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To whom it may concern

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

Launch of LP Gas Business into the Vietnamese Market Investment in the PETRO CENTER Group, a leading LP Gas Distributor in Vietnam

TOKAI Holdings Corporation (hereinafter "Company") hereby announces that TOKAI CORPORATION (Headquarters: Shizuoka-shi, Shizuoka; Representative Director and President: Katsuo Oguri; hereinafter "TOKAI"), the Company's wholly owned subsidiary, will acquire 45% of respective shares of subsidiaries of PETRO CENTER CORPORATION (Headquarters: Quang Nam Province, Socialist Republic of Vietnam; hereinafter "PETRO CENTER"), one of the leading LP gas distributors in Vietnam, namely MIEN TRUNG GAS JOINT STOCK COMPANY (Headquarters: Quang Nam Province, Socialist Republic of Vietnam; hereinafter "MTG") and V-GAS PETROLEUM CORPORATION (Headquarters: Dong Nai Province, Socialist Republic of Vietnam; hereinafter "V-GAS"), and the TOKAI Group will launch into the LP gas market in Vietnam.

1. Background and purpose of investment

In advancing the medium-term management plan "Innovation Plan 2020 JUMP" whose final year is FY2020, the TOKAI Group has been taking initiatives toward the expansion and strengthening of earnings base through active development of strategic M&A in Japan and abroad. This investment to the PETRO CENTER Group, made to expand the Group's core business overseas, will be the fourth expanded base overseas.

Vietnam, which maintains a high economic growth rate among the ASEAN member states, is expected to show continuous strong growth against the backdrop of abundant labor population and increasing foreign direct investment. The LP gas market is also expected to continuously grow steadily along with this growth, and the market will become extremely attractive for the TOKAI Group, whose core business is LP gas sales.

The PETRO CENTER Group is engaged in LP gas sales in central and southern Vietnam with a large market share particularly in the central region. The Group has achieved continuous growth through stable gas supply and robust demand utilizing the respective terminals held in the central and southern regions. To further expand its business area, the Group had been aiming to enhance its brand power by seeking business partners with organized security systems and supply technologies. The TOKAI Group, on the other hand, had been searching for promising local partners in growth markets so as to expand its LP gas business overseas. Discussions proceeded with PETRO CENTER on the direction of growth, and as a result, agreement was reached to form a partnership through investment.

The TOKAI Group will continue to make efforts to enhance corporate value of both MTG and V-GAS through this investment while contributing to the further development of the Vietnamese LP gas market and enhancement of its infrastructure. Furthermore, by utilizing the launch into the Vietnamese LP gas market as a foothold, the TOKAI Group will aim to further expand earnings base and strengthen profitability of its LP gas business.

2. Overview of PETRO CENTER

(1) Company name	PETRO CENTER CORPORATION
(2) Location	Quang Nam Province, Socialist Republic of Vietnam
(3) Name of representative	Nguyen Thi Bich Thuy
(4) Capital (As of December 31, 2019)	421.2 billion Vietnamese dong (Approximately 1.95 billion yen)
(5) Date of Establishment	May 9, 2007
(6) Main business activities	Import and export, wholesale of LP gas
(7) Listing Category	Listed in the Ho Chi Minh Stock Exchange (security code: PMG)
(8) Consolidated Net Sales (Fiscal Year ended December 2019)	Approx. 1.3529 trillion Vietnamese dong (Approximately 6.28 billion yen)

*Exchange rate as of June 30, 2020 (1 Vietnamese dong = 0.00464 yen) is used for yen amount (hereinafter the same)

3. Overview of target companies

[MTG]

(1) Company name	MIEN TRUNG GAS JOINT STOCK COMPANY
(2) Location	Quang Nam Province, Socialist Republic of Vietnam
(3) Name of representative	Nguyen Tien Lang
(4) Capital (As of December 31, 2019)	180 billion Vietnamese dong (Approximately 840 million yen)
(5) Date of Establishment	July 11, 2001
(6) Shareholder Composition (After investment)	TOKAI 45%, PETRO CENTER 51%, Others 4%
(7) Main business activities	LP gas wholesale business

[V-GAS]

(1) Company name	V-GAS PETROLEUM CORPORATION
(2) Location	Dong Nai Province, Socialist Republic of Vietnam
(3) Name of representative	Nguyen Hoang Gia
(4) Capital (As of December 31, 2019)	225 billion Vietnamese dong (Approximately 1.04 billion yen)
(5) Date of Establishment	August 13, 2014
(6) Shareholder Composition (After investment)	TOKAI 45%, PETRO CENTER 51%, Others 4%
(7) Main business activities	LP gas wholesale business, container manufacturing business

4. Future outlook

The impact of the transaction on the Company's consolidated operating results for the fiscal year ending March 2021 is recognized as insignificant.

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