



October 18, 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 Shimada City  
and Shuchigun Morimachi, 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 Shimada City and Shuchigun Morimachi, 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.<sup>1</sup> 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.

<sup>1</sup> 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.<sup>2</sup> In Shizuoka Prefecture, in addition to Yaizu City, Fuji City and Susono City TCN will now partner with Shimada City and Shuchigun Morimachi.

While Shimada City and Shuchigun Morimachi will provide 50 Tobila Phone service units free of charge,<sup>3</sup> 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, installing equipment, and conducting post-installation maintenance.

<sup>2</sup> For details regarding this service, please refer to the October 18, 2016 release by TCN entitled “Automatically Block Suspicious Calls: Measures Utilizing the Tobila Phone Service Also Launched in Shimada City and Shuchigun Morimachi.”

<sup>3</sup> 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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## Automatically Block Suspicious Calls

### Measures Utilizing the Tobila Phone Service Also Launched in Shimada City and Shuchigun Morimachi

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

This will mark 5 municipalities according to already offered the service at Yaizu City, Fuji City and Susono 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 million yen from the previous year to 620 million yen.<sup>1</sup>

Against such a background, as part of local and social contribution, the Company launched the Tobila Phone service on Monday, April 11.<sup>2</sup>

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 numbers<sup>2</sup> 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 October 15, 2016]

◇ Shimada City Shizuoka Prefecture

“FY2016 Shimada City Unwanted Call Prevention Device Installation Initiative”

To prevent harm to its residents such as from bank transfer fraud, Shimada City is offering 50 Tobila Phone devices for free to households wishing to use the Tobila Phone service.<sup>4</sup>

The Company has entered into a service agreement with Shimada City to provide the Tobila Phone service, and to handle the process from applications to installations of the devices in 50

homes.

<Details of Tobila Phone Service in Shimada City>

- Application Period: Saturday, October 15, 2016 to Thursday, November 10, 2016
- Number of households: 50 households. If more than 50 households apply, it becomes the lottery.
- Conditions for application:
  - (1) Must be a resident of Shimada City (one device per household)
  - (2) Home phones must have caller ID (such as number display) or be able to prepare till the limit.
  - (3) A household that there is an elderly person 65 years or older.
  - (4) A person who can reply a questionnaire.

[Launched in October 17, 2016]

◇ Shuchigun Morimachi Shizuoka Prefecture

“FY2016 Shuchigun Morimachi Consumers Harm for Elderly People Prevention Initiative”

To prevent harm to its residents such as from bank transfer fraud, Shuchigun Morimachi is offering 50 Tobila Phone devices for free to households wishing to use the Tobila Phone service.<sup>4</sup>

The Company has entered into a service agreement with Shimada City to provide the Tobila Phone service, and to handle the process from applications to installations of the devices in 50 homes.

<Details of Tobila Phone Service in Shuchigun Morimachi >

- Application Period: Monday, October 17, 2016 to Friday, November 18, 2016
- Number of households: 50 households. If more than 50 households apply, it becomes the lottery.  
(Priority to household of elderly person alone or elderly person or person with a disability)
- Conditions for application:
  - (1) Must be a resident of Shuchigun Morimachi (one device per household)
  - (2) Home phones must have caller ID (such as number display) or be able to prepare till the limit.
  - (3) A person who can reply a questionnaire.

[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 provided 100 Tobila Phone devices for free to households wishing to use the service.<sup>3</sup>

◇ 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 provided 100 Tobila Phone devices for free to households wishing to use the service.<sup>3</sup>

◇ Susono City, Shizuoka Prefecture

“Susono City Consumer Harm Prevention 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.<sup>3</sup>(Under application acceptance)

<sup>1</sup> From the home page of the Shizuoka Prefectural Police Department (as of October 7)

<sup>2</sup> The nuisance caller number database is provided and managed by Tobila Systems, Inc. (Headquarters: Naka-ku, Nagoya City, Aichi: President & CEO: Atsushi Akita).

<sup>3</sup> 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)