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Financial Results Briefing for the Fiscal Year Ending March 31, 2026 (FY3/26) Supplementary Materials



TOKAI Corp.

Tokyo Stock Exchange Prime Market
Securities Code: 9729

Tuesday, May 12, 2026

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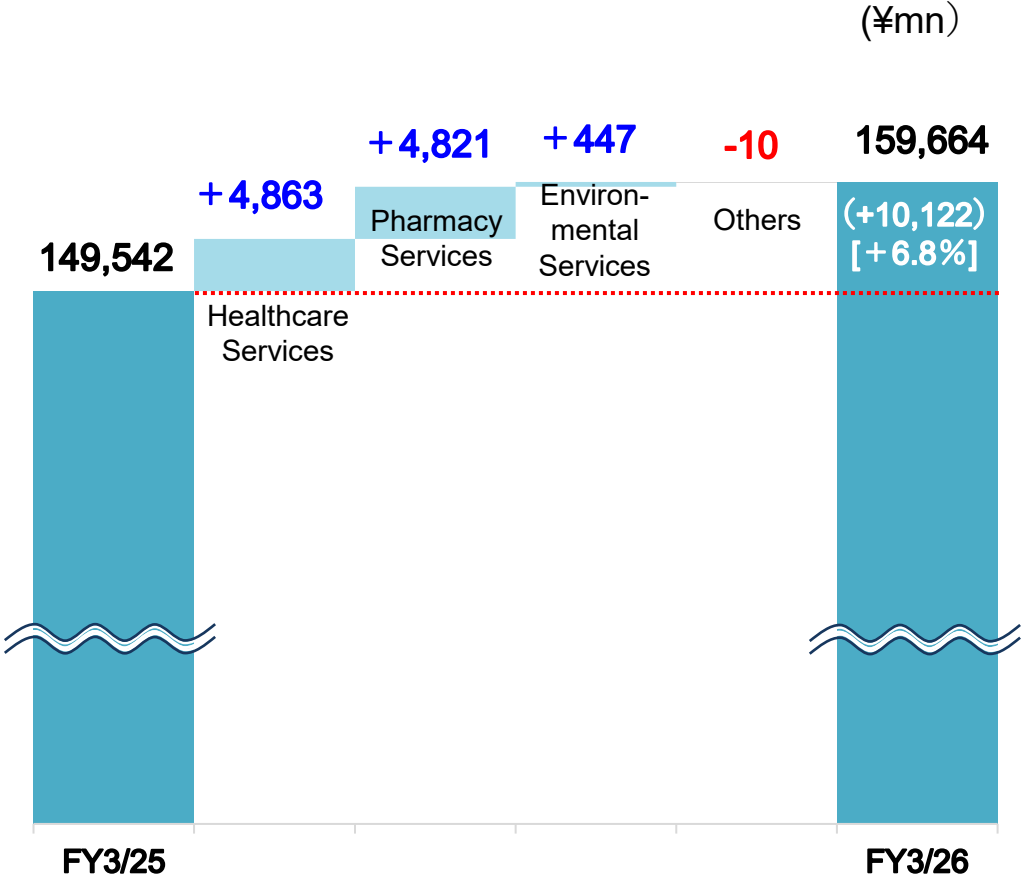
Financial Results Highlights

FY3/26 Financial Results Overview (Net Sales +6.8%, Operating Profit +14.5%)

- ✓ Consolidated net sales grew for a fifth consecutive year and operating profit and ordinary profit grew for a third consecutive year. Each of these represents a new record high
- ✓ Net sales and each line of profit exceeded the initial plan
 - Operating profit was forecast to remain roughly level in the initial plan but grew by a considerable 14.2%
- ✓ Capital efficiency improved due to the buyback and cancellation of shares, and ROE rose to 7.2% (up 1.7pp YoY)
- ✓ Cash flows from operating activities reached a new record high

Financial Results Highlights (Changes in Consolidated Net Sales)

