



October 5, 2026

For Immediate Release

Company Name TOKAI Holdings Corporation
Representative Name Katsuo Oguri, Representative Director,
President and CEO
(Stock code: 3167, TSE Prime Market)

Announcement of Contract Signing for Acquisition of Shares of City Gas Corporation

TOKAI Holdings Corporation (the "Company") is pleased to announce that its subsidiary, TOKAI Corporation (headquartered in Shizuoka City, Shizuoka; President and Representative Director: Mitsugu Hamasaki; hereinafter referred to as "TOKAI"), responsible for the Energy business of the TOKAI Group, has entered into a share transfer agreement to acquire all shares of City Gas Corporation (headquartered in Yokohama City, Kanagawa; President and Representative Director: Hidenori Ozawa; hereinafter referred to as "City Gas"). Through this acquisition, our group aims to expand its market share in the Kanagawa Prefecture area and further strengthen the foundation of its LP gas business, achieving sustainable growth.

Details

1. Reasons for the Share Acquisition

TOKAI Group holds the third-largest customer share in the domestic LP gas market and based on a stable revenue foundation, is accelerating growth primarily in the energy business in line with the "Triple Accel" strategy outlined in the Medium-Term Management Plan 2028. In addition to LP gas, we provide services such as cable television, internet, and water delivery to 3.48 million customers nationwide, building a strong history and prominent level of trust as a community-rooted comprehensive retail service provider.

Kanaju Corporation, a subsidiary of City Gas and the target of this M&A, is a leading LP gas supplier in Kanagawa Prefecture, distributing LP gas throughout the entire region. It boasts strong brand recognition and a solid customer base built over more than 60 years of business operations, along with strengths in operational efficiency through IT and digital transformation initiatives.

Our group, which has already established a top market share in Shizuoka Prefecture, aims to secure a leading market position in Kanagawa Prefecture through this M&A. We will enhance collaboration and synergies across these adjacent key markets. By concentrating our coverage of the LP gas supply area, we plan to expand our network advantages, further grow our customer base, and maximize economies of scale. Through operational efficiencies in procurement, logistics, and safety management, we strive to strengthen sustainable cost competitiveness and improve agility in responding to changing market conditions. Furthermore, by integrating the management resources—expertise, IT systems, and human capital—developed by both groups, we expect to generate multifaceted synergies, including strengthening marketing foundations, developing new services, and advancing digital transformation. Through these efforts, we aim to enhance the overall corporate value of the group and achieve medium- to long-term profit growth.

Our group will continue to strategically utilize M&A to expand community-based energy solutions and promote sustainable management, thereby delivering sustained value to our shareholders and stakeholders.

2. Overview of City Gas Corporation and its group companies

(1) City Gas Corporation

(1)	Name	City Gas Corporation
(2)	Address	Hashido, Seya-ku, Yokohama City, Kanagawa Prefecture
(3)	Name and title of representative	Hidenori Ozawa, President and Representative Director
(4)	Business description	Procurement and wholesale of LP gas
(5)	Share capital	20 million yen (As of December, 2025)
(6)	Established	March, 1989

(2) Kanaju Corporation

(1)	Name	Kanaju Corporation
(2)	Address	Hashido, Seya-ku, Yokohama City, Kanagawa Prefecture
(3)	Name and title of representative	Hidenori Ozawa, President and Representative Director
(4)	Business description	Sales of LP gas, combustion equipment, and renovation work
(5)	Share capital	80 million yen (As of December, 2025)
(6)	Established	December, 1965
(7)	Major shareholders and shareholding ratios	City Gas Corporation: 100%

(3) Kanaju Service Corporation

(1)	Name	Kanaju Service Corporation
(2)	Address	Hashido, Seya-ku, Yokohama City, Kanagawa Prefecture
(3)	Name and title of representative	Hidenori Ozawa, President and Representative Director
(4)	Business description	LP gas meter reading services; cleaning of buildings; inspection, maintenance, and management of various building facilities and equipment; data entry work
(5)	Share capital	10 million yen (As of December, 2025)
(6)	Established	April, 2023
(7)	Major shareholders and shareholding ratios	Kanaju Corporation: 100%

3. Future Outlook

The Company considers that the impact of the subject matter on consolidated business results for the fiscal year ending March 31, 2027 will be insignificant.

Contact for inquiries

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