



January 10, 2018

To whom it may concern

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

## Notice of Launch of “Intelligent Home” Smart Home Services Using IoT

TOKAI Cable Network Corporation (TCN), a subsidiary of TOKAI Holdings Corporation that handles cable television operations, Toco Channel Shizuoka Corporation, Atsugi Isehara Cablenetwork., Inc., EAST COMMUNICATIONS COMPANY LIMITED and Kurashiki Cable TV Corporation have launched smart home<sup>\*1</sup> services called “Intelligent Home<sup>\*2</sup>” services. With the services, users can view their homes from anywhere and control various devices (equipment) installed inside and outside the house by using smartphones and tablet devices. For the details of service, please see the attached press release from TCN.

Smart home services are expected to grow rapidly as the core part of the IoT-based services. The IoT market is forecast to roughly quintuple<sup>\*3</sup> from 700 billion yen in 2016 to 3,200 billion yen in 2022. The TOKAI Group is focusing efforts to expand this business area, and “On the Spot (OTS) House<sup>\*4</sup> that achieves complete self-sufficiency in water/electricity” and order service for home water delivery service through AI speakers<sup>\*5</sup>, which are new services announced recently, are part of such efforts.

In order for the TOKAI Group to steadily implement its new medium-term management plan “Innovation Plan 2020 ‘JUMP’” that ends in the fiscal year ending March 31, 2021, it is essential that the Group introduce such new and advanced services proactively and create new earnings base. The TOKAI Group will aim to achieve sustainable growth by drawing on its comprehensive capabilities and contributing to creating more comfortable and convenient lifestyles for its customers.

- \*1 Smart home: Smart home is a residence that has home electronics and facilities connected to the Internet, enabling remote control and monitoring of the house to provide various services that meet the needs of residents. For instance, smart home users can lock and unlock the front door (smart lock), turn home electronics on and off and monitor inside the house through IP camera.
- \*2 Intelligent Home is a registered trademark of its communications Inc.
- \*3 “Outlook for ICT and Media Market Scale and Trends through 2022,” released on November 21, 2016, by Nomura Research Institute, Ltd.
- \*4 OTS House: A conceptual housing designed to conduct demonstration experiment and provide experience with home in the near future, the construction of which was announced by the TOKAI Group on October 10, 2017. For details, please see the press release from the Company and the special website on OTS House.  
Link to the press release: <http://www.tokaiholdings.co.jp/ir/news/pdf/2017/20171010release.pdf>  
Link to the special website: <http://ots.tokai.jp/index.html>
- \*5 Order service for home water delivery through voice recognition devices. For details, please see the relevant press release from the Company.  
Link to the press release: <http://www.tokaiholdings.co.jp/ir/news/pdf/2017/20171121release.pdf>

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November 29, 2017

To whom it may concern

TOKAI Cable Network Corporation  
Toco Channel Shizuoka Corporation

## **Notice of Launch of “Intelligent Home” Smart Home Services to Realize Secure and Comfortable Lifestyle for Customers**

TOKAI Cable Network Corporation (Headquarters: Numazu City, Shizuoka Pref.; Representative Director and President: Yasuhiro Fukuda; hereinafter “TCN”), Toco Channel Shizuoka Corporation (Headquarters: Shizuoka City, Shizuoka Pref.; Representative Director and President: Koji Iwamoto; hereinafter “TCS”) are promoting IoT\*<sup>1</sup> services to contribute to the realization of more comfortable and convenient lifestyles for our customers, in addition to the provision of advanced broadcasting services and high-quality communications and telephone services we have engaged in thus far.

Of various IoT services, smart home services are drawing attention as services more closely related to people’s daily lives. Smart home services can provide secure and comfortable lifestyles for customers by connecting home electronics, etc. in customers’ homes to the Internet and integrate and interconnect such devices. With the improvement of user interface due to the dissemination of smartphones and emergence of AI speakers\*<sup>2</sup> in recent years, smart home services are expected to further spread in the future.

TCN and TCS started to sell “Intelligent Home\*<sup>3</sup>” smart home services on November 29 with the aim of further improving the comprehensive lifestyle services we provide to our customers.

With “Intelligent Home” services, users can remotely control a suite of devices (equipment), such as IP camera, smart lock system, sensor, home electronics controller, through their communication devices, such as smartphones, tablet devices and AI speakers. In addition, users can customize their services by combining multiple devices, thus enabling themselves to enjoy a comfortable and quality living according to the needs and lifestyles of individual users.

We plan to deploy “Intelligent Home” services to the TOKAI Group companies successively. We are currently planning to introduce the services to four companies: LCV Corporation, Kurashiki Cable TV Corporation, EAST COMMUNICATIONS COMPANY LIMITED., and Atsugi Isehara Cablenetwork Inc. We will promote the deployment of “Intelligent Home” services to make the services available to customers in wider areas.

The TOKAI Group will continue to introduce the latest technologies and services that are on-trend proactively, and propose more secure and comfortable lifestyles to its customers.