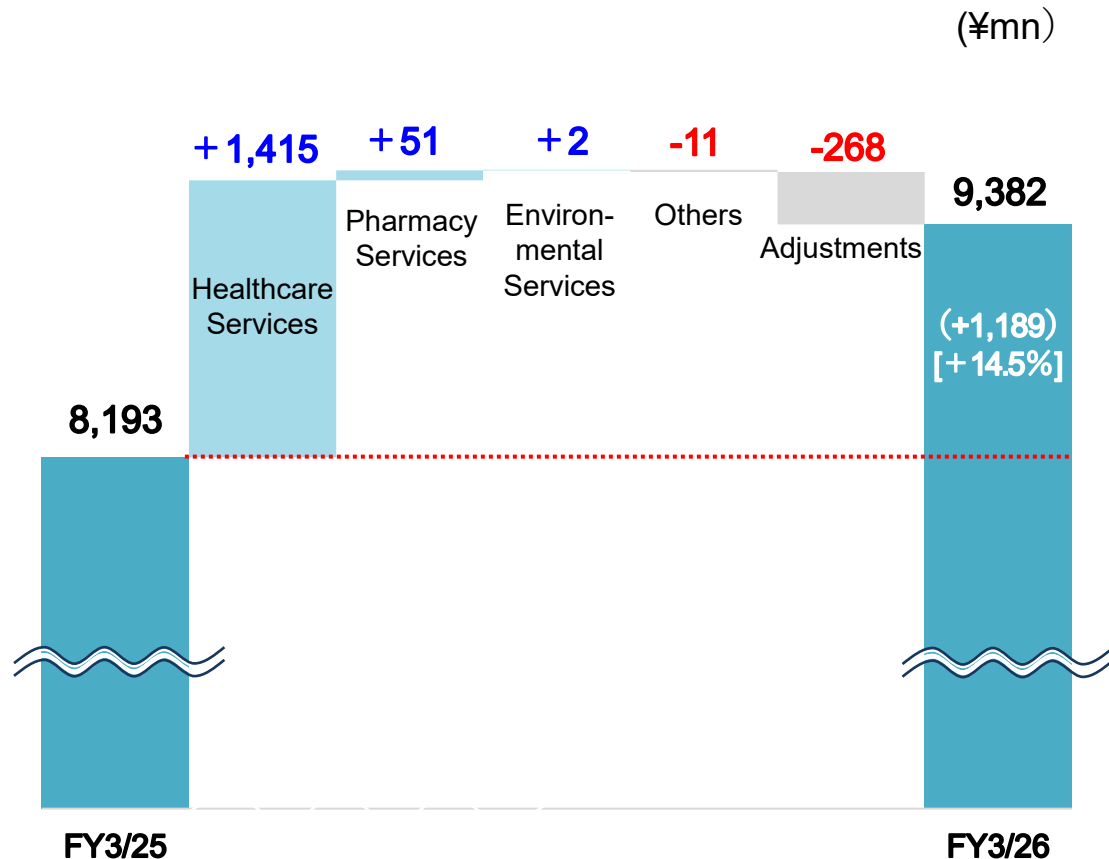
✓ Net sales reached a new record high, driven by the steady performance of the mainstay rental business, the growth of sales in the Dispensing Pharmacy Business, and contributions from the two companies that were consolidated during the previous fiscal year, resulting in YoY revenue growth



- Healthcare**
 - Hospital and Bedding +1,724**
 - Sales of hospitalization and residence sets, which are strategic products, increased (+6.9% YoY)
 - Pursued optimal pricing of services, especially linen supply for hotels
 - Elderly Care +3,027**
 - Strong results from elderly care equipment rental driven by growth in new users
 - Consolidated mikjapan and Kaigo Center Hanaoka
 - Food Supply -178**
 - Withdrawal of underperforming establishments
 - Others +290**
 - Strong results in the cleaning equipment manufacturing business
- Pharmacy**
 - Dispensing Pharmacy +3,848**
 - The prescription price rose due to factors such as an increase in dispensing of high-cost drugs
 - Strengthening family pharmacy functions and enhancing the medical DX promotion framework contributed to increased technical fees
 - Drugstore Related +972**
 - Consolidation of mikjapan Co., Ltd.
- Environmental**
 - Leasekin -72**
 - While sales of various toilet-related products remained strong, the dust control product segment continued to face a challenging business environment in both rentals and sales
 - Cleaning +515**
 - Strong results from hospital cleaning services driven by new customer acquisition and price optimization initiatives
 - Others +4**

Financial Results Highlights (Changes in Consolidated Operating Profit)

✓ Consolidated operating profit marked a new record high as profit increased YoY, mainly due to higher revenue in Healthcare Services



| | |
|---------------|---|
| Healthcare | Hospital and Bedding +394 |
| | - Increase in profit from increased revenue |
| | - Increased costs such as outsourcing expenses were offset by optimization of service prices, especially linen supply for hotels |
| | Elderly Care +698 |
| | - Shrank costs through efficient management of rental materials |
| | - Effect of higher revenue, including the impact from consolidation of Kaigo Center Hanaoka Co., Ltd. |
| | Food Supply +149 |
| | - Revenues improved due to factors such as pursuing structure reforms and other initiatives |
| | Others +173 |
| | - While the Cleaning Equipment Manufacturing Business recorded an increase in profit due to higher sales, profits increased as a result of reduced expenses following the withdrawal from the iAide business at the end of March 2025 |
| Pharmacy | Dispensing Pharmacy +103 |
| | - Increase in profit driven by higher technical fees |
| | Drugstore Related -52 |
| Environmental | Leasekin -59 |
| | - Increase in material costs due to additional replenishment of rental supplies |
| | Cleaning +39 |
| | - Increase in profit from increased revenue |
| | Others +3 |
| Adjustments | - 70th anniversary commemorative project expenses |
| | - Increase in expenses due to the transfer of Business Development Department costs to company-wide expenses |

