



October 30, 2017

To whom it may concern

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

## **Notice of Strategic Business Alliance with Cloud Ace, Inc., a Premier Partner for Google Cloud Platform™**

TOKAI Communications Corporation (hereinafter “TOKAI COM”), a wholly-owned subsidiary of TOKAI Holdings Corporation, has entered into a strategic business alliance with Cloud Ace, Inc. (hereinafter “Cloud Ace”), which has the top-class capability and track record in Japan in the field of implementation and technical support for Google Cloud Platform™ (hereinafter “GCP™”), to promote sales of GCP™.

Japan’s cloud market exceeded one trillion yen in FY2015 and is forecast\*<sup>1</sup> to surpass three trillion yen in FY2020. With this as a background, TOKAI COM has proactively participated in partner systems of major cloud services, and supported customers by providing total support in all the steps involved from consultation on the use of cloud services, design, construction and to migration.

Through this business alliance, we will combine TOKAI COM’s infrastructures, such as networks and data centers, and technological capability and development resources, mainly in systems and infrastructures, with Cloud Ace’s strengths in implementation support and integration business for GCP™, with the purpose of further enhancing support to customers that want to use GCP™. In addition, the two companies will cooperate in reciprocal customer transfer through joint proposals, etc. and aim to achieve further expansion of earnings and sustainable growth.

The TOKAI Group is developing businesses in accordance with its medium-term management plan “Innovation Plan 2020 ‘JUMP’” that ends in the fiscal year ending March 31, 2021. This business alliance will embody “implementing growth strategies that make the most of M&A and alliance”, which is one of the key measures of the plan, and we are expecting that it will contribute to the expansion of the earnings base of our core businesses. The TOKAI Group will continue to work unitedly to fulfill the corporate social responsibility and contribute to the business development of customers.

\*1 Source: Report by MM Research Institute (released on December 13, 2016)

\* Google, Google Cloud Platform and GCP are trademarks or registered trademarks of Google LLC.

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To whom it may concern

TOKAI Communications Corporation

**Strategic Business Alliance Between TOKAI Communications and Cloud Ace on Sales Promotion for Google Cloud Platform™**  
**-- Aiming for Expansion of Business Fields Through Joint Proposals by Utilizing Our Respective Areas of Strengths and Realizing Reciprocal Customer Transfer--**

TOKAI Communications Corporation (Headquarters: Aoi-ku, Shizuoka City, Shizuoka Pref.; President & CEO: Katsuhiko Tokita; hereinafter “TOKAI COM”) and Cloud Ace, Inc. (Headquarters: Chiyoda-ku, Tokyo; President & CEO: Ayatoshi Yoshidumi; hereinafter “Cloud Ace”) today entered into an agreement on strategic business alliance to promote sales of Google Cloud Platform™ (hereinafter “GCP™”), cloud services provided by Google™.

## 1. Background and Purpose of Business Alliance

TOKAI COM offers a one-stop solution for a broad range of services in the field of information and communications for both individual and corporate clients based on its network, data centers and system development. With the increasing use of cloud services by businesses in recent years, TOKAI COM has been focusing also on provision of service for connecting to major cloud services, such as Amazon Web Services (AWS), by utilizing its own network infrastructure. TOKAI COM was certified as GCP™’s Technology Partner, and has been providing broadband and stable connection services with GCP™ since September 2015.

Cloud Ace has been conducting the implementation support and integration business for GCP™ services, such as sales, operation, and paying agent service, etc., at its predecessor YOSHIDUMI Information, Inc. (currently an affiliated company) since July 2014. The business was spun off from YOSHIDUMI Information, Inc. in November 2016 into Cloud Ace, a new company, which has been focusing on GCP™-related businesses as a specialized service company. Cloud Ace is certified as Premier Partner for GCP™, and has the top-class capability and track record in Japan in the field of implementation and technical support for GCP™.

With the rapid change in the environment and technological innovation surrounding the information and communication field in recent years, as well as increasingly diversifying and complex needs of customers, companies need to promote business by promptly adapting to such changes to aim for sustainable growth.

With these as a background, the two companies, through this business alliance, will combine TOKAI COM’s infrastructures, such as networks and data centers, and technological capability and development resources, mainly in systems and infrastructures, with Cloud Ace’s strengths in implementation support and integration business for GCP™, with the purpose of making the most of our respective areas of strengths to expand and enhance business fields. In addition, we will work to achieve reciprocal customer transfer through promotion of joint proposals to customers, and aim for further expansion of earnings and sustainable growth by accommodating to environmental changes.

## 2. Content and expected effects of business alliance

### 1) Content of business alliance

TOKAI COM and Cloud Ace will promote business alliance in the following areas. The details will be determined later through consultation between the two companies.

- (1) Cooperation in making proposals for GCP™ projects
- (2) Support for building and operating GCP™ and provision of network line services to connect to GCP™

- (3) Personnel exchanges and dispatch of engineers
- (4) Joint marketing and sales promotion

2) Effects expected through business alliance

TOKAI COM and Cloud Ace are expected to realize the following effects through this business alliance.

