



December 7, 2016

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

To whom it may concern

Enriching Corporate Cloud Connection Service Offerings

Launch of a connection service with the Rakuten Group's "FUSION Cloud"

As part of its "BroadLine Cloud Connection Solution," TOKAI Communications Corporation (hereinafter "TOKAI Communications"), a wholly owned subsidiary of TOKAI Holdings Corporation, is launching the "VPN Connection Service for FUSION Cloud," a service to connect with cloud services offered by the Rakuten Group as described in the attachment.

To respond to higher societal needs for cloud services, TOKAI Communications is actively promoting the development and provision of cloud connection solutions that allow for secure, high-quality connections between major cloud services—such as Amazon Web Services (AWS), Microsoft Azure, IBM SoftLayer, and Google Cloud Platform—and customer locations. With the addition of FUSION Cloud, the service lineup has expanded further.

Going forward, TOKAI Communications will continue to perceive changes in the social environment, and develop and provide services to meet customer needs to contribute to the advancement of customer businesses.

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

To whom it may concern

Launch of VPN Connection Service with Rakuten Communications' "FUSION Cloud"

**Providing package offering of rental VPN routers and configuration and monitoring for
cloud-based virtual routers**

TOKAI Communications Corporation (President & CEO: Katsuhiko Tokita; hereinafter the "Company") is launching the "VPN Connection Service for FUSION Cloud" on December 7, 2016, a service to connect with the "FUSION Cloud"¹ cloud service offered by Rakuten Communications Corp. (hereinafter "Rakuten Communications").

In recent years, as use of the cloud technology has accelerated within the scope of corporate information systems, needs for connections with major cloud services is rising. The Company actively promotes interconnection with major cloud services, and provides various telecommunications services to enable stable and high-quality connections via technologies such as dedicated lines, wide-area Ethernet, and VPN².

Against this backdrop, the Company is launching the "VPN Connection Service for FUSION Cloud," which will enable connections via internet VPN between "FUSION Cloud," provided by Rakuten Communications, and customer locations.

This service will enable low-cost internet VPN connections to the cloud by combining rental VPN routers of the Company, the Company's network, and FLET'S lines provided by Nippon Telegraph and Telephone East Corporation and Nippon Telegraph and Telephone West Corporation (hereinafter collectively "NTT East or West") with customers' virtual machines installed with virtual routers on the "FUSION Cloud" platform.

Virtual routers in the cloud will be configured prior to use by the Company for VPN communications, and the Company will also be responsible for monitoring and configuration modifications while in use. Rental VPN routers are set to automatically receive setting information when a connection is made via a FLET'S line, enabling simple VPN connections with cloud-based virtual routers. Through these offerings, customers will not be required to set up VPN equipment or perform post-installation monitoring, providing an easy and smooth path toward beginning VPN connections with "FUSION Cloud."

The Company will not stop at providing an internet VPN connection service, and is already considering initiatives to enable interconnection via closed networks between "FUSION Cloud" and

BroadLine, the Company’s own telecommunications service for carriers and corporations. The Company will work to design and promote superior connection services with higher stability and reliability.

While responding flexibly to various needs from customers, including those for hybrid and multi-cloud frameworks that combine multiple cloud services, the Company will continue to develop and provide services that its customers can use with peace of mind.

1. Service summary

(1) Service name

VPN Connection Service for FUSION Cloud

(2) Service characteristics

- Secure connections with “FUSION Cloud” via encrypted internet VPN (IPsec³) communications
- Easy installation provided with rental VPN routers and preconfigured virtual routers
- Peace of mind with maintenance (email notification upon fault detection, 24 hours a day all year round support for VPN router malfunction reports)
- Low price of 14,800 yen (excluding tax) anywhere in Japan by using FLET’S lines from NTT East or West

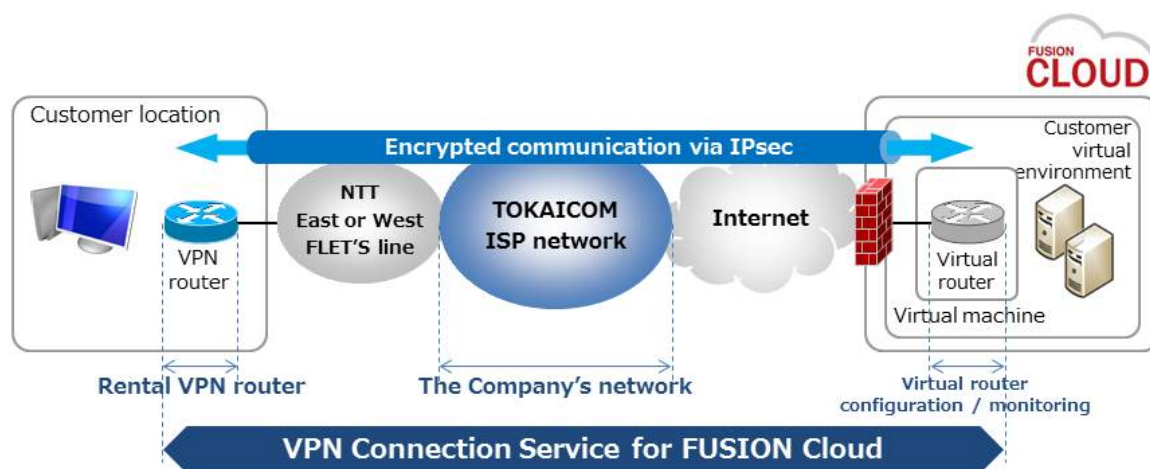
(3) Service usage fees (for each location)

Initial cost: 60,000 yen (excluding tax)

Monthly fee: 14,800 yen (excluding tax)

- * FLET’S line subscription fee separately required (direct contract between the customer and NTT East or West)
- * “FUSION Cloud” subscription fee separately required (direct contract between the customer and Rakuten Communications)
- * Minimum contract period of one year.

2. Service overview



※FLET’S lines are prepared by the customer.

※Virtual machines on the FUSION Cloud installed with virtual routers are prepared by the customer.

- *1 “FUSION Cloud” is an IaaS cloud service operated by Rakuten Communications of the Rakuten Group.
- *2 A Virtual Private Network (VPN) provides a virtual private network connection. An internet VPN refers to a virtual private network connection made via the Internet by using security protocols such as IPsec.
- *3 IPsec (Security Architecture for Internet Protocol) is a framework to authenticate and ensure confidentiality for IP packets through use of encryption technology.
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[For enquiries regarding the service]

Business Development Department, Corporate Sales Division

TOKAI Communications Corporation

E-Mail : info@broadline.ne.jp Website (Japanese only): <http://vpn.tokai-com.co.jp/>