Financial Results Highlights (vs. Initial plan)

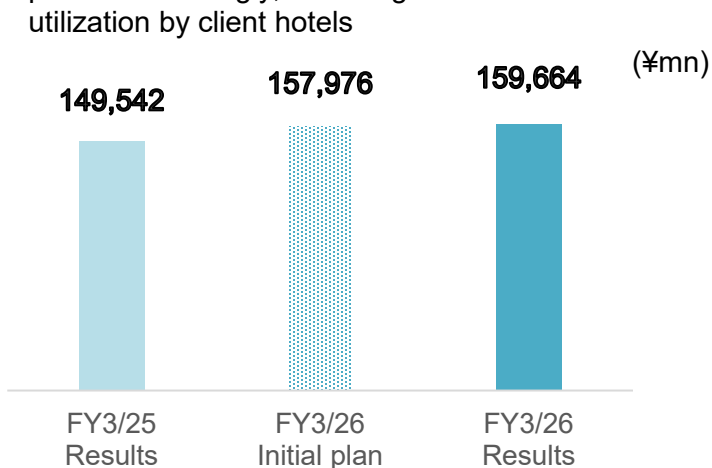
- ✓ Net sales and each line of profit exceeded the initial plan while operating profit, which was forecast to remain roughly level in the initial plan, grew by a considerable 14.2%

Consolidated net sales

vs. Initial plan **+ 1.1%**

(Main factors)

- The favorable performance of the mainstay rental business
- Sales of the Dispensing Pharmacy Business exceeded expectations, driven by an increase in prescriptions of high-cost pharmaceuticals
- Sales of the Bedding and Linen Supply Business performed strongly, reflecting an increase in utilization by client hotels

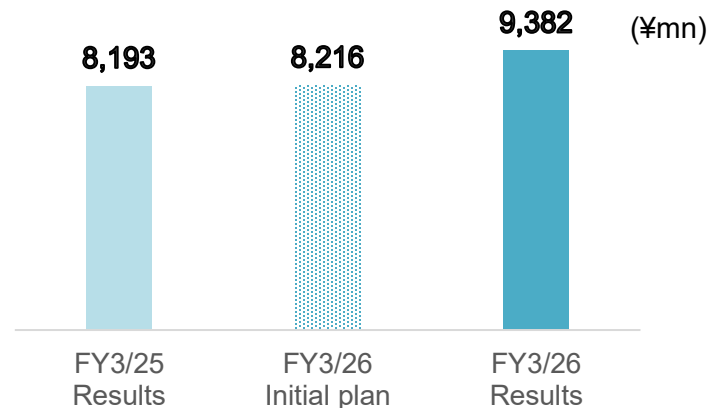


Consolidated operating profit

vs. Initial plan **+ 14.2%**

(Main factors)

- Consolidated net sales performed strongly
- Shrank costs in the Elderly Care Business through efficient management of rental materials and other measures

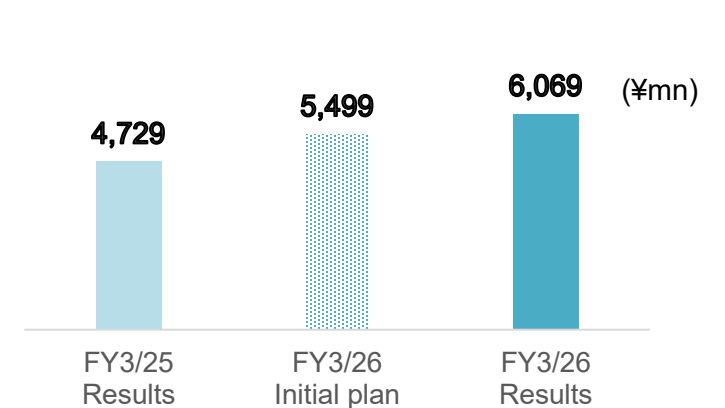


Profit attributable to owners of parent

vs. Initial plan **+ 10.4%**

(Main factors)

- Operating profit and ordinary profit performed strongly
- Impairment losses were recorded on fixed assets, including those related to land for the Saitama Plant and certain dispensing pharmacy stores



Consolidated Profit and Loss (P/L)

