



CSR 2017

Corporate Report

Building and Maintaining
a Bridge to the Future.



MIRAIT Holdings Corporation

CSR Office

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Group Overview

Overview of MIRAIT Holdings

Date of establishment: October 1, 2010

Capital: 7 billion yen

President and Chief Executive Officer: Masatoshi Suzuki

Total outstanding shares: 85,381,866

Stock Listing: 1st Section of Tokyo Stock Exchange (Security code: 1417)

Ratings: Rating and Investment Information, Inc. (R&I) A-
Japan Credit Rating Agency, Ltd. (JCR): A

Location: 5-6-36, Toyosu, Koto-ku, Tokyo

Number of consolidated subsidiaries: 53 (as of March 31, 2017)

Number of employees (consolidated): 9,022 (as of June 30, 2017)

End of fiscal year: March 31



List of Group Companies

▶ MIRAIT Corporation	▶ MIRAIT Technologies Corporation
M's Frontier Corporation	AST-ENG Corp.
DAIMEI TECHNO CO., LTD.	Lapisnet Co., Ltd.
KOKKO SYSTEMS CO., LTD.	COTONET ENGINEERING Co., Ltd.
Tohoken System Engineering Corp.	Nara Construction Co., Ltd.
Meisei Correspondence Co., Ltd.	Ligare Co., Ltd.
Nisshin Tsuko Co., Ltd.	Agility RISE Co., Ltd.
DAIMEI NETWORK Co., LTD.	Comlead Co., Ltd.
DAIMEI TSUSAN CORP.	Nishinihondenko Corporation
SINKO ELECTRIC CORP.	GRAND CREATE CO., LTD.
MIRAIT-X Corporation	KATAKURA CONSTRUCTION Co., Ltd.
TODENTSU Access Corporation	MIRAIT Information Systems Co., Ltd.
TODENTSU Network Co., Ltd.	ACTIS Corporation
Nissetsu Co., Ltd.	Practical Solutions Inc.
Okisokou Co., Ltd.	MIS Kyushu Corp.
Libnet Co., Ltd.	Fucom Corp.
TIMETEC Co., Ltd.	Kinki Denki Corp.
Trust System Corporation	MIRAIT Technologies Australia Pty. Limited (Australia)
HOPE NET Co., Ltd.	MIRAIT Technologies Myanmar Co., Ltd. (Myanmar)
Nippon Sangyo Corporation	MIRAIT PHILIPPINES INC. (Philippines)
Nihon Toyocomu Corporation	▶ Lantrovision(S) Ltd (Singapore)
DAIMEI SLK (PRIVATE) LIMITED (Sri Lanka)	(20 Lantrovision(S) Ltd group companies)

including consolidated subsidiaries and overseas subsidiaries (as of August 31, 2017)

CSR 2017

Corporate Report

Editorial Policy

This report outlines the policies, plans and achievements of the MIRAIT Group toward creating a sustainable society. The MIRAIT Group seeks to proactively deal with various social issues. This report is divided into sections based on three themes: "Building and Maintaining a Comfortable Society" (for Business Operations), "Building and Maintaining Safe, Reliable Technical Capabilities" (for Product Quality, Occupational Safety and Human Resources), and "Building and Maintaining the Trust of Society" (for Environmental Protection, Local Communities, and Governance).

Scope of Organization

In this report, we outline the philosophy and achievements of the CSR efforts of the MIRAIT Group as a whole. Please note that with regards to digital information, performance figures published is within the parameters of that which can be ascertained at this time as indicated in the text or in supplementary notices.

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Relevant Websites

CSR Information
<http://www.mirait.co.jp/csr/>
(note: previous reports are also available)

Corporate Information
<http://www.mirait.co.jp/company/>

Business Information
<http://www.mirait.co.jp/service/>

IR Information
<http://ir.mirait.co.jp/index.html>

Reporting Period
Fiscal Year 2016
(April 1, 2016 to March 31, 2017)
(note: certain portions refer to activities from both before and following the above-mentioned period)

Guidelines Referenced
GRI Sustainability Reporting Guidelines (G4)
ISO26000 (Guidance on Social Responsibility)