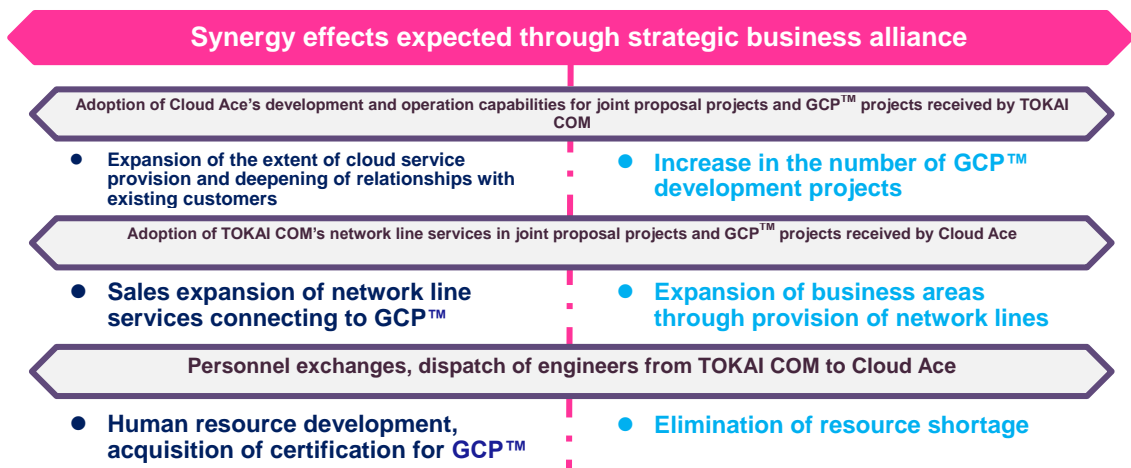
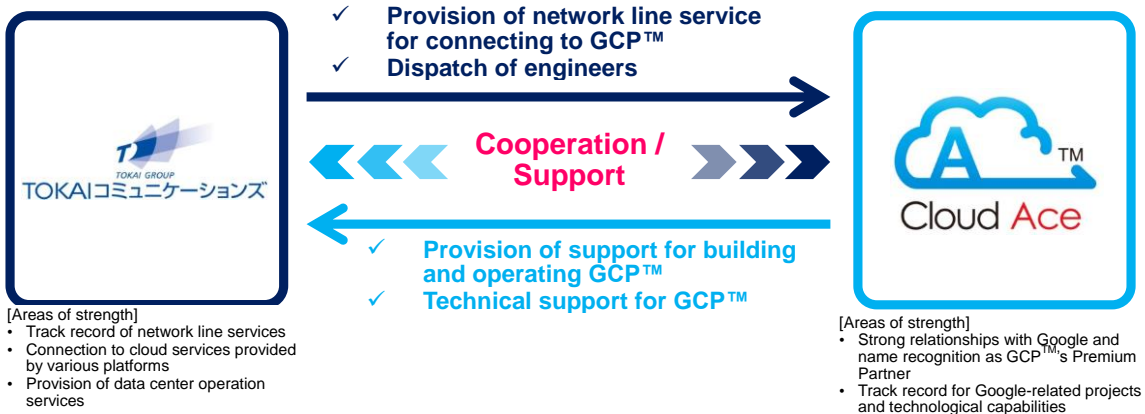
(1) Effects expected to be achieved by TOKAI COM

- Increase in the number of projects of network line services for connecting to GCP™ through joint proposals
- Expansion of service coverage areas by securing partner companies for building GCP™ and deepening relationships with customers which have business relationship with TOKAI COM only through the provision of infrastructure
- Promotion of human resource development and acquisition of certification for GCP™ through personnel exchanges and dispatch of engineers to Cloud Ace, etc.

(2) Effects expected to be achieved by Cloud Ace

- Increase in the number of projects for building GCP™ through joint proposals
- Expansion of business fields by securing the source of provision of network lines for connecting to GCP™
- Elimination of shortage of resources through personnel exchanges and dispatch of engineers from TOKAI COM

3. Image of business alliance



#### 4. Endorsement

TOKAI COM received the following endorsement from Cloud Ace, Inc. for the release of this announcement.

I'm very grateful that Cloud Ace can collaborate through this business alliance with TOKAI Communications Corporation, with whom we can build mutually complementary relationships in expanding our GCP™ business.

Cloud Ace is aiming to be a one-stop service provider of various solutions related to GCP™ to enable customers to use GCP™ quickly and with security. I believe that our alliance will lead to further improvement of customer satisfaction and development of GCP™.

Ayatoshi Yoshidumi, President and CEO, Cloud Ace, Inc.

[For Reference]

#### Corporate Profile of TOKAI Communications Corporation

Corporate name	TOKAI Communications Corporation
Head office	2-6-8 Tokiwa-cho, Aoi-ku, Shizuoka City, Shizuoka Prefecture
Title and name of representative	Katsuhiko Tokita, President & CEO
Capital	1,221.48 million yen (as of April 1, 2017)
Established	March 18, 1977
Business activities	Communications business, information business, data center business, etc.
URL	<a href="http://www.tokai-com.co.jp/">http://www.tokai-com.co.jp/</a>

#### Corporate Profile of Cloud Ace, Inc.

Corporate name	Cloud Ace, Inc.
Head office	Nihon Building, 12F (#1239), 2-6-2 Otemachi, Chiyoda-ku, Tokyo
Title and name of representative	Ayatoshi Yoshidumi, President & CEO
Capital	241.5 million yen
Established	November 1, 2016
Business activities	Operation of “Cloud Ace” total support service for Google Cloud Platform, consulting services, etc.
URL	<a href="https://www.cloud-ace.jp/">https://www.cloud-ace.jp/</a>

\* Google, Google Cloud Platform, and GCP are trademarks or registered trademarks of Google LLC.

\* Other company names, product names, service names, and logos, etc. are trademarks or registered trademarks of their respective owners.

#### **[Inquiries about this press release]**

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