



August 30, 2018

To whom it may concern

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

## **Start of the Cloud-Type Network Service for Corporations Using Flexible, Responsive, and Highly Scalable SD-WAN Technology**

We announce as shown in the attached document that a network service using the SD-WAN (Software-Defined Wide Area Network) technology will be started from September 3, 2018, as part of BroadLine, the communications service for corporations offered by our 100% subsidiary TOKAI Communications (hereinafter “TOKAI COM”).

TOKAI COM’s BroadLine provides base-to-base communications services for corporations and services for connection to major public clouds by using optical fiber networks owned by TOKAI Group.

This new network service enable quick configuration of a flexible and highly scalable internal network connecting multiple bases.

Now that business requires more speed, it is anticipated that this type of networks will become the mainstream of multi-base networks in the future because they can quickly be aligned to business expansion or additional bases. With this service, TOKAI Group will also seek to further expand our business for corporations.

TOKAI COM will continue supporting cloud services demanded by customers and the overall process from installation of infrastructures to design, building, and operations in a one-stop and integrated manner by leveraging technologies and know-how TOKAI COM has long cultivated as a system integrator to contribute to customers’ business development.

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August 9, 2018

To whom it may concern

TOKAI Communications Corporation

**Start of Providing BroadLine CVR, the Cloud-Type Network Service Using the SD-WAN Technology**  
**-- This enables easy zero-touch deployment of visualized, centrally controlled, and line-independent multi-base networks --**

TOKAI Communications Corporation (President and CEO: Yasuhiro Fukuda, hereinafter “we”) will start providing CVR, the cloud-type network service using the SD-WAN (Software-Defined Wide Area Network) technology, as part of BroadLine, our communications service for carriers and corporations, from September 3, 2018.

Through this service, we will realize comfortable network environments for our customers by providing a wide variety of flexible, responsive, and highly scalable router functions demanded in the era of cloud utilization.

#### 1. Background of the service provision

As corporations’ use of clouds has increased quickly in recent years, many corporations today can quickly deploy information system resources that can be used as much as necessary whenever required, while suppressing the initial investment. On the other hand, many of existing network services used by corporations are limited in flexibility, responsiveness, and scalability compared with clouds that are continuously developing.

Based on this situation, we will newly start a cloud-type network service using the latest SD-WAN technology.

This service will overcome challenges corporate networks are facing today, including response to the expanding use of cloud services and the increase and concentration of traffic; the initial investment (capitalization, etc.) for network renewal and the establishment of a continuous operation and maintenance structure; response to the increase of mobile use and bases; and ensuring security for the overall network. By doing so, we will realize network environments that can respond to the changing corporate environment quickly and flexibly.

#### 2. Service overview

In this service, network devices (CVR devices) are rented to a customer’s bases for a reasonable price. Once the customer simply connects these devices to lines supported by this service, network configuration is automatically completed and a visualized and centrally controlled cloud-type network is easily realized.

- (1) Service name : BroadLine CVR (SD-WAN) service  
\*CVR: Short for Cloud Various Router, meaning that it provides various virtual router functions.
- (2) Provision start date : September 3, 2018 (planned)
- (3) Supported area : Throughout Japan  
(not available in some areas including remote islands and mountainous regions.)

- (4) Supported connection lines : 1) Our and other companies' internet connection services (\* details are described separately)
- 2) Our wide area Ethernet service BroadLine "Relation Ethernet" and "Multi-point Ethernet" (planned in December 2018)
- 3) Our low-priced SIM service LIBMO (planned in January 2019)
- (5) Minimum use period : 1 month
- \* For the minimum use period of connection lines, please see the contract of each line.