Date of Publication
September, 2017

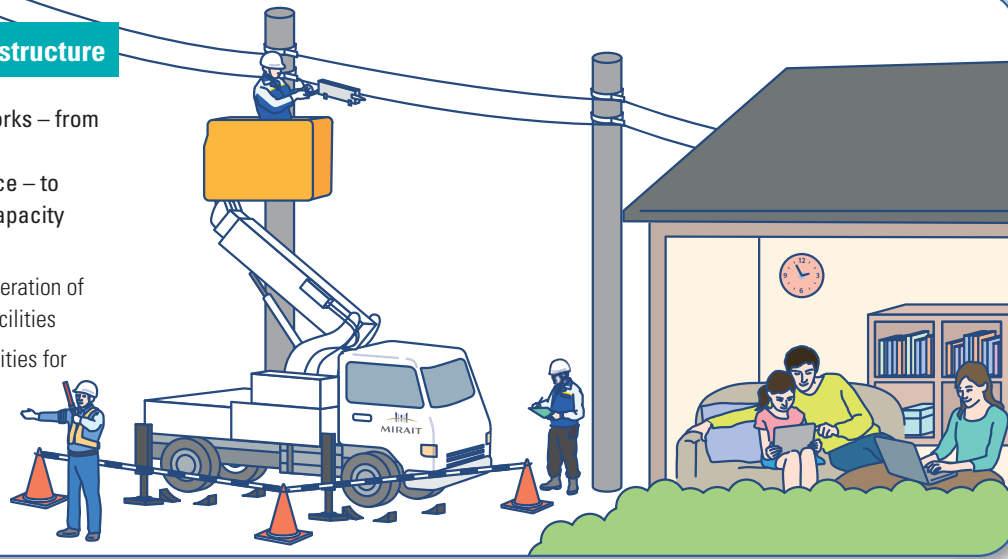
Inquiries
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Communications Infrastructure

We handle creation of networks – from design and planning through construction and maintenance – to achieve high-speed, large-capacity broadband communication.

- Construction, maintenance, operation of broadband communications facilities
- Fixed-line communication facilities for telecommunications carriers, CATV construction and other services



Mobile Network

Responding to an age demanding ever increasingly high speeds and larger capacity mobile communications. We provide services for development and construction of wireless base stations to meet the needs of mobile communication to support development of applications with greater diversity and functionality.

- Construction, maintenance, and operation of mobile communications facilities



Our Business

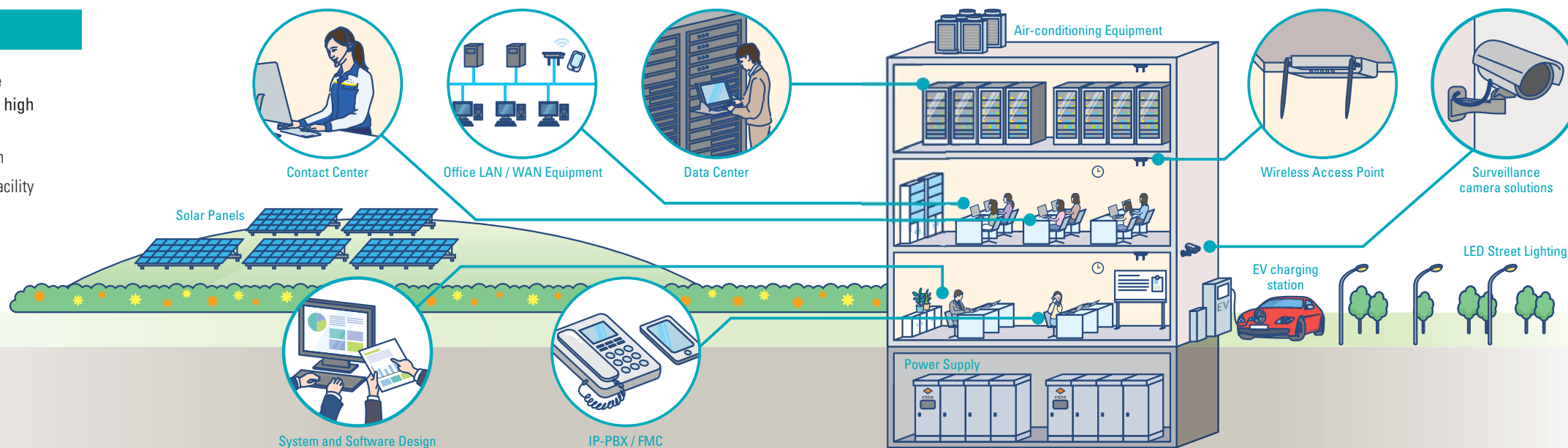
Building and Maintaining

The social responsibility of the MIRAIT Group is to create systems and other means to meet social needs for greater convenience, and to safeguard the safety of people's lives by making the most of our experience and technological expertise cultivated over many years.

ICT Solutions

We provide ICT infrastructure construction ideal for on-site, high quality business solutions.

- Data-based facility construction
- Voice-based communications facility construction
- Development of ICT systems
- Other related systems



Environmental and Social Innovation

Telecommunication and power supply facilities are essential social infrastructure supporting both people's daily lives and industry. We construct highly reliable infrastructure to sustain these essential utilities.

- Construction, maintenance, and operation of facilities for environmental conservation and alternative energy
- Development of social infrastructure
- Construction, maintenance, and operation of power supply and air-conditioning facilities for companies

Building and maintaining now, a bridge into the future, anticipating demands of modern society in a changing world with the technical capabilities as a comprehensive engineering & services firm



MIRAIT Holdings Corporation
President and Chief Executive Officer
Masatoshi Suzuki

Facing a future that is not simply an extension of what has gone before

The MIRAIT Group company name comes from a combination of the Japanese word for the future: “mirai”, and the abbreviation used for information technology: “IT”. Domains such as information communication and electrical equipment engineering – unseen by the general public – face an unknowable future that is not simply an extension what has gone before. It is our unshakeable mission to answer the demands of society in real form by constructing necessary facilities and systems.

