Acquisition of shares of QLC Produce Corporation Approx. ¥2.9bn
Current status (since October)	November 2026 Two absorption-type company splits involving elderly care equipment rental Approx. ¥0.3bn (disclosed on September 7, 2026)

Revisions to the consolidated earnings forecast for the fiscal year ending March 31, 2027 (Announced on October 22, 2026)

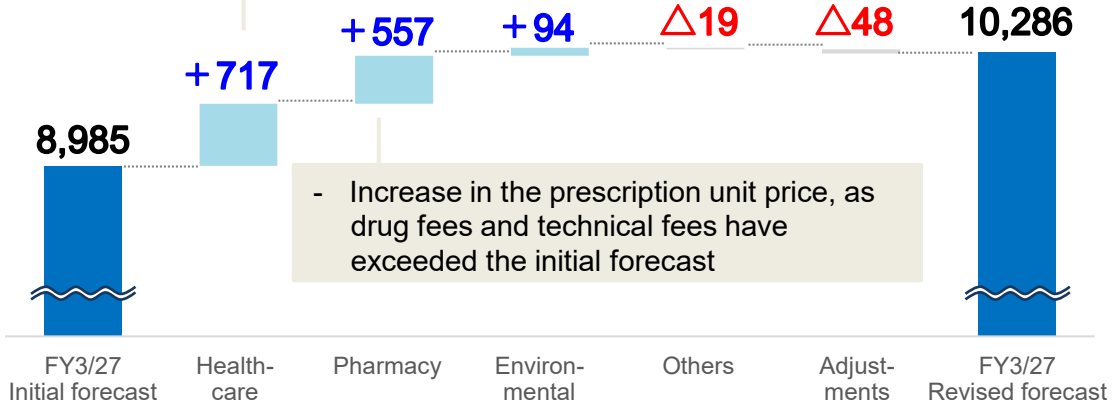
- ✓ **Initial forecasts for YoY decreases in operating profit and ordinary profit were upwardly revised to forecasts for increases in profit**
- ✓ **Expecting record-high levels of net sales and profits at each stage, achieving the operating profit target for the final fiscal year (FY3/28) of the medium-term management plan one year ahead of schedule**

<Future outlook>
- The prescription unit price in the Dispensing Pharmacy Business is expected to remain above planned levels for both drug fees and technical fees
- The business results of QLC Produce Corporation, which joined the Group in July 2026, will be included in consolidated business results from 3Q

	FY3/27 Initial forecast	FY3/27 Revised forecast	Change	Change %
Net sales	165,400	167,980	+2,580	+1.6%
Operating profit	8,985	10,286	+1,301	+14.5%
Ordinary profit	9,437	10,716	+1,278	+13.5%
Profit attributable to owners of parent for the interim period	6,117	6,866	+748	+12.2%

