

For Immediate Release

TOKAI Holdings Corporation

Katsuo Oguri, Representative Director, President and CEO

(Code No. 3167, TSE Prime Market)

Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2025 – Continued Advancement Towards Record-Breaking Management Performance –

TOKAI Holdings Corporation (hereinafter, "the Company") today announced its financial results for the third quarter of the fiscal year ending March 31, 2025.

1. Company Achieves Record-Breaking Performance with Fourth Consecutive Revenue Increase, Strong Progress in Profitability

As part of our "Medium-Term Management Plan 2025," which concludes in the fiscal year 2025, we have prioritized three key strategies: "1. Growth in Business Revenue," "2. Strengthening Sustainable Growth Foundation," and "3. Maximizing Human Resources and Organizational Vitality." Through these strategies, we aim to contribute to a sustainable society while expanding our revenue base.

During this third quarter, **we have achieved net sales of 173.2 billion yen (an increase of 8.5 billion yen or 5.2% compared to the same period last year), setting a new record with four consecutive revenue increases.** This growth can be attributed to an increase in the number of group customers and the expansion of our stock business for corporate clients in the information and communication business.

In terms of profitability, we have steadily increased our monthly billing volume with the growth in customer numbers. Additionally, strategic cost review and reduction efforts in the energy business have contributed to an operating profit of 9.7 billion yen (an increase of 900 million yen or 10.4%).

Furthermore, we are proud to announce that our ordinary profit has reached 10.1 billion yen, surpassing the 10 billion yen mark for the first time in the cumulative period of the third quarter and setting a new record.

(Millions of yen)

	Q3 FY2024 results (April 1, 2024 to December 31, 2024)	Q3 FY2023 results (April 1, 2023 to December 31, 2023)	YoY	
			Change	% change
Net sales	173,179	164,676	+8,503	+5.2
Operating profit	9,711	8,797	+914	+10.4
Ordinary profit	10,136	8,968	+1,168	+13.0
Profit attributable to owners of parent	5,644	4,934	+709	+14.4
EPS (yen)	43.21	37.78	+5.43	+14.4

2. Steady expansion of customer base in core businesses

Regarding our business activities during this third quarter, we have actively engaged in customer acquisition efforts to achieve our goals outlined in the mid-term management plan. As a result, the number of continuing transaction customers at the end of the third quarter has increased by 56,450, reaching 3.415 million customers compared to the initial figure of 3.358 million.

We have seen significant growth in various customer segments, with a net increase of 28,263 gas (LP and city gas) customers, 16,498 CATV customers, 20,037 Aqua customers, and 8,514 in Hikari Collaboration customers. These achievements have further expanded our revenue base.

3. Continued Revenue and Profit Growth in the Fiscal Year Ending March 2025, Setting New Records in Sales, and All Profit Categories

The fiscal year ending in March 2025 marks the second year of our "Medium-Term Management Plan 2025". We are committed to executing the initiatives outlined in the plan and achieving further leaps in our performance. In the fiscal year 2024, we focused on enhancing our sales capabilities, leveraging the strengths of our group, and expanding our customer base by increasing the number of customers and orders. We will continue to drive area expansion, M&A activities, and the creation of new businesses to further expand our customer base.

We are determined to maintain our growth trajectory and set new records in sales and all profit categories by sustaining revenue and profit growth throughout the fiscal year.

At this point, there are no changes to our consolidated performance forecast and dividend forecast for the fiscal year ending in March 2025.

(Millions of yen)

	FY03/25 forecast (April 1, 2024 to March 31, 2025)	FY03/24 results (April 1, 2023 to March 31, 2024)	YoY	
			Change	% change
Net sales	244,000	231,513	+12,487	+5.4
Operating profit	16,000	15,511	+489	+3.2
Ordinary profit	16,000	15,531	+469	+3.0
Profit attributable to owners of parent	9,000	8,481	+519	+6.1
EPS (yen)	68.90	64.94	+3.96	+6.1
Customer count at end of fiscal year	3,452,000	3,358,000	+94,000	+2.8

	FY03/25 (forecast)	FY03/24	FY03/23
Interim (end of Q2)	17.00 yen	16.00 yen	16.00 yen
Year-end	17.00 yen	17.00 yen	16.00 yen
Annual dividend per share	34.00 yen	33.00 yen	32.00 yen

For details, please see the attached materials, entitled "Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2025."