### 3. Service price (tax not included)

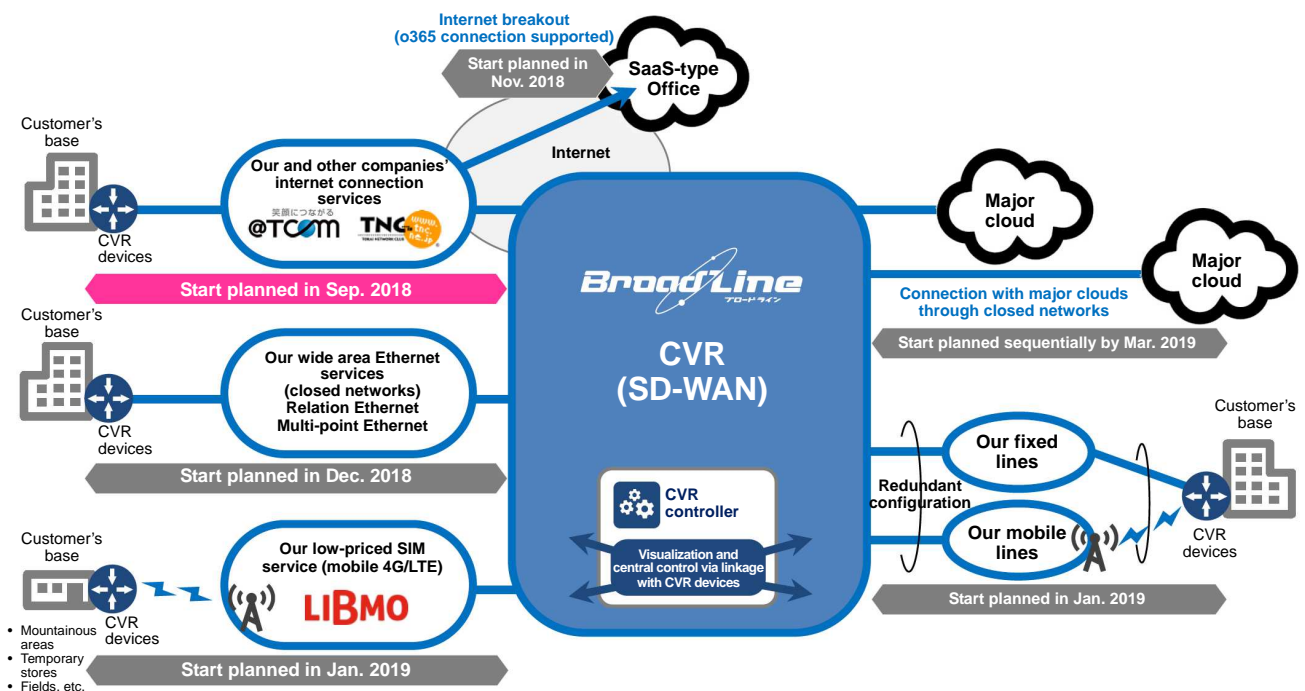
- (1) Basic charge (per 1 contract) : Initial charge 60,000, yen, monthly charge 40,000 yen
- (2) CVR device (per 1 unit) : Initial charge 25,000 yen, monthly charge at least 13,000 yen
- \* Separate contracts with charges are required for supported connection lines (direct contracts between customers and the providers of supported connection lines)..

### 4. Supported connection lines "(1) Our and other companies' internet connection services"

The following are internet connection services supported from the start of this service:

- @T COM
  - TOKAI Network Club (TNC)
  - Our and other companies' internet connection services we have already verified
- \* We are happy to confirm the support status of any internet connection service line you consider as a connection line before concluding a contract.
- \* Supported connection lines will increase sequentially in the future.

### 5. Image of the service provision



## 6. Service features

### (1) Easy deployment with zero-touch provisioning

This service rents CVR devices equipped with a wide variety of flexible, responsive, and highly scalable router functions for a reasonable price. Network configuration is automatically completed simply by connecting these devices to supported lines, so that customers can easily deploy base-to-base networks.

### (2) Quick start of using the service, short-term use also available

CVR devices can be delivered to a customer's bases within around 2 weeks after the application (our receipt of configuration information) (please consult separately in the case of 10 or more bases). In addition, supported connection lines include FLET'S Hikari and mobile lines, meaning that customers can quickly start using this service. The minimum use period is set to be 1 month, so we can meet customers' needs for short-term use including system connection verification and data migration.

### (3) Visualized and centrally controlled cloud-type networks

Linkage between CVR devices at the customer's bases and the CVR controller realizes visualization and central control of the network. Customers can check the status of communications, devices and use of applications at their bases anytime by using management tools.

### (4) Realization of access-independent flexible deployment

This service supports a variety of connection lines with different quality, speed or technologies, including FLET'S Hikari, mobile, and wide area Ethernet. This service also supports redundant access via fixed and mobile lines, and customers can deploy an optimal network flexibly according to the existing network environment, usage and budgets.

### (5) Streamlining through transmission technologies to suppress the traffic flow rate

This service uses the latest technologies that suppress the frame size at the time of encryption and authentication while ensuring security compared with the existing encryption scheme (IPsec). Suppression of the traffic flow rate contributes to saving customers' costs for pay-for-use connection lines.

## 7. Service road map (plan of future provision)

The following is the plan to provide this service in the future. We seek to enhance customer convenience by actively expanding the service.

September 2018	:	Start of service ((1) Our and other companies' internet connection services)
November	:	Internet breakout (Connection to SaaS-type offices supported)
December	:	Expansion of supported access lines ((2) Our wide area Ethernet services (closed networks))
January 2019	:	Expansion of supported access lines ((3) Our low-priced SIM service (mobile)) Redundant access via fixed and mobile lines supported
March	:	Connection with major cloud services via closed networks

8. The Website of BroadLine, the communications service for carriers and corporations

For our various communications services for carriers and corporations, please see the following website:

<https://www.broadline.ne.jp/>

\* Names of companies, products, services, logos, etc. mentioned herein are trademarks or registered trademarks of their respective owners.

**[Inquiries about this service]**

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