



September 9, 2016

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

To whom it may concern

Service Agreement Entered with Susono City, Shizuoka

Use of a nuisance call filtering service of the CATV business

TOKAI Cable Network Corporation (Headquarters: Numazu City, Shizuoka; President & CEO: Yasuhiro Fukuda; “TCN”), a wholly owned subsidiary of TOKAI Holdings Corporation that handles the Group’s CATV business, has entered into a service agreement with Susono City, Shizuoka and will launch measures utilizing the “Tobila Phone” nuisance call filtering service as a part of its contribution to the community, as described in the attachment.

1. Current Situation of the Cable Television (CATV) Business

Approximately 29,480 thousand households, or 52.3% of all households in Japan, use CATV services.¹ CATV providers play an important regional role by providing comprehensive public communication bases and media via services such as broadcasting, communications, and IP telephone services.

¹ As of March 31, 2016 (from the Ministry of Internal Affairs and Communications, Information and Communications Bureau, Regional Broadcasting Division)

2. Helping to Solve Regional and Social Issues in Partnership with Local Authorities

The TOKAI Group has expanded its CATV business to cover five prefectures in Japan, with a total of 720 thousand customers: 500 thousand customers for its broadcasting services, and 220 thousand customers for its communications services.

In particular, the Group has 390 thousand customers in Shizuoka Prefecture.

In April 2016, local authorities decided to use the Tobila Phone service provided by TCN in a model local initiative for community development, such as preventing consumer harm that results from malicious business operators.² In Shizuoka Prefecture, in addition to Yaizu City and Fuji City, TCN will now partner with Susono City.

While Susono City will provide 100 Tobila Phone service units free of charge,³ TCN will undertake operations that make use of its position as a CATV operator with strong regional ties, such as distribution of pamphlets to all households in the city describing the service, handling enquiries regarding the free installation, receiving applications, installing equipment, and

conducting post-installation maintenance.

² For details regarding this service, please refer to the September 9, 2016 release by TCN entitled “Automatically Block Suspicious Calls: Measures Utilizing the Tobila Phone Service Also Launched in Susono City.”

³ The Tobila Phone device will be provided for free, and there are no monthly usage fees for the service until March 2017.

Under the TLC (Total Life Concierge) vision, TOKAI Group comprehensively proposes various lifestyle services including energy, information and communication, and CATV services. Currently around 2.56 million customers use its services. The Group will work to improve customer satisfaction, and actively offer services and products that contribute to solving issues of local communities and society.

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TOKAI Cable Network Corporation

To whom it may concern

Automatically Block Suspicious Calls

Measures Utilizing the Tobila Phone Service Also Launched in Susono City

TOKAI Cable Network Corporation (Headquarters: Numazu City, Shizuoka; President & CEO: Yasuhiro Fukuda; hereinafter the “Company”) has entered into a service agreement with Susono City regarding using the “Tobila Phone” nuisance call filtering service in the “FY2016 Susono City Consumer Harm Prevention Initiative.”

This will mark the third city after Yaizu City and Fuji City in which the Company will implement measures in cooperation with local authorities with the intent of preventing harm such as bank transfer fraud.

1. About Tobila Phone

Consumer problems related to telephone-based scams are increasing annually. In Shizuoka Prefecture alone, in 2016 damages caused by bank transfer fraud increased by 187.25 million yen from the previous year to 550.48 million yen.¹

Against such a background, as part of local and social contribution, the Company launched the Tobila Phone service on Monday, April 11.²

The Tobila Phone service helps prevent consumer trouble by determining whether a call from an unknown number is from a nuisance caller, based on a list of nuisance call numbers³ updated daily using information provided by police, the Consumer Affairs Agency, local governments, etc.

2. Cooperation with Local Authorities

Going forward, the Company will actively work with local governments to provide the Tobila Phone service in order to prevent consumer trouble, contributing to local communities.