For the Company's earnings announcement for the third quarter of the fiscal year ending March 31, 2025, please see the following URL: <https://www.tokaiholdings.co.jp/english/ir/library/earnings.html>

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Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2025

TOKAI Holdings Corporation
(Code: 3167)

February 4, 2025

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Highlights of the 3rd Quarter Financial Results for the Fiscal Year Ending March 2025

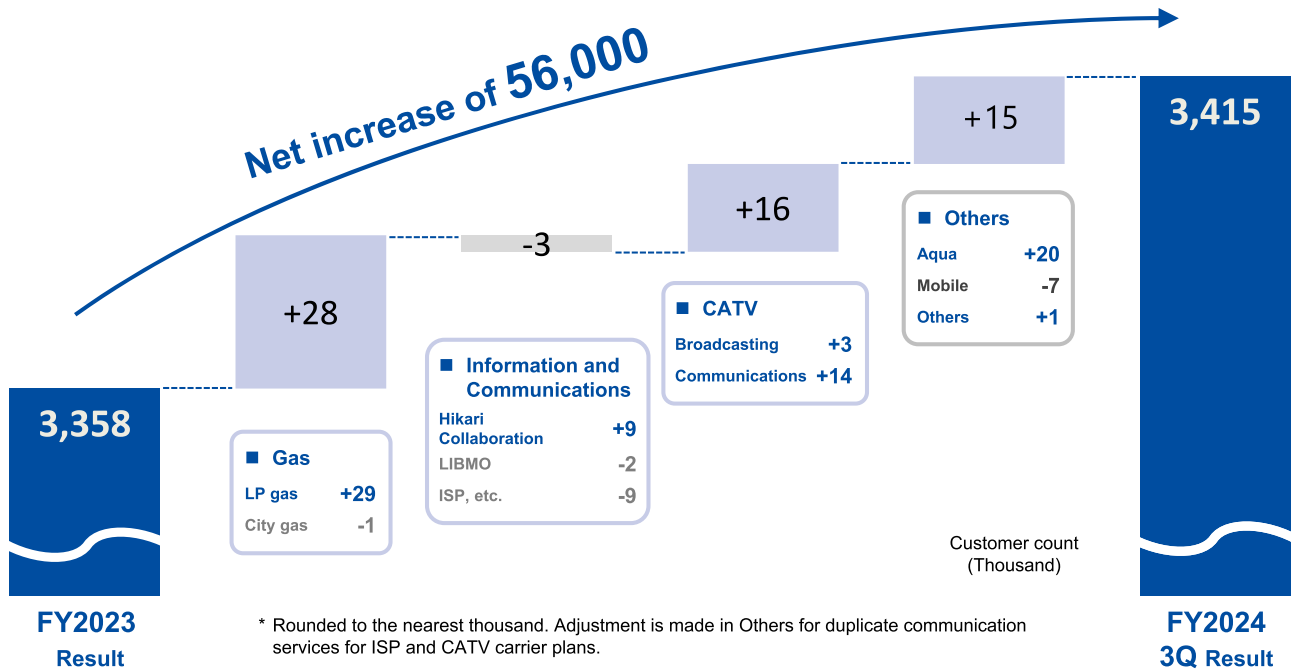
- Sales revenue reached a record high, marking the 4th consecutive increase, due to the growth in the number of group customers and the expansion of corporate information and communication services.
- Operating profit increased by 900 million yen compared to the same period last year. This was achieved through an increase in monthly billing due to the growth in customer numbers, as well as strategic cost review and reduction in the energy business.
- Ordinary profit reached the 10 billion yen range for the first time in the cumulative period of the 3rd quarter, setting a new record.