(¥mn)

| | FY3/25 | FY3/26 Initial plan | FY3/26 Results | vs. FY3/25 | | vs. Initial plan | |
|--|----------------|------------------------|-------------------|-----------------|----------------|------------------|----------------|
| | | | | Change | Change % | Change | Change % |
| Net sales | 149,542 | 157,976 | 159,664 | + 10,122 | + 6.8% | + 1,687 | + 1.1% |
| Healthcare Services | 76,935 | 81,678 | 81,799 | + 4,863 | + 6.3% | + 120 | + 0.1% |
| Pharmacy Services | 58,049 | 61,206 | 62,870 | + 4,821 | + 8.3% | + 1,663 | + 2.7% |
| Environmental Services | 14,389 | 14,927 | 14,837 | + 447 | + 3.1% | -90 | -0.6% |
| Others | 168 | 162 | 157 | -10 | -6.4% | -5 | -3.1% |
| Operating profit | 8,193 | 8,216 | 9,382 | + 1,189 | + 14.5% | + 1,165 | + 14.2% |
| Healthcare Services | 7,130 | 7,908 | 8,546 | + 1,415 | + 19.9% | + 638 | + 8.1% |
| Pharmacy Services | 2,378 | 1,986 | 2,430 | + 51 | + 2.2% | + 443 | + 22.3% |
| Environmental Services | 1,230 | 1,239 | 1,232 | + 2 | + 0.2% | -7 | -0.6% |
| Others | -11 | -7 | -23 | -11 | - | -16 | - |
| Adjustments | -2,534 | -2,911 | -2,803 | -268 | - | + 107 | - |
| Ordinary profit | 8,825 | 8,590 | 10,098 | + 1,272 | + 14.4% | + 1,507 | + 17.6% |
| Profit attributable to owners of parent | 4,729 | 5,499 | 6,069 | + 1,339 | + 28.3% | + 569 | + 10.4% |

*In the fiscal year ended March 31, 2026, the Company finalized the provisional accounting treatment for a business combination, and the finalized figures have been reflected in the fiscal year ended March 31, 2025.

Consolidated Financial Status (B/S)

- ✓ Liabilities increased due to financing activities associated with the share buyback carried out in November 2025, while net assets shrank after these shares were cancelled
- ✓ **The financial position remained stable and an improvement in capital efficiency drove a 1.7pp rise in ROE**

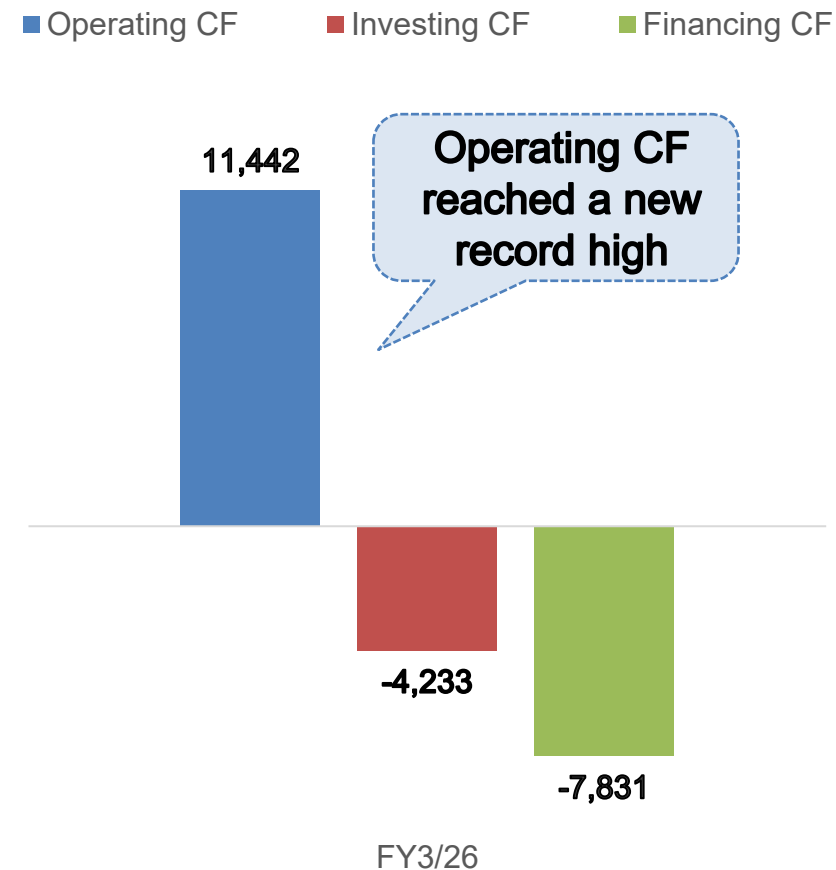
| | FY3/25 | FY3/26 | Change | (¥mn) |
|-------------------------------------|---------|---------|---------|-------|
| Current assets | 56,311 | 57,434 | + 1,122 | |
| Non-current assets | 57,977 | 57,261 | -716 | |
| Total assets | 114,289 | 114,695 | + 406 | |
| Current liabilities | 23,153 | 25,003 | + 1,850 | |
| Non-current liabilities | 5,293 | 5,260 | -32 | |
| Total liabilities | 28,447 | 30,264 | + 1,817 | |
| Total net assets | 85,841 | 84,431 | -1,410 | |
| Total of liabilities and net assets | 114,289 | 114,695 | + 406 | |
| Equity ratio | 74.5% | 73.0% | -1.5pp | |
| Current assets | 5.5% | 7.2% | + 1.7pt | |

*In the fiscal year ended March 31, 2026, the Company finalized the provisional accounting treatment for a business combination, and the finalized figures have been reflected in the fiscal year ended March 31, 2025.

