



February 26, 2016

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

To whom it may concern

Development of Cable TV Broadcasting Business Growth Strategy Based on Effectively Using Proprietary Fiber-Optics

Launch of Channel Dedicated to 4K, “Cable 4K,” on February 26, 2016

TOKAI Cable Network Corporation (Headquarters: Numazu City, Shizuoka; President & CEO: Yasuhiro Fukuda; “TCN”), a wholly owned subsidiary of TOKAI Holdings Corporation (Headquarters: Shizuoka City, Shizuoka; President & CEO: Katsuhiko Tokita) that handles cable TV operations, launched broadcasts of “Cable 4K,” a channel dedicated to 4K, on February 26, 2016.

1. “Cable 4K,” a Dedicated 4K Channel¹

Cable 4K is a channel that broadcasts stunning 4K images of the culture and beauty of Japan’s regions nationwide, using primarily original programs created by more than 110 Japanese cable TV providers from various regions (as of December 31, 2015, 44 providers had adopted 4K broadcasting).

The broadcasting programming will include popular channels with high entertainment value produced by program providers, such as Channel Ginga, the History Channel™, and Family Gekijo.

For details regarding the service, please refer to TCN’s press release on Friday February 26, 2016, “TOKAI Holdings Launches ‘Cable 4K’ Broadcasting: A Cable TV Industry-Shared Channel Dedicated to 4K.”

2. Growth Strategy of CATV Service Effectively Using Proprietary Fiber Optics

TCN has been laying its own fiber optic cables since 2006, in preparation of the combination of broadcasting and communications, and improved service, and has completed construction of a fiber optic network within its service area.

Currently, TCN offers combined broadcasting, communications, and telephone services using a fiber optic pass-through system².

In addition to 4K and 8K broadcasting, this enables next-generation broadcasting and communications services such as Hybridcast³, and mobile data offloading⁴. By expanding our service offerings, we plan to efficiently increase market share and improve

profitability.

3. Winning New Customers for CATV Broadcasting Services

Under the concept of TLC (Total Life Concierge), TOKAI Group aims to propose comprehensive lifestyle products and services, such as energy, information and communications, CATV services. By being a one-contract, one-stop service provider, we aim to build closer relationships with customers, and contribute to enriching and convenient lifestyles.

By adding the new “Cable 4K” service to the line-up of services in the broadcasting business, TCN aims to meet the diverse needs of an even broader range of customers.

In addition, TOKAI Group will work to vigorously attract new CATV customers using TOKAI Smart Plus, a new service from April 2016, which provides value plans for electric power offered with other services.

4. Impact on Earnings

No changes have been made to the most recent consolidated earnings forecasts for the fiscal year ending March 31, 2016.

- 1 4K: horizontal resolution of about 4,000 pixels.
- 2 Fiber optic pass-through system: technology that uses optical fiber cables to enable broadcast feeds received by cable TV stations to be directly received by tuners inside TV recorders.
- 3 Hybridcast: a service aimed at next-generation smart TVs, which links communications and broadcasting, and makes large volumes of information and data available via the Internet.
- 4 Mobile data offloading: the use of WiFi with high data capacity to handle traffic from mobile data communications (packet communication volume).

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TOKAI Cable Network Corporation
Toco Channel Shizuoka Corporation

To whom it may concern

TOKAI Group Launches “Cable 4K” Broadcasting

A Cable TV Industry-Shared Channel Dedicated to 4K

TOKAI Cable Network Corporation (Headquarters: Numazu City, Shizuoka; President & CEO: Yasuhiro Fukuda)¹, and subsidiary Toco Channel Shizuoka Corporation (Headquarters: Shimizu-ku, Shizuoka City, Shizuoka; President & CEO: Yuji Kondo)(hereafter the two companies will be referred to as the “Group”) have been conducting test broadcasting of “Cable 4K,” a cable TV industry-shared channel dedicated to 4K, since Tuesday, December 22, 2015. As of Friday, February 26, 2016, the Group began regular broadcasting of this channel on Channel 401, the Group’s CS Digital broadcasting service.

