



To whom it may concern

June 27, 2017

TOKAI Holdings Corporation

Katsuhiko Tokita, President & CEO

(Code No. 3167 Tokyo Stock Exchange First Section)

Providing One-Stop Application Platforms for Local Governments

—Drastically Reducing Construction/Management Burdens of LGWAN Application Providers—

TOKAI Communications Corporation (hereinafter "TOKAI COM"), a wholly owned subsidiary of TOKAI Holdings Corporation, will start providing "BroadCenter LGWAN-Hosting Service" to operators engaged in development and management of applications for local governments.

In preparation for information linkage between administrative organizations for the My Number system scheduled for July 2017, local governments across Japan are working to shift to applications ("LGWAN-ASP") that operate on the Local Government Wide Area Network ("LGWAN") as a replacement for Internet applications for security reasons.

Construction of LGWAN-ASP requires extensive knowledge and knowhow about LGWAN such as designing of platforms meeting requirements unique to LGWAN and various applications for network connections.

The BroadCenter LGWAN-Hosting Service drastically reduces burdens of application providers in the construction of service environment by centrally providing a platform environment (facilities, hosting, and communications) meeting high security requirements for LGWAN.

* For more details about the service, please refer to the attached press release issued by TOKAI COM.

TOKAI COM will continue providing comprehensive ICT solutions based on the Group's data centers and wide area optical fiber networks by leveraging its vast experience in development and management of ICT solutions as well as technologies and knowhow cultivated from many years of experience as a system integrator.





To whom it may concern

TOKAI Communications Corporation

Start of "BroadCenter LGWAN-Hosting Service" Providing Application Services to Local Governments across Japan on LGWAN

— Realizing Secure and Stable Service Platform and Reducing Burdens of Application Providers—

TOKAI Communications Corporation (President & CEO: Katsuhiko Tokita; hereinafter the "Company") will launch "BroadCenter LGWAN-Hosting Service" on June 27, 2017 that enables providers of application services to local governments ("application providers") to realize a secure and stable service platform and provide application services to local governments across the country on LGWAN*1.

The BroadCenter LGWAN-Hosting Service is designed to provide one-stop services by combining communications services and facility services which have been registered as LGWAN-ASP service*² by the Company, with data center services including virtual server services. The BroadCenter LGWAN-Hosting Service has been registered on the list of LGWAN-ASP hosting service after screening by the Japan Agency for Local Authority Information Systems (J-LIS).

The service enables application providers to provide application services on LGWAN, construct service platforms at lower cost compared to in-house development, and significantly reduce management workloads.

1. Background for service provision

The Ministry of Internal Affairs and Communications ("MIC") is working to fundamentally strengthen the information security measures to anticipate information linkage between administrative agencies for the My Number system scheduled for July 2017. As part of measures to improve the resilience of local governments' information system, the MIC has been promoting the separation of LGWAN and Internet networks. The new service is designed for LGWAN connections.

In order to use application services provided by application providers, each local government is required to use the services via LGWAN, which is a closed network dedicated for local governments. Therefore, there is high expectation for further enhancement of application services on LGWAN.

2. Overview of service

The BroadCenter LGWAN-Hosting Service is designed to provide a platform to provide applications to local governments across Japan via LGWAN.

(1) Name

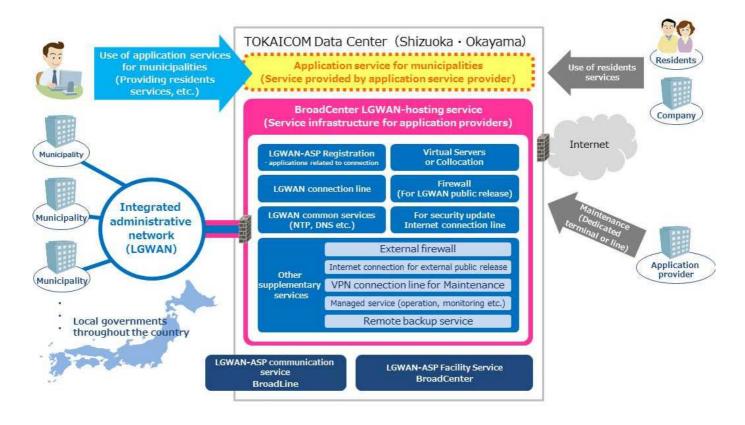
BroadCenter LGWAN-Hosting Service

(2) Characteristics

• Application services can be provided to local governments across the country.

- The Company holds all service components (communications, data centers, cloud services) and provides one-stop services at low cost.
- The Company has extensive track records as an LGWAN-ASP service provider.
- The Company has extensive experience in providing services to many local governments including the
 construction and management of Shizuoka Prefecture Local Government Information Security Cloud and is
 capable of providing secure and stable services to local governments by leveraging its experience and
 knowhow.
- (3) Service launch June 27, 2017
- (4) Price
 Individual estimates (Please contact our sales representative.)

3. Service image



4. Future activities

- Sales expansion in collaboration with application providers (e.g. mutual support for sales areas)
- Proposal and support for construction of joint services for multiple local governments
- Planning, development, and provision of new services for local governments
- Addition of optional services, ongoing expansion of services, improvement of quality, and more

*1 LGWAN

LGWAN stands for Local Government Wide Area Network and is operated by J-LIS. LGWAN is a high security network for administrative institutions aimed at mutually connecting internal networks of local governments, streamlining communications among local governments, and facilitating advanced use of information through information sharing.

*2 LGWAN-ASP service

LGWAN-ASP service is designed to provide various administrative services and environment (lines, facilities, and hosting) to local government employees who are users via LGWAN. Obtaining qualification for LGWAN-ASP service requires application to J-LIS and registration as LGWAN-ASP service.

* The company name, product name, service name, logo, etc. as listed are trademarks or registered trademarks of each company.

[Inquiries regarding the service]

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