Consolidated Cash Flow (C/F)

(¥mn)

| | FY3/25 | FY3/26 | Change |
|--|---------|--------|--------|
| Cash flows from operating activities | 10,096 | 11,442 | +1,345 |
| Cash flows from investing activities | -11,411 | -4,233 | +7,178 |
| Cash flows from financing activities | -5,197 | -7,831 | -2,633 |
| Net decrease in cash and cash equivalents | -6,522 | -548 | +5,973 |
| Cash and cash equivalents at end of period | 23,885 | 23,417 | -468 |



Capital Investment Results

(¥mn)

| | FY3/25 | FY3/26 | | FY3/27 (planned) | |
|---------------------|--------|--------|--------|---------------------|----------|
| | | | Change | | Change % |
| Capital investments | 4,428 | 4,018 | -410 | -9.3% | 5,865 |
| Depreciation | 4,875 | 4,782 | -93 | -1.9% | 4,906 |

(Breakdown of capital investments)

Others

Plant construction expenses

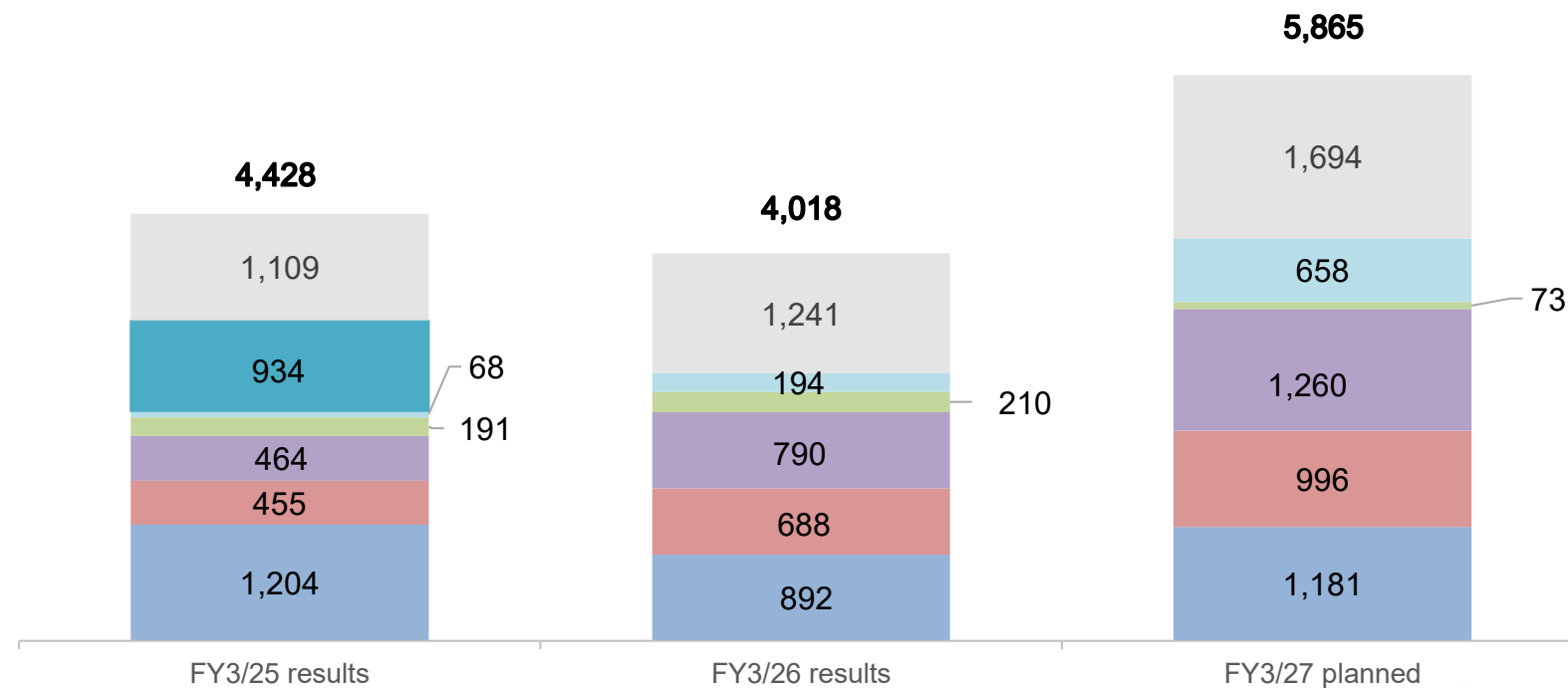
New site openings and facility renovation in the elderly care business

New dispensing pharmacy openings

System-related

Plant equipment, etc.