<<Cooperation between the Company and local authorities in FY2016>>

[Launched in September 2016]

◇ Susono City, Shizuoka Prefecture

“FY2016 Susono City Consumer Harm Prevention Initiative”

To prevent harm to its residents such as from bank transfer fraud, Susono City is offering 100 Tobila Phone devices for free to households wishing to use the Tobila Phone service.⁴

The Company has entered into a service agreement with Susono City to provide the Tobila Phone service, and to handle the process from applications to installations of the devices in 100

homes.

<Details of Tobila Phone Service in Susono City>

- Number of households: 100 households. If more than 100 households apply, priority will be given to households with elderly people (65 years old or older). If more than 100 households with elderly people apply, 100 households will be chosen by a lottery.
- Conditions for application:
 - (1) Must be a resident of Susono City (one device per household)
 - (2) Home phones must have caller ID (such as number display)
 - (3) Application period: Thursday, September 1, 2016 to Tuesday, September 20, 2016
- Contact: Susono City, Commercial, Industrial, and Tourism Section
TEL: 055-995-1857

[Current measures]

◇ Yaizu City, Shizuoka Prefecture

“FY2016 Yaizu City Consumer Harm Prevention Initiative”

To prevent harm to its residents such as from bank transfer fraud, Yaizu City is providing 100 Tobila Phone devices for free to households wishing to use the service.⁴

◇ Fuji City, Shizuoka Prefecture

“Fuji City Malicious Calling Prevention System Model Initiative”

To prevent harm to its residents such as from bank transfer fraud, Fuji City is providing 100 Tobila Phone devices for free to households wishing to use the service.⁴

¹ From the home page of the Shizuoka Prefectural Police Department (as of August 24)

² The Company provides the Tobila Phone service to the following 16 areas:

Gotemba City, Susono City, Numazu City, Mishima City, Izu City, Izunokuni City, Fuji City, Fujinomiya City, Shizuoka City, Yaizu City, Fujieda City, Shimada City, Nagaizumi Town, Shimizu Town, Kannami Town, Oyama Town

³ The nuisance caller number database is provided and managed by Tobila Systems, Inc. (Headquarters: Naka-ku, Nagoya City, Aichi; President & CEO: Atsushi Akita).

⁴ The Tobila Phone device will be provided for free, and there are no monthly usage fees for the service until March 2017.

For standard fees and service details please see the following link (Japanese only).

<http://www.thn.ne.jp/tobiraphone/>

[For enquiries regarding the service]

TOKAI Cable Network Corporation

TEL: 0120-696-942 (Toll free number within Japan only, 9:30-18:30 JST)

Reference

<About Tobila Phone>

Block Nuisance Calls!

Tobila Phone

■Image of the device



The Tobila Phone is designed to help protect customers from wasting time and threats to their assets associated with malicious nuisance calls and telesales.

■Features

(1) Block Nuisance Calls!

The technology that is designed to prevent nuisance calls determines whether calls are suspicious, and enables rejection of unknown nuisance caller numbers. *There are currently 25 thousand registered nuisance caller numbers.

(2) Simple Installation

Simply connect it to your existing telephone and the Tobila Phone is ready for use.



(3) Simple Operation: See how safe an incoming call is at a glance

Color-coded LED lights on the phone indicate how safe a caller number is at a glance!



Flashing green light

When a call is received from a number you have registered, the LED flashes green, indicating that the call is safe.



Flashing yellow light

When a call is received from a payphone, or a number that is not on the nuisance caller number list, the LED flashes yellow, indicating that the safety of the call is unknown.



Flashing red light

When a call is received from an undisclosed number (whether by registration or because the call is from outside the notification system area), or from a number that is on the nuisance caller number list, the LED flashes red, indicating that the call is potentially dangerous.

* In order to use this service, it is necessary to register for the caller ID notification service provided by your telephone company.

* This service does not warn you about all unwanted calls.