



May 20, 2019

To whom it may concern

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

## Acquisition of Cable Television Business Operated by Shioya Limited

TOKAI Cable Network Corporation (Headquarters: Numazu City, Shizuoka Prefecture; President: Mitsuhaya Suzuki; hereafter referred to as “TCN”), the cable television business operator in TOKAI Group, announced today that it has entered into an agreement to acquire the cable television business operated by Shioya Limited.

1. TOKAI Group’s cable television business and background of acquisition  
Since the launch of its cable television business in Shizuoka Prefecture in 1988, TOKAI Group has extended its service area to 6 prefectures: Shizuoka, Tokyo, Kanagawa, Chiba, Nagano, and Okayama. Currently, we are serving 790,000 broadcasting service customers and 270,000 communications service customers. We have supported people’s comfortable lives by combining broadcasting and communications services. In so doing, we have distributed regional information and provided multi-channel broadcasting rooted in and based on the uniqueness of each region, while providing high-speed communications services using the FTTH network.

Shioya Limited, from which we acquire the business, is a cable television operator providing broadcasting services in the areas of Kannami Town in Tagata County, Shimizu Town in Sunto County, Ohira in Numazu City, and Izunokuni City (previously Nirayama Town) in Shizuoka Prefecture. Going forward, TCN will actively make capital investment in these areas to provide high-quality triple play services\* consisting of broadcasting, communications, and telephone that combine broadcasting and communications services, as well as to take actions for advanced broadcasting such as 4K and 8K broadcasting.

\* Triple play: A single carrier provides all the three communications services--telephone and other voice communications, television and other video communications, and the Internet and other data communications--through a single line.

The Company is promoting growth strategies centered on the medium-term management plan Innovation Plan 2020 “JUMP,” whose final year is FY2020. In addition to growth of existing businesses, this plan aims to accelerate growth of the Group through leveraging. As a specific strategy, we will actively promote M&A investment totaling 100 billion yen. This transaction is part of that M&A investment plan. We will continue to aggressively pursue M&A and alliance investment in order to expand the revenue base for the core businesses of TOKAI Group, such as gas, cable television, and telecommunications.

2. Profile of Shioya Limited

(1)	Name	Shioya Limited	
(2)	Address	140 Oba, Mishima City, Shizuoka Prefecture	
(3)	Title and name of representative	President Kazumasa Shioya	
(4)	Business description	Cable television business and its ancillary business, sales of home appliances, real estate leasing and management	
(5)	Capital stock	3 million yen	
(6)	Date of establishment	January 28, 1959	
(7)	Relationship between this company and us	Capital relationship	None
		Personnel relationship	None
		Business relationship	We have transactions with this company related to video transmission.

3. Schedule

(1)	Date of conclusion of contract	April 19, 2019
(2)	Date of transfer of business	October 1, 2019 (scheduled)

4. Future outlook

The impact of this transaction on the Company's consolidated results for the year ending March 2020 is recognized as immaterial.

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