Rental materials



FY3/27 Results Outlook

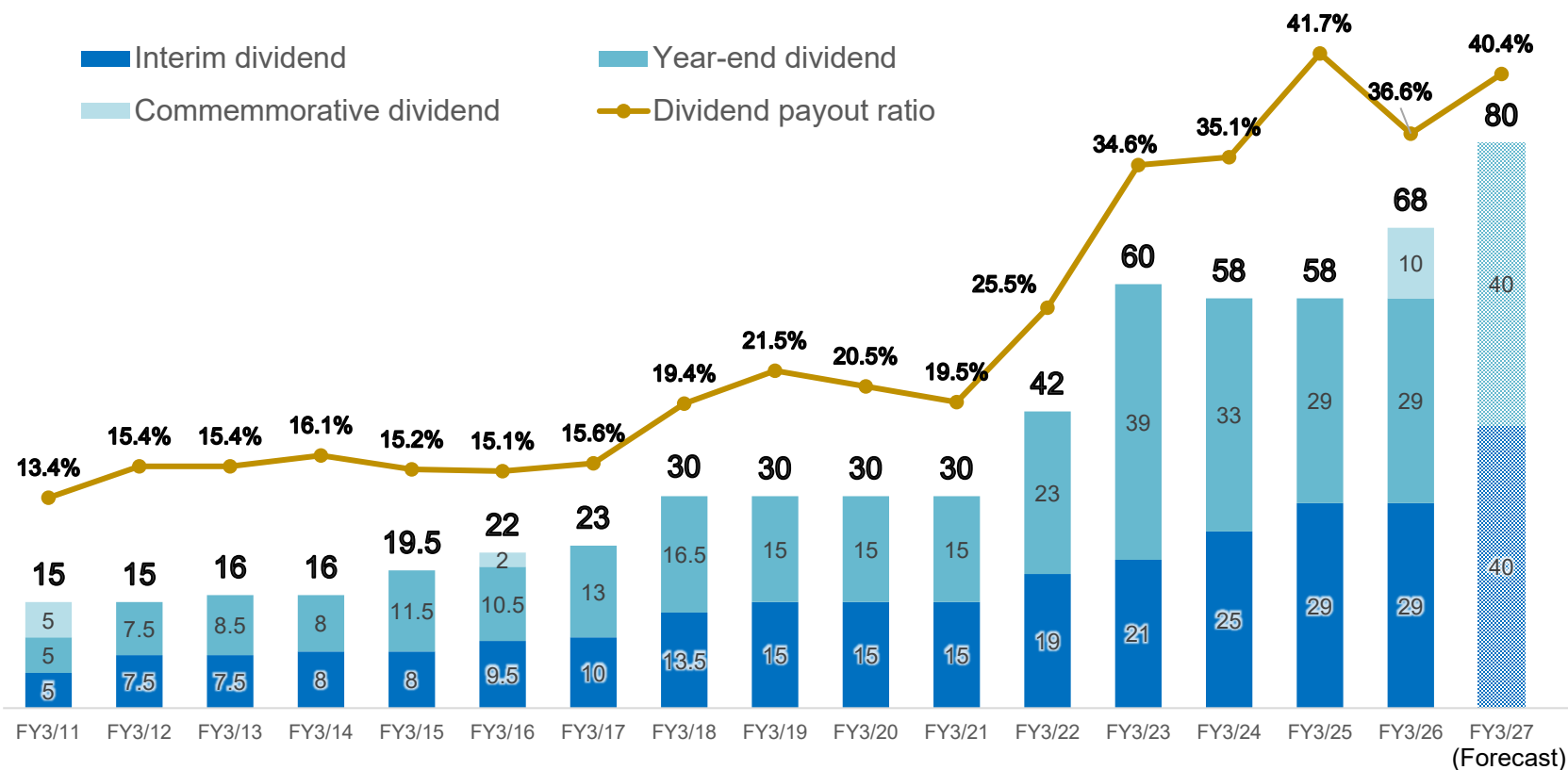
- ✓ Operating profit is expected to shrink, considering factors such as revisions to pharmaceutical dispensing fees and changes to the cost environment due to the escalating situation in the Middle East. However, the Company will strive to absorb negative impacts through efforts such as expanding rental businesses, optimizing service provision prices, and advancing DX to boost operational efficiency
- ✓ Profit attributable to owners of parent projected to increase YoY due to the absence of impairment losses recorded in FY3/26

