



July 4, 2018

To whom it may concern

TOKAI Holdings Corporation
Katsuhiko Tokita, President & CEO
(Code No. 3167 Tokyo Stock Exchange First Section)

Expansion of LP Gas Business into Kyushu Area

TOKAI CORPORATION (Headquarters: Shizuoka-shi, Shizuoka; Representative Director and President: Katsuo Oguri), a wholly-owned subsidiary of TOKAI Holdings Corporation, which conducts energy business such as sale of LP gas established “Kyushu Office” in Fukuoka Prefecture last month on June 1. In association with this matter, the TOKAI Group will expand the LP gas business into the Kyushu area to follow the existing building management support business, industrial gas business, and Aqua (bottled water delivery) business with the aim of further strengthening earning power.

TOKAI Holdings Corporation intends to make aggressive investment for the four years until end of the fiscal year ending March 31, 2021 to expand its LP gas business into new business areas and to further increase its share within the areas under the new medium-term management plan “Innovation Plan 2020 ‘JUMP’” announced on May 9, 2017.

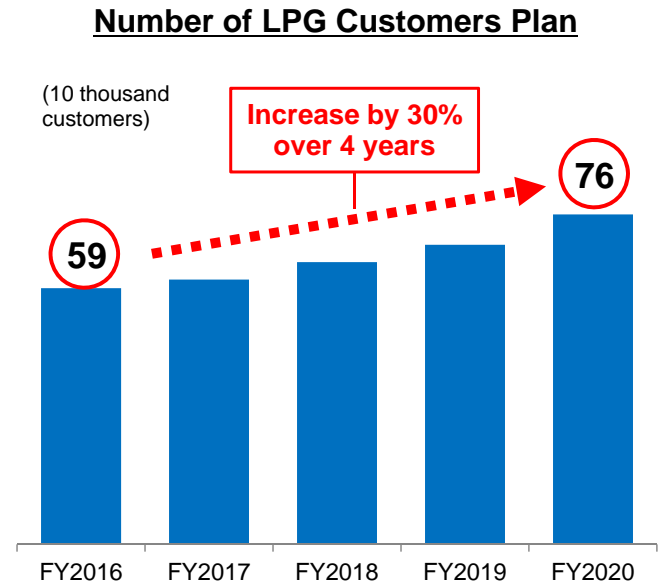
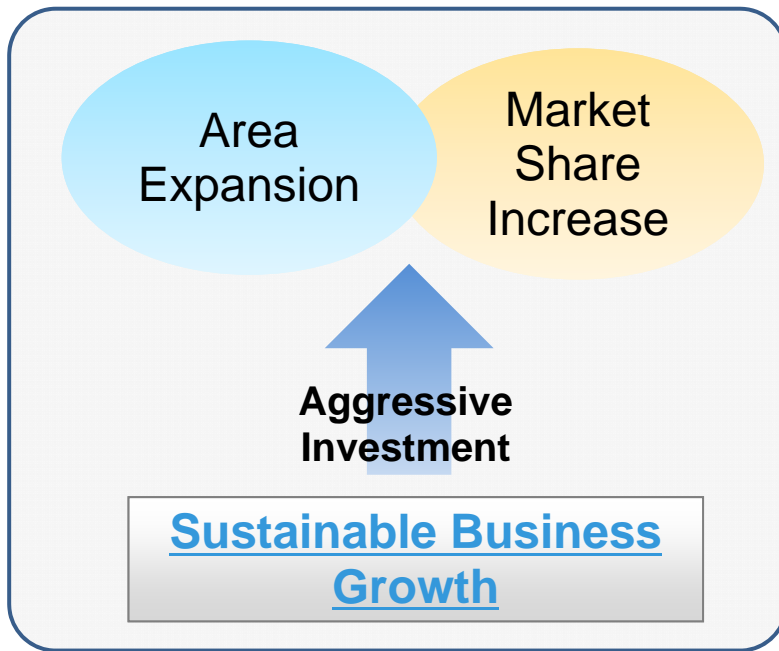
In the fiscal year ending March 31, 2018, the initial year of the Innovation Plan 2020, supply areas of LP gas expanded into Okayama and Gifu Prefectures, steadily progressing to achieve the goals of the medium-term management plan. We will continue to aggressively promote expansion of our customer base and increase the number of customers of the LP gas business to 760,000 by the end of the fiscal year ending March 31, 2021, a 30% increase from 590,000 at the end of the fiscal year ending March 31, 2017.

Under the TLC (Total Life Concierge) vision, the TOKAI Group has been offering comprehensive lineup of various lifestyle infrastructure services closely connected to people’s lives, including energy, information and communications, and CATV, which are currently being used by 2,880,000 customers. Going forward, by continuing to actively work toward providing products and services that can contribute to solving regional and social issues, the Group will aim to improve customer satisfaction.

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Medium-Term Plan for LP Gas Business ~Policy and Plan to Increase Customers

- ◎ Implementation of aggressive investment for area expansion and market share increase to realize sustainable business growth
- ◎ Plan to increase number of customers by 30% to 760,000 over 4 years



Expansion Measures for Supply Area of LP Gas Business

- ◎ Expansion of 5 bases (Iwaki, Sendai, Toyokawa, Gifu, Nishimikawa) into Chubu area (Gifu and Aichi Prefectures) and Tohoku area (Miyagi Prefecture) from FY2015
- ◎ Expansion into Okayama and Gifu (Tajimi) in FY2017
- ◎ Expansion of customer base in Kyushu area with recent establishment of Kyushu Office as foothold