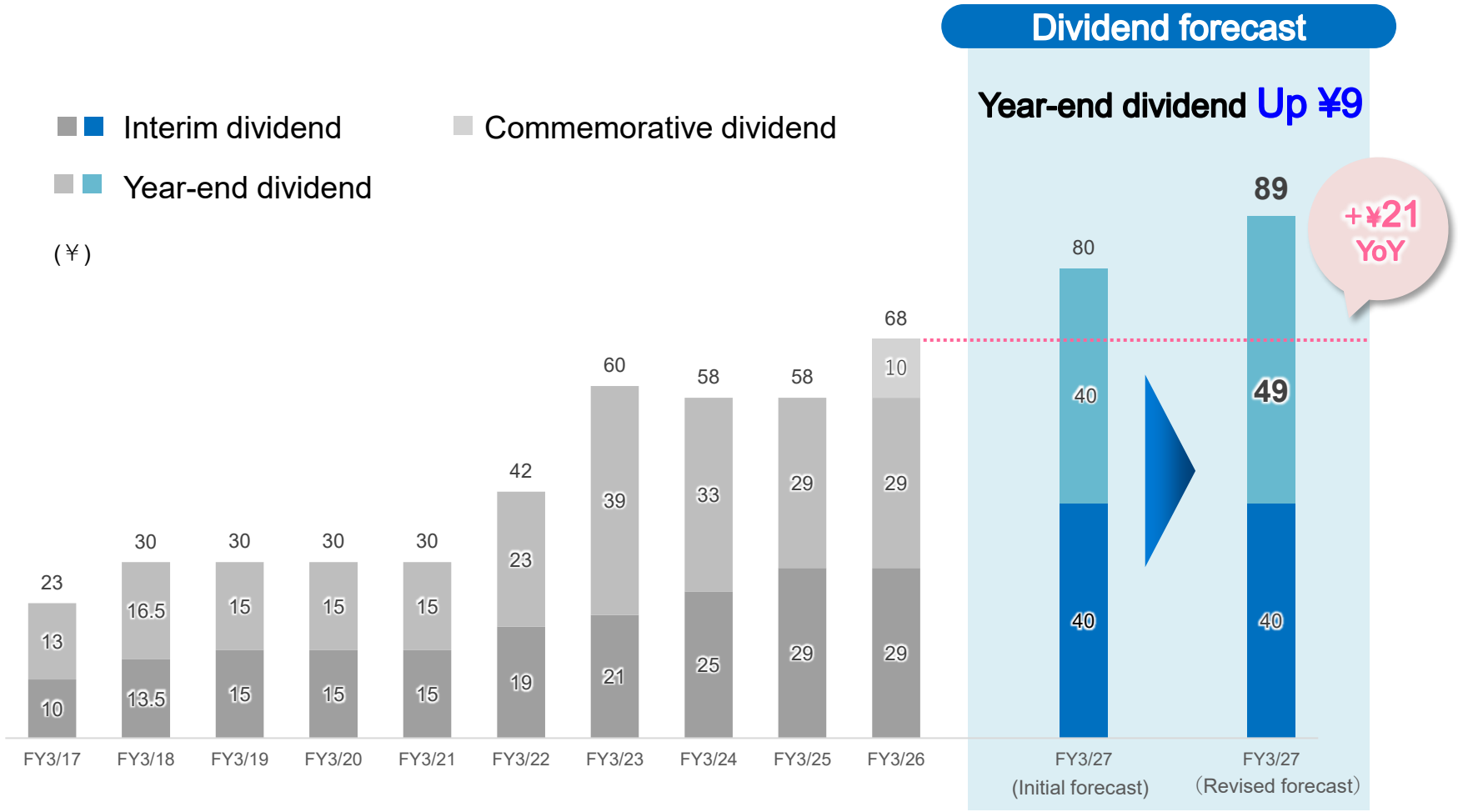
Breakdown of changes in operating profit

- Improved efficiency in managing rental materials in the Elderly Care Business
- Consolidation of QLC Produce Corporation (from 3Q)



Revisions to the dividend forecast for FY3/27 (Announced on October 22, 2026)

✓ **The forecast for the FY3/27 dividend per share was raised by ¥9 from the initial forecast following the upward revision to the business forecast (+¥21 YoY)**



Since FY3/27 Dividend Policy
(Announced on May 12, 2026)