(¥mn)

| | FY3/26 | FY3/27 (Forecast) | vs. FY3/26 | | (Reference) FY3/28 Mid-Term Goals |
|---|---------|----------------------|------------|----------|---|
| | | | Change | Change % | |
| Net sales | 159,664 | 165,400 | + 5,735 | + 3.6% | ¥170bn |
| Operating profit | 9,382 | 8,985 | -397 | -4.2% | ¥9.5bn |
| Ordinary profit | 10,098 | 9,437 | -660 | -6.5% | |
| Profit attributable to owners of parent | 6,069 | 6,117 | + 48 | + 0.8% | |

Shareholder Returns ~Changes to the Dividend Policy in FY3/27~

- ✓ In FY3/26, the payment of 70th anniversary commemorative dividends and a share buyback totaling about ¥6.3bn increased the total payout ratio to 140.4%
- ✓ In FY3/27, the target dividend payout ratio will be raised from 35% to 40% and a progressive dividend policy will be introduced
 → The total annual dividend is projected to increase ¥12 YoY to ¥80, with a dividend payout ratio of 40.4%



In FY3/27 Dividend Policy

A target dividend payout ratio

35 % → 40 %

Introducing the Progressive Dividend Policy

*On January 1, 2018, the Company executed a two-for-one split of ordinary shares. Therefore, the figures for dividend per share shown above have been adjusted based on the assumption that said split occurred at the start of FY3/11.

Appendix

TOKAI Group's Business Domains

Supporting medical and elderly care front lines

- Bedding and linen supply for medical institutions and nursing care facilities
- Nursing assistance
- Distribution management within hospitals
- Food supply
- Hospitalization and residence sets
- NEXSURG (surgical linen reuse)
- Cleaning



Supporting independent living for seniors

- Rental and sales of elderly care equipment
- Home modification (barrier free conversion)
- Rehabilitation-type daycare service



Supporting the health of the local community

- Pharmacy / At-home dispensing services
- Drugstores



Supporting clean daily living










- Bedding and linen supply for accommodation facilities
- Development and sale of labor-saving equipment for linen supply factories
- Aqua Clara (water server rental and water home delivery)
- Leasekin (environmental beautification equipment rental)

<Reference> Business Segments

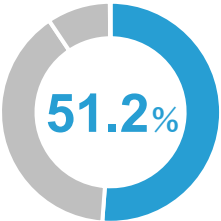
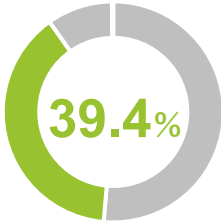
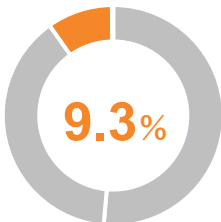
| Healthcare Services | | Pharmacy Services | Environmental Services |
|---|--|--|--|
| <ul style="list-style-type: none"> ● Bedding and linen supply for medical institutions and nursing care facilities ● Nursing assistance ● Distribution management within hospitals ● Food supply ● Hospitalization and residence sets ● NEXSURG | <ul style="list-style-type: none"> ● Rental and sales of elderly care equipment ● Home modification ● Rehabilitation-type daycare service | <ul style="list-style-type: none"> ● Bedding and linen supply for accommodation facilities ● Development and sale of labor-saving equipment for linen supply factories ● Aqua Clara | <ul style="list-style-type: none"> ● Pharmacy / At-home dispensing services ● Drugstores |
| | | | <ul style="list-style-type: none"> ● Leasekin ● Cleaning |

TOKAI Group: Business History

Established in 1955 as Tokai Mengyo Co., Ltd. (company name changed to TOKAI Corp. in 1975)

