



November 12, 2020

To whom it may concern

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

Notice of Acquisition of Shares of Inoue Technica Co., Ltd. (Transfer to Consolidated Subsidiary)

TOKAI CORPORATION (Head office: Shizuoka City, Shizuoka Prefecture; Representative Director and President: Katsuo Oguri; hereinafter TOKAI), a wholly-owned subsidiary of the Company, concluded a stock transfer agreement to acquire shares of Inoue Technica, Co., Ltd. (Head office: Numazu City, Shizuoka Prefecture; Representative Director: Takeo Inoue; hereinafter Inoue Technica) and transfer the company to a consolidated subsidiary as stated below.

1. Reasons for Acquisition of Shares

TOKAI primarily operates LPG and bottled water delivery businesses that serve about 800,000 customers nationwide as its customer base, as well as building construction, facility construction, and real estate trading businesses in Shizuoka, Aichi, and Kanagawa Prefectures. In Shizuoka Prefecture, as part of the property management (building maintenance) business, TOKAI also conducts fire protection equipment inspection, machinery and equipment maintenance & inspection, cleaning, and security services.

In the building management industry, the market is continuously expanding on the background of increase of buildings mainly in the Tokyo metropolitan area, while securing human resources and improving the efficiency of labor-intensive operations have been at issue.

Based in Numazu City, Shizuoka Prefecture, Inoue Technica operates the property management (building maintenance) business mainly in the eastern part of Shizuoka Prefecture. Backed by the strong relationship of trust in local communities based on its long track record, Inoue Technica undertakes a number of property management operations for public facilities, hospitals, and factories of private companies in Numazu, Izu, Shizuoka, and Fuji Cities.

As a result of this transfer to a consolidated subsidiary, TOKAI will take over the know-how that Inoue Technica has accumulated over many years in the property management business and expand the business. On the other hand, Inoue Technica will make the most of TOKAI's organizational power in Shizuoka Prefecture to expand its business area to the whole of Shizuoka Prefecture, the Chukyo area, and all over Japan, and plan for further business development. By creating these synergies, we will further grow the businesses of both companies.

2. Overview of Inoue Technica Co., Ltd.

(1)	Company name	Inoue Technica Co., Ltd.	
(2)	Location	Nakaharacho, Numazu City, Shizuoka Prefecture	
(3)	Name and position of representative	Takeo Inoue, Representative Director	
(4)	Business activities	Property management (building maintenance) business, outsourcing business, restaurant business, etc.	
(5)	Capital	30,000 thousand yen (as of January 2020)	
(6)	Establishment date	1977	
(7)	Relationship between the listed company and the relevant company	Capital relationship	Not applicable
		Personal relationship	Not applicable
		Business relationship	Not applicable

3. Overview of Counterparty of Share Acquisition

(1)	Name	Takeo Inoue
(2)	Relationship between the listed company and the relevant person	There are no significant capital, personal, or business relationships.

4. Number of Shares Acquired and Shares Held before and after Transfer

(1)	Number of shares held before transfer	Zero shares (Number of voting rights: zero) (Ratio of voting rights ownership: 0%)
(2)	Number of shares acquired	20,850 shares (Number of voting rights: 20,850) (Ratio to number of shares issued: 100%)
(3)	Number of shares held after transfer	20,850 shares (Number of voting rights: 20,850) (Ratio of voting rights ownership: 100%)

5. Schedule

(1)	Date of contract	October 30, 2020
(2)	Execution date of share transfer	November 6, 2020

6. Future Outlook

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

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