A target dividend payout ratio

35 % → 40 %

Introducing the Progressive Dividend Policy

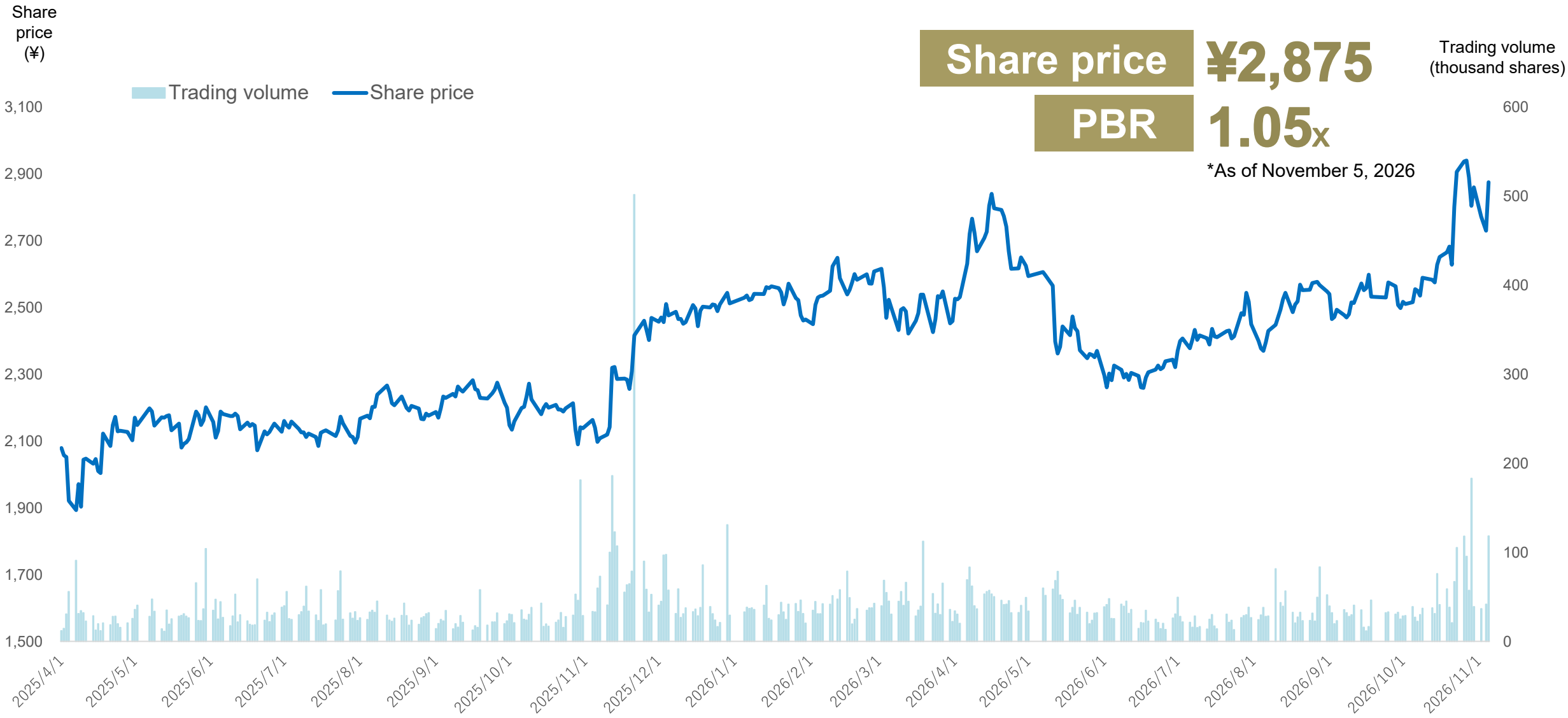
*On January 1, 2018, the Company executed a two-for-one split of ordinary shares. Therefore, the figures for dividend per share shown above have been adjusted based on the assumption that said split occurred at the start of FY3/17.

FY3/27 Outlook for Consolidated Results (Revised on October 22, 2026)

(¥mn)

	FY3/25	FY3/26	Change %	FY3/27 Earnings forecast (revised on October 22, 2026)	Change	Change %
Net sales	**149,542**	**159,664**	**+6.8%**	**167,980**	**+8,315**	**+5.2%**
Healthcare Services	76,935	81,799	+6.3%	87,366	+5,567	+6.8%
Pharmacy Services	58,049	62,870	+8.3%	65,539	+2,669	+4.2%
Environmental Services	14,389	14,837	+3.1%	14,919	+81	+0.6%
Others	168	157	-6.4%	154	-2	-1.8%
Operating profit	**8,193**	**9,382**	**+14.5%**	**10,286**	**+904**	**+9.6%**
Healthcare Services	7,130	8,546	+19.9%	9,690	+1,143	+13.4%
Pharmacy Services	2,378	2,430	+2.2%	2,367	-62	-2.6%
Environmental Services	1,230	1,232	+0.2%	1,296	+64	+5.2%
Others	-11	-23	–	-19	+3	–
Adjustments	-2,534	-2,803	–	-3,048	-245	–
Ordinary profit	**8,825**	**10,098**	**+14.4%**	**10,716**	**+617**	**+6.1%**
Profit attributable to owners of Parent	**4,729**	**6,069**	**+28.3%**	**6,866**	**+797**	**+13.1%**

Share price trends (since April 2025)



For inquiries regarding these materials and other IR matters:

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