	3Q FY2024 results	3Q FY2023 results	YoY	
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(Net sales and profit: million yen; EPS: yen)

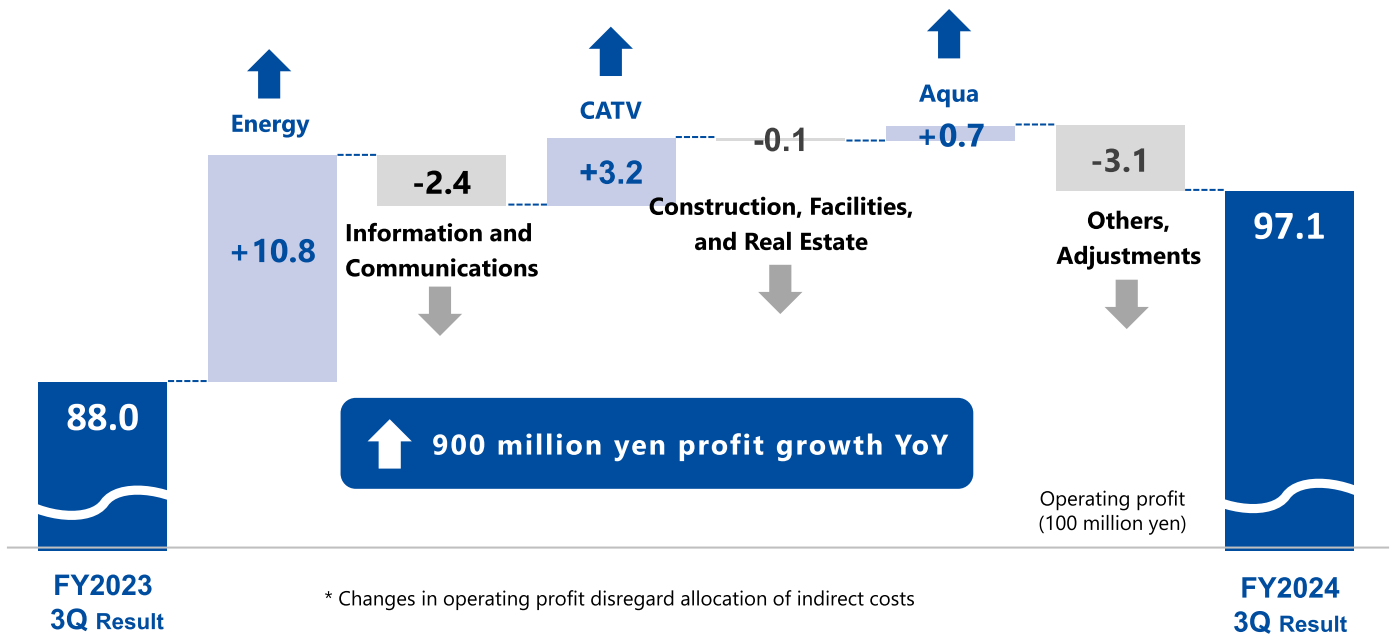
Steady Expansion of Customer Base in Core Businesses

- The number of active contract customers at the end of the 3rd quarter increased by 56,000 to 3,415,000, compared to the 3,358,000 at the beginning of the period.
- The earnings base continued to expand in the gas business, the CATV business, the Aqua business, and the Hikari Collaboration business.



Changes in Operating Profit by Segment

- Energy segment: Increased profit due to the growth in customer numbers and strategic cost review and reduction.
- Information and Communication segment: Decreased profit due to upfront investments in organizational strengthening, despite the steady progress of cloud services.
- CATV and Aqua segments: Increased profit due to the growth in customer numbers.
- Construction, Facilities, and Real Estate segment: Decreased profit due to increased maintenance costs for solar power generation facilities.



