July 13, 2016

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

To whom it may concern

Launching Cloud Services using Linux OS That Includes Support Services for the First Time in Japan

TOKAI Communications Corporation (hereinafter "TOKAI Communications"), a wholly owned subsidiary of TOKAI Holdings Corporation, hereby provides notice that it will begin providing cloud services using Miracle Linux Corporation's (hereinafter "Miracle Linux") Linux OS with support services, as described in the attachment.

Offering "Japanese-quality" technology and support, Miracle Linux provides Linux OS, which can be employed in a variety of domains including on-premises (where companies own and operate the systems internally), cloud, and embedded applications.

Within the cloud services sector in the global market, Linux OS is reported to have about three times* the installation rate of Windows OS due to its superior performance regarding functionality, security, and cost.

TOKAI Communications has recently earned high marks among Japanese cloud service operators, such as for its customer appeal and for offering services encompassing data centers, telecommunications, and system integration. It concluded the Miracle Linux Partnership Agreement with Miracle Linux on May 1. Through this agreement TOKAI Communications, as a cloud service operator, will begin providing cloud services using Linux OS that includes support services for the first time in Japan.

Until now, cloud services using Linux OS resulted in requiring customers and vendors to have individual licensing agreements, or insufficient product support. However, this partnership with Miracle Linux makes it possible to use the inexpensive Linux OS in a cloud environment including product support. This makes the acquisition of Linux users even easier than before.

As the use of cloud services has spread in recent years, we plan to continue proposing one-stop, multifaceted ICT solutions to meet the needs of corporate customers.

*Source: According to the "2014 Enterprise End User Trends Report," produced by the Linux Foundation and the Yeoman Technology Group, over 75% of companies use Linux for their cloud platforms. By comparison, 24% use Windows, and fewer than 2% use UNIX.

Contact: Yoshihiro Taniguchi
Public Relations and Investor Relations Office
TEL: +81-(0)54-669-7676
Email: overseas_IR@tokaigroup.co.jp

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TOKAI Communications Corporation
Miracle Linux Corporation

To whom it may concern

Launching Miracle Linux's Enterprise Linux OS on TOKAI Communications' Cloud Service

Strengthen Partnership, Promote Support Services and OSS Business Development

TOKAI Communications Corporation (Headquarters: Shizuoka City, Shizuoka; President & CEO: Katsuhiko Tokita; hereinafter "TOKAI Communications") and Miracle Linux Corporation (Headquarters: Shinjuku-ku, Tokyo; President & CEO: Tatsuo Ito; hereinafter "Miracle Linux") will begin providing Miracle Linux's Enterprise Linux OS*1 "Asianux Server 4 == MIRACLE LINUX V6" and support services on TOKAI Communications' "BroadCenter CloudPlatform Service VM Series (hereinafter, "CloudPlatform VM"). As a result, on "CloudPlatform VM", customers will become possible to select a virtual machine installed Linux OS which including support services where, reducing the operating costs for customers.

"CloudPlatform VM" offers a lineup of multiple plans where a Windows or Linux OS is installed on a virtual machine. Until now, Linux plans were compatible with the Red Hat Enterprise Linux (hereinafter "RHEL")*2 and CentOS*3 Linux OS, but the RHEL license required individual agreements between customers and vendors, and CentOS did not provide product support, leading to challenges when trouble arose or when addressing security risk issues.

With the current addition of Miracle Linux "Asianux Server 4 == MIRACLE LINUX V6" to the lineup, "CloudPlatform VM" customers will have the additional option of using inexpensive Linux OS with product support, and configuration of commercial systems can be achieved more easily. With the high-quality support that sets Japanese manufacturers apart, it will become possible to use Linux OS on the cloud without concern.

TOKAI Communications and Miracle Linux plan to strengthen our partnership and continue collaborating in various ways, including ensuring compatibility with the most recent version of Linux OS and joint development of a template that can automatically configure to the "BroadCenter CloudPlatform Service." Through these initiatives, we will give customers additional cloud options that they can use with peace of mind, and proactively support corporate customers who are considering using the cloud.

[REFERENCE]

■ About the BroadCenter CloudPlatform Service

The BroadCenter CloudPlatform Service is an IaaS-type cloud service on the VMware platform, with extensive deployment across manufacturing, distribution, finance, and other sectors. The cloud service has a high degree of flexibility, being compatible with a host of connection formats and applications for corporate customers. In response to customer demand, TOKAI Communications provides a managed cloud service for virtual server configuration and modification work.

In addition to "VM Series (CloudPlatform VM)," launched using Miracle Linux's Linux OS, the lineup includes "VR Series (CloudPlatform VR)," a cloud platform of the Shizuoka Data Center, and "VC Series (CloudPlatform VC)," offering proprietary customer environments using bare-metal servers, thereby providing optimal cloud services tailored to customer applications.

http://www.broadcenter.jp/cloudservice/cloudplatform_vm/

■ About TOKAI Communications Corporation

TOKAI Communications owns a fiber-optic network and multiple data centers, and provides a broad range of solutions based on technology and expertise built up over many years as a systems integrator. TOKAI Communications provides diverse support of customers' businesses on a one-stop basis, both upper and lower process, from systems design and construction through operation and maintenance.

■ About Miracle Linux Corporation

Through "Japanese-quality" technologies and support, Miracle Linux provides enterprise Linux OS, which can be employed in a variety of domains including on-premises, cloud, and embedded applications. In addition to a track record of adoption in the enterprise field spanning a broad range of businesses, such as telecommunications, the public sector, and finance, the company is applying the kernel technology of Linux OS to various fields to expand the track record of embedded Linux OS to car navigation, vending machines, healthcare terminals, and video distribution equipment, as well as digital signage players. Miracle Linux is actively working to invigorate open source, such as by developing integrated monitoring tools and backup software for companies on an open-source basis, developing integrated operating software, and releasing open-source projects to the community.

*1 Linux OS is a computer operating system (OS).

*2 Red Hat Enterprise Linux (RHEL) is the commercial Linux distribution for companies (packages that include kernels, which are a core of an OS, as well as libraries, software, etc. that an OS requires to operate) that is developed and sold by Red Hat, Inc.

*3 CentOS is a free (gratis) Linux distribution developed based on Red Hat Enterprise Linux (RHEL) source code and fully compatible with RHEL.

Notes: The MIRACLE LINUX name and logo are registered trademarks of Miracle Linux Corporation.
Linux is a registered trademark or trademark of Linus Torvalds in Japan and other countries.
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[For enquiries regarding the service]
Cloud Services Department, Infrastructure Platform Division,
Engineering Headquarters
TOKAI Communications Corporation
TEL: +81-(0)120-261-011 E-Mail: info@broadcenter.jp
URL: http://www.broadcenter.jp/ (Japanese only)

Representative Shiina Sasaki, Marketing Communication Department
Miracle Linux Corporation
TEL: +81-(0)3-6205-9530 E-Mail: press@miraclelinux.com
URL: https://www.miraclelinux.com/company/english