“Cable 4K” is the cable TV industry’s first shared national 4K broadcasting channel. The channel will broadcast the “Cable Nippon” documentary series and other programming with high entertainment value produced by content providers, such as Channel Ginga, Family Gekijo, and the History Channel™, focused on original programming created from the perspectives of cable TV producers with roots in local communities.



Cable Nippon is a documentary series produced as a collaboration between cable TV stations across Japan and Japan Cable and Telecommunications Association.

The initiative was launched in 2010, and 4K content production began in 2014. Under the 2015 theme of “Waza Japan,” the series captures the skills of local craftspeople throughout Japan.

Outline of Cable 4K

Channel name	“Cable 4K”
Channel logo	
Channel number	CS401 ch
Broadcast launch	Friday, February 26, 2016 ※Broadcast time: Daily from 6am to midnight (18 hours per day)

Content (selected examples)	<p>◆ Cable Nippon Waza JAPAN “Bringing Tradition into the Future: The Independent Craftspeople of Ornamental Sumo Aprons”</p>  <p>◆ Rekishi Tanbou “Takeda Shingen”</p> <p>Public sculpture of Takeda Shingen</p> <p><small>*Programs produced in collaboration with Atsugi Isehara Cable Network and LCV Corporation (Group companies)</small></p>
	<p>◆ Seibu Keisatsu Zenkoku Caravan!! A pilgrimage to filming locations (Out of 10 stories, four stories broadcast in February regarding Osaka/Kobe, Miyagi, Shizuoka, and Mie/Nagoya.)</p>  <p>©Ishihara Promotion Inc. Provided by Channel Ginga, Family Gekijo</p>
Programming URL	http://www.cable4k.jp/

Cable 4K can be viewed by customers who have a subscription to the Group’s broadcasting service² and have installed a 4K capable set-top box³.

In conjunction with the launch of 4K broadcasting, the Group is launching the following campaign offering a free 4K capable set-top box (estimated value: 80,000 yen) to the first 55 customers to sign up.

Campaign: Free 4K set-top box for the first 55 customers
Campaign period: Friday, February 26 to Thursday, March 31, 2016
Eligibility: Customers who have a 4K capable TV or plan to buy one,⁴ and who are subscribed to the Group’s designated broadcasting or communications services (including new customers who sign up for the services during the campaign)

Designated services: Broadcasting services: Digi-pack Big Course or Digi-pack Basic Course
Communications service: Hikari de Net (1 Gbps)

¹ 4K: horizontal resolution of about 4,000 pixels.

² Covers Digi-pack Big Course and Digi-pack Basic Course broadcast services only.

³ 4K capable set-top box: a 4K capable digital set-top box with a hard disk drive. Estimated value of 80,000 yen.
(monthly rental price: 1,800 yen, with a minimum rental period of 36 months.)

⁴ Some 4K capable set-top boxes may not be able to connect to the 4K capable TVs our customers own or plan to purchase. For details, please enquire.



4K capable set-top box
Panasonic TZ-HXT700PW
HDD 2TB
Tuner: 3x double recording, single viewing
Built-in wireless LAN

As of December 31, 2015, TOKAI Group’s CATV business provides broadcasting services to 500 thousand households, and Internet services to 210 thousand households. We are developing services that are rooted in local communities, with offices (customer support centers, community channel studios, etc.) in each service area.

Under the banner of TOKAI Group’s TLC (Total Life Concierge) vision, TOKAI Group aims to be a “one-contract, one-stop” provider of comprehensive lifestyle infrastructure services, including energy centered on LP gas, Internet, CATV, Aqua (bottled water delivery), housing equipment, security, insurance, and nursing care services, to the TOKAI Group’s customer base of 2,550 thousand households throughout Japan (as of December 31, 2015).

Going forward, TOKAI Group will work to improve the range of comprehensive lifestyle infrastructure services and the variety of bundled products that it offers. This newly launched Cable 4K service will be the latest addition to that lineup, to meet the diverse needs of a broader range of customers.

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