Consolidated Full-year Financial Results Forecast

- The fiscal year ending March 2025 is the second year of the "Mid-term Management Plan 2025." We will continue to execute various initiatives along the growth tree consisting of the three elements: "Roots of Growth, Core, and Fruits," as outlined in the mid-term management plan, to achieve further leaps.
- We will continue to promote area expansion, M&A, and the creation of new businesses, aiming to sustain revenue and profit growth in the fiscal year 2024, and set new records for sales revenue and all profit items.

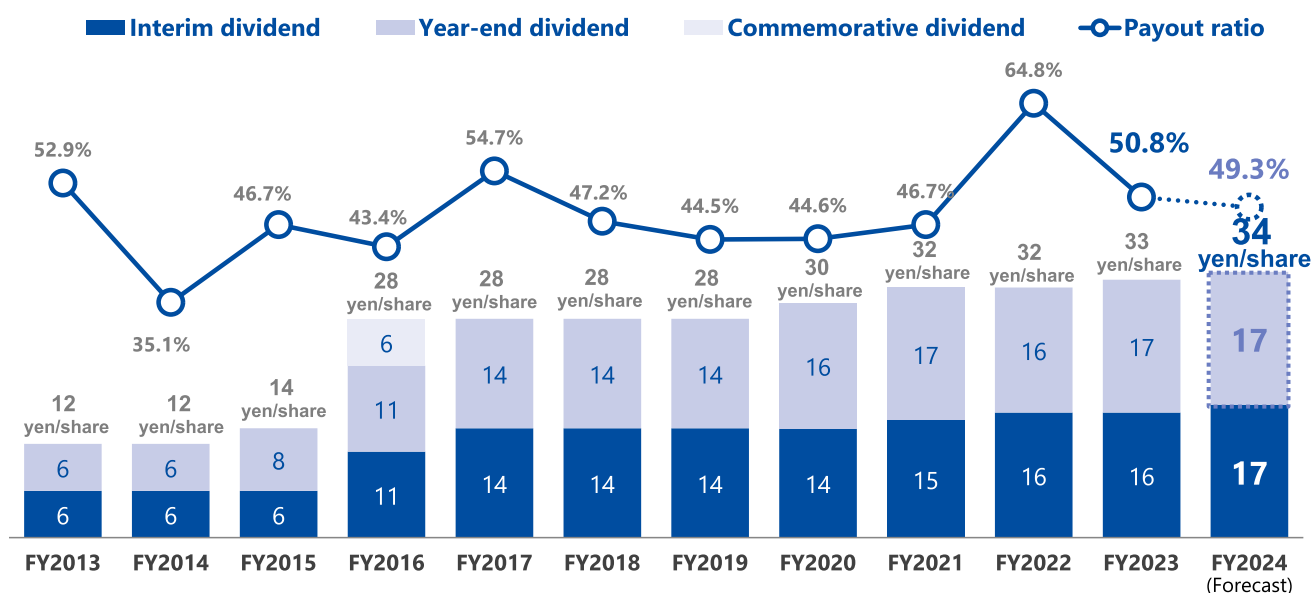
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Dividend Forecast

- The annual dividend per share is planned to increase by 1 yen from the previous year to 34 yen per share.
- We will continue to maintain a high dividend payout ratio.



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Appendix

- (1) Consolidated results
- (2) Sales by segment
- (3) Operating profit by segment
- (4) Consolidated financial indicators
- (5) Consolidated cash flows
- (6) Group customer count

(1) Consolidated results

	Q3 FY03/21 Results	Q3 FY03/22 Results	Q3 FY03/23 Results	Q3 FY03/24 Results	(Millions of yen) Q3 FY03/25 Results
Net sales	139,792	149,420	164,249	164,676	173,179
Operating profit	9,901	9,248	8,466	8,797	9,711
Ordinary profit	9,929	9,324	6,705	8,968	10,136
Net income	5,936	4,634	2,816	4,934	5,644
EPS (Yen)	45.33	35.38	21.52	37.78	43.21