### **<Overview of “Intelligent Home” Services>**

#### **1. Service areas**

The entire service areas of TCN and TCS

Service areas in Shizuoka Prefecture (Shizuoka City, Fuji City, Numazu City, Fujieda City, Yaizu City, Fujinomiya City, Mishima City, Shimada City, Gotemba City, Susono City, Izunokuni City, Izu City, Nagaizumi-cho, Kannami-cho, Shimizu-cho, Oyama-cho)

## 2. Service prices

<b>Basic service fees for Intelligent Home services</b>	<p>2,980 yen / month</p> <ul style="list-style-type: none"> <li>• A discount on basic service fees of 1,000 yen per month is available to users of the Internet services of TCN or TCS.</li> <li>• A maximum of 500 points per month of TCL points*4 will be awarded to customers for a maximum of five years.</li> </ul> <p>(The effective basic service fees, after applying the above discount, will be 1,480 yen per month.)</p>
<b>Home Gateway <sup>*5</sup> service fees</b>	<p>18,000 yen (one-time payment)</p> <p>* Lease options are available (300 yen per month with the minimum lease period of 3 years).</p>
<b>Device fees</b>	<p>For details, please check the websites of TCN and TCS.</p> <p>TCN: <a href="http://www.thn.ne.jp">http://www.thn.ne.jp</a></p> <p>TCS: <a href="http://www.tocochannel.jp">http://www.tocochannel.jp</a></p>

\* All listed prices are before tax.

\* There will be separate charges for contract processing fees and installation fees.

### ● List of devices (Customers can choose multiple devices according to their intended use.)

<b>Door/Window Sensor</b>	When placed on windows or doors, it monitors their opening and closing.
<b>Motion sensor</b>	Detect people's motion using infrared ray.
<b>Smart lock (electronic lock)</b>	The lock/unlock status can be monitored through smartphones and tablet devices. A passcode or a key card can also be used to unlock the lock.
<b>Home electronics controller</b>	It is a high-functioning learning remote controller capable of controlling air conditioners and lighting through communication devices, such as smartphones and tablet devices.
<b>IP camera</b>	IP camera can be installed inside and outside customers' homes to monitor and record video of their homes while they are away.
<b>Smart lighting</b>	The status of lighting up, lighting out and light control in customers' homes can be checked and controlled from anywhere.

\*1 IoT (Internet of Things) is a platform for connecting various devices surrounding us to the Internet to control each other.

\*2 A speaker-type device that has wireless communication connectivity and voice assistant function to enable voice operation of wirelessly connected home electronics, etc. It is also called smart speaker.

\*3 Intelligent Home is a registered trademark of its communications Inc.

\*4 TCL points are points granted to TLC members subscribing to services provided by the TOKAI Group according to the amount of their service usage, etc. TLC points can be exchanged for WAON points, etc. One TLC point is equivalent to one (1) Japanese yen.

\*5 Home Gateway is equipment that controls Intelligent Home service-enabled devices in customers' homes. To use the Intelligent Home services, customers will need to install the Home Gateway.

### 3. Service utilization situations

Watch over your kids, pets and seniors while you are away.  
Add security to your lifestyle!

## Basic Security Service Course



Enhance security through remote services

### Case 1 Camera Remote



#### Watch over your kids

Remote service ideal for working parents who are worried about their kids' coming home from school to an empty house. When the security sensor detects kids' return home, it automatically records a video clip and sends the video via email to the parents' smartphones. In addition, IP camera can be connected to the parents' smartphones to enable them to monitor their kids playing in the house.

#### Watch over your pets

With this service, customers can connect their smartphones to the IP cameras in their homes to monitor their pets from anywhere. Customers can leave their homes without worrying about their pets even when they go out on urgent business.

### Case 2 Sensor Remote



#### Watch over seniors

A simple service to watch over customers' elderly parents living afar using a security sensor installed in their homes. An email will be sent to the family if their parents are in an inactive state, such as their bathroom door does not open for a certain period of time when they are at home or when motion is not detected. This service will prompt customers to contact their parents before a problem occurs and ensure security of family members living apart.

#### Basic security service course

When security sensors in customers' homes detect intrusion by suspicious individuals, an alert will be sent to their smartphones.

Freely control your home's security system from anywhere.  
For increased security and comfort!  
**Comfortable Living Course**

Enhance convenience through remote services

### Case 3 Home Remote



\* The photo is for illustrative purposes only.

#### Make customers' homes comfortable even when they are away from home

Customers can freely control lighting and air conditioners in their homes using their smartphones from outside their homes. They can also keep their homes at a comfortable temperature by turning on the air conditioner when the temperature/humidity in the house exceed set values. Smart lighting (LED lamps) can be turned on and off through remote control to offer increased home security.



\* iRemocon is a trademark of Glamo Inc.

Enhance comfort through remote services

### Case 4 Key Remote



#### Secure and convenient smart lock (electronic lock)

With the remote lock control function, customers can easily check the open/close status of the doors of their home. For their increased convenience, customers can customize the service by connecting other devices to enable automatic turning off of the lighting and air conditioners from outside their homes.

\*Auto lock function is available.



**[Inquiries about this press release]**

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**[Inquiries about this press release]**

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