| | | | | | | | | |
|---------------|---|--|---|---|--|---|--------------------------|------------------------------|
| Healthcare | <p>1955 Started bedding rental service During the era of high economic growth, supplied rental futons for workers' quarters at construction sites.</p> | | Bedding and Linen Supply Business | | | | | |
| | <p>1962 Started bedding rental business for hospitals After outsourcing of hospital bedding facilities was approved in 1961, started rental of bedding for hospitals.</p>  | <p>1962 Started hospital food supply business After outsourcing of hospital food services was approved in 1986, started offering services in TOKAI's food supply business division (now Tokai Foods Co., Ltd.).</p>  | <p>2005 Started surgical linen rental business (NEXSURG.).</p>  | <p>2011 Full-scale development of hospitalization and residence sets.</p> | Hospital Business | Food Supply Business | | |
| | <p>1962 Pursued full-scale development of elderly care equipment rental business Expecting market growth due to increased demand accompanying the enactment of the Long-Term Care Insurance Act in 2000 and the further aging of society, the Group enhanced its system by establishing Elderly Care Equipment Business divisions at all TOKAI branches.</p>  | <p>1996 Pursued full-scale development of elderly care equipment rental business Expecting market growth due to increased demand accompanying the enactment of the Long-Term Care Insurance Act in 2000 and the further aging of society, the Group enhanced its system by establishing Elderly Care Equipment Business divisions at all TOKAI branches.</p> | <p>2003 Started Aqua Clara Business which provides a water delivery service.</p>  | <p>2005 Started Cleaning Equipment Manufacturing Business by incorporating PUREX Co., LTD. into the Group.</p>  | <p>2024 Entered the rehabilitation-type daycare service business by incorporating mik japan Co., Ltd. into the Group.</p> | Active business expansion via opening own stores and M&A | | Elderly Care Business |
| | | | | | Aqua Clara Business | Cleaning Equipment Manufacturing Business | | |
| | Pharmacy | <p>1995 Started Dispensing Pharmacy Business At a time when separation of medical and pharmacy services was being strongly recommended by the Ministry of Health and Welfare (now the Ministry of Health, Labour and Welfare), there was an expectation among client medical institutions that the Company would open dispensing pharmacies, and in response to this, it established Tanpopo Pharmacy Co., Ltd.</p>  | <p>2012 Pursued full-scale development of at-home dispensing services.</p> | <p>2020 Took steps to offer online medication guidance at all stores.</p> | <p>2022 Launched official LINE account.</p> | Dispensing Pharmacy Business | | |
| | | | | <p>2024 Entered drugstore business by incorporating mik japan Co., Ltd. into the Group.</p> | Drugstore Business | | | |
| Environmental | | <p>1968 Started dust control product rental business As the concept of dust control became more widespread in the 1960s due to the Westernization of daily life in Japan, the Group leveraged its expertise in rental business and laundry facilities to enter the dust control business. It formed the Leasekin enterprise chain based on a franchise system and started developing it nationwide.</p>  | <p>1985 Started Cleaning Business To expand the business and meet building maintenance needs, a subsidiary that handled Leasekin chemical products was established as a new corporation offering comprehensive building maintenance services (now T-assist Co., Ltd.).</p>  | <p>2014 Focused efforts on developing and expanding sales of toilet-related products with the aim of becoming number one in Japan in this area.</p> | <p>2013 Bilmen Co., Ltd.* was incorporated into the Group to expand the business foundation in related areas.</p> <p>*On April 1, 2025, this company ceased to exist due to an absorption-type merger with T-assist Co., Ltd. as the merging company.</p> | Leasekin Business | Cleaning Business | |
| | | | <p>2012 Started Solar Power Business</p> | Solar Power Business | | | | |

Segment-based Business Composition and Description

| | Segment-based business composition | Business composition by segment | | Business description | Positioning of the portfolio |
|---------------|---|---------------------------------|--------------------------|---|------------------------------|
| Healthcare |  | 27.6% | Hospital | Rental of hospital bedding and white coats and contracted medical-related services including linen supply, nursing assistance, and distribution management within hospitals. Rental of bedding to nursing care facilities | Stable earnings |
| | | | Bedding and Linen Supply | Bedding rental and linen supply service to accommodation facilities such as hotels | Growth drivers |
| | | 17.7% | Elderly Care | Elderly Care Equipment Rental Elderly care equipment rental and sales and home modification services based on the Long-Term Care Insurance System Rehabilitation-Type Daycare Services Operation of Mik Kenko-no-Mori rehabilitation-type daycare service facilities aimed at maintaining and improving the physical functions of elderly people | Growth drivers |
| | | | Food Supply | Food supply in medical institutions and nursing care facilities | Profitability enhancement |
| | | 2.6% | Others | Cleaning Equipment Manufacturing Business Development and manufacturing of machinery and equipment for finishing processes that contribute to reducing labor and increasing efficiency at cleaning plants Aqua Clara Business Aqua Clara water delivery service and others | — |
| Pharmacy |  | 36.7% | Dispensing Pharmacy | Operation of Tanpopo Pharmacy dispensing pharmacies, primarily located near medical institution entrances | Profitability enhancement |
| | | 2.7% | Drugstore-Related | Operation of community-focused Drug Mik drugstores in the Kansai area | — |
| Environmental |  | 5.5% | Leasekin | Operation of a nationwide franchise for rental of Leasekin-brand environmental beautification products | Profitability enhancement |
| | | 3.4% | Cleaning | Operation of building cleaning and management services focused on medical institutions and nursing care facilities | Stable earnings |
| | | 0.3% | Others | Solar Power Business: electricity retail business using solar power installed on companies' own premises, etc. and others | — |

*Segment composition indicates the percentage of FY3/26 consolidated net sales. In addition to the above, there are also businesses not included among reporting Segments.

For inquiries regarding these materials and other IR matters:

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