(2) Sales by segment

	(Millions of yen)				
	Q3 FY03/21 Results	Q3 FY03/22 Results	Q3 FY03/23 Results	Q3 FY03/24 Results	Q3 FY03/25 Results
Energy	53,437	58,717	71,069	69,271	73,179
Information and Communications	37,831	38,206	39,662	41,822	43,358
For individuals				18,220	17,597
For corporations				23,601	25,761
C A T V	24,994	24,265	25,510	26,673	27,185
Construction, Equipment and Real Estate	14,815	19,025	18,840	17,585	18,200
Aqua	5,778	5,811	5,720	5,796	7,311
Others	2,934	3,395	3,446	3,526	3,944
Total	139,792	149,420	164,249	164,676	173,179

※For information and communications, starting from the third quarter of 2023, figures for individuals and corporations are also displayed.

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(3) Operating profit by segment

	(Millions of yen)				
	Q3 FY03/21 Results	Q3 FY03/22 Results	Q3 FY03/23 Results	Q3 FY03/24 Results	Q3 FY03/25 Results
Energy	5,034	4,317	3,552	3,754	4,836
Information and Communications	3,081	3,492	3,563	4,025	3,787
For individuals				719	719
For corporations				3,306	3,068
C A T V	4,102	4,539	4,706	4,655	4,979
Construction, Equipment and Real Estate	1,094	1,126	1,195	1,057	1,051
Aqua	578	287	394	514	584
Others	-3,988	-4,514	-4,947	-5,211	-5,527
Total	9,901	9,248	8,466	8,797	9,711

※Before allocation of indirect costs and the like

※For information and communications, starting from the third quarter of 2023, figures for individuals and corporations are also displayed.

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(4) Consolidated financial indicators

(Millions of yen)

	Q3 FY03/21 Results	Q3 FY03/22 Results	Q3 FY03/23 Results	Q3 FY03/24 Results	Q3 FY03/25 Results
Total assets	172,946	181,450	192,091	196,419	209,881
Total liabilities	102,104	105,652	113,325	111,519	117,457
Total net assets	70,841	75,797	78,765	84,899	92,424
Balance of interest-bearing debt	51,344	49,060	53,173	51,281	54,336
Equity ratio	40.1 %	40.9 %	39.9 %	42.1 %	42.9 %

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(5) Consolidated cash flows

(Millions of yen)

	Q3 FY03/21 Results	Q3 FY03/22 Results	Q3 FY03/23 Results	Q3 FY03/24 Results	Q3 FY03/25 Results
Operating cash flow	19,402	12,305	10,638	17,873	14,008
Investment cash flow	-14,672	-11,667	-10,852	-13,567	-12,948
Free cash flow	4,730	638	-213	4,305	1,059
Financing cash flow	-3,863	-945	594	-3,400	-907

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(6) Group customer count

		(Thousand)				
		Q3 FY03/21 Results	Q3 FY03/22 Results	Q3 FY03/23 Results	Q3 FY03/24 Results	Q3 FY03/25 Results
Energy		737	774	811	842	882
Information and Communications	Conventional ISP etc.	375	382	411	396	383
	Hikari Collaboration	335	342	362	372	382
	LIBMO	52	55	65	77	78
	Subtotal	763	779	838	844	843
CATV		1,188	1,224	1,255	1,307	1,330
Aqua		162	166	166	166	187
Mobile		209	195	182	172	163
Security		16	16	16	16	16
Total		3,063	3,142	3,258	3,341	3,415

*Rounded to the nearest thousand. Communication services overlap between information and communication services and CATV, and are excluded from the total value.

*Information and communications (conventional ISP, etc.) includes ISP additional service (PC visit support service) contracts from 3Q 2021, and contracts for the same (PC remote support service) from 3Q 2022.

The performance forecasts and forward-looking statements in these materials are based on information currently available to the company, and include potential risks and uncertainties. Please be aware that due to changes in a variety of factors, actual results may differ materially from the projections and other forward-looking statements in these materials.

Please contact us with any questions regarding these materials.

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暮らしに社会にもっと笑顔を。
 More smiles for a better life