In April, 2017, the MIRAIT Group announced a new mid-term management plan. With the experience from our achievements thus far as a foundation, we seek to challenge new frontiers – with our orientation clearly indicating the new domains that we will proactively develop.

This frontier spirit is part of our group’s positive tradition started with its establishment. Since our establishment, the MIRAIT Group business operations were formed to respond to the needs of our customers, the telecommunications industry. We started out from communication facilities engineering with the laying of landlines. In recent years, in various industries and for firms of different sizes, universities and other educational institutions, and many forms of local governments, responding to our customers’ needs and issues, we are developing new ICT solutions, environmental and social innovations as we foster other new domains.

Going forward, with our technological experience as a foundation, we will undertake new approaches. The central thought behind our developing enterprises is

not to undertake tasks with prescribed ways and means, but rather working with our customers to create new methods – one by one. The sales ratio of these new fields became approximately 40% overall in fiscal 2016, but our new mid-term management plan ending in fiscal 2020 anticipates a ratio of 60%.

Committing ourselves to rising social demands

The three “D” major trends in global social change that demand attention are digitalization, decarbonization and demographic change. Exchange of information has become greatly simplified by digitalization. In recent years the volume of data traffic that is circulating has increased explosively. Furthermore, on one hand, issues with energy and environmental problems having gravely increased and on the other, in many countries aging of the population is advancing. In Japan there has been a decrease in the birthrate. With the nationwide aging of the social infrastructure that was developed in the post-war period, issues of city planning going forward have surfaced.

With these major trends, with new problems have also given birth to new possibilities. Particularly tackling solutions to global environmental problems will lead directly to contributions for a sustainable society.

We continue to be confident that the engineering capabilities garnered in the MIRAIT Group’s core technologies – ICT, electrical facilities and the fields of energy and the environment – will be decisive factors in the solution of these social problems. Combining our experience and wide-ranging engineering strengths, the MIRAIT Group, boasting comprehensive engineering and services, will provide fully transformed services. In

a society with ever-accumulating issues as we are being put to the test, it is the MIRAIT Group’s determination to resolutely take up the challenge to make contributions in these times when the true value is called into question.

Making the most of diverse talent for diverse viewpoints

To get ahead of the demands of society, at the MIRAIT Group, we proactively expand our activities into the outskirts of the task at hand. One example is the “smart buildings” and “smart towns” that are being developed by our customers in the telecommunications and construction industries. MIRAIT Group’s experience and expertise in ICT, electrical and energy fields mean more than adequate capabilities in communication facilities construction and we can make highly efficient contributions to new social projects. A foundation of human resources with extensive technical capability, qualifications, and valued experience is our essential understructure, and we will continue to promote and support growth and training of our talented workers with purpose and intent.

Comprehending, appreciating the operations and processes of our customers and affiliated companies are keys to successful development of new business domains. By studying those endeavors and providing engineering from that viewpoint, construction according to specifications, balancing costs and quality, can be achieved. Cultivating a coordinated capability to take an extensive view, grasping the whole picture with the market environment upswing that is expected as we move toward 2020, we intend to make further efforts necessary to polish our technologies and

acquire greater performance.

Moreover, for the potential of our human resource foundation to be fully manifested, it is vital that their diversity and wide range of viewpoints be exploited.

One individual can carve out an all new work method and that work will, in turn, teach the individual. Through new endeavors, new connections with society are formed, and new possibilities open up. The MIRAIT Group provides social credibility and growth aid packages to support such individual challenges. To fully develop and exploit various capabilities we are pushing to make an environment that encourages further growth of our human resource base.

Moving forward with society as “Your Company”

In the engineering field, successful completion with a highly valued performance on one task leads to the next project. The value of a job is judged on how well it has satisfied the customer with its quality, ease of understanding, and ease of use.

The MIRAIT Group succeeds through our close relationship with society. Slow and steady, but invaluable effort, the question comes down to whether or not you have become a useful existence in the world – one that will be called on to play a role. Did we consider all individuals concerned? We have always placed great importance on this question.

This is what we mean when we say that we seek to be “Your Company”. Rather than simply being “our company” existing for our own purposes, we aim to conduct business to your benefit. We will strive for sustained growth from now on as a company trusted by all of you.

New Mid-term Management Plan

Under this plan we will continue to push the boundaries of our areas of business while transforming our business model and increasing productivity.

The management environment encompassing the MIRAIT Group is undergoing great change – on both the social structure side and in the communications environment.

Social structure includes economic policies by the current government administration to overcome deflation, to deal with the decreasing birthrate and aging population, and toward regional revitalization. Additionally, there are needs for both social infrastructure reconstruction to correct aging, and construction of disaster countermeasures. In this context, which also includes increasingly serious energy and environmental issues, all the more expectations fall on the MIRAIT Group to make social contributions. Furthermore, the hosting of the 2020 Tokyo Olympics and Paralympics has resulted in a strong social sense that this is an ideal opportunity for infrastructure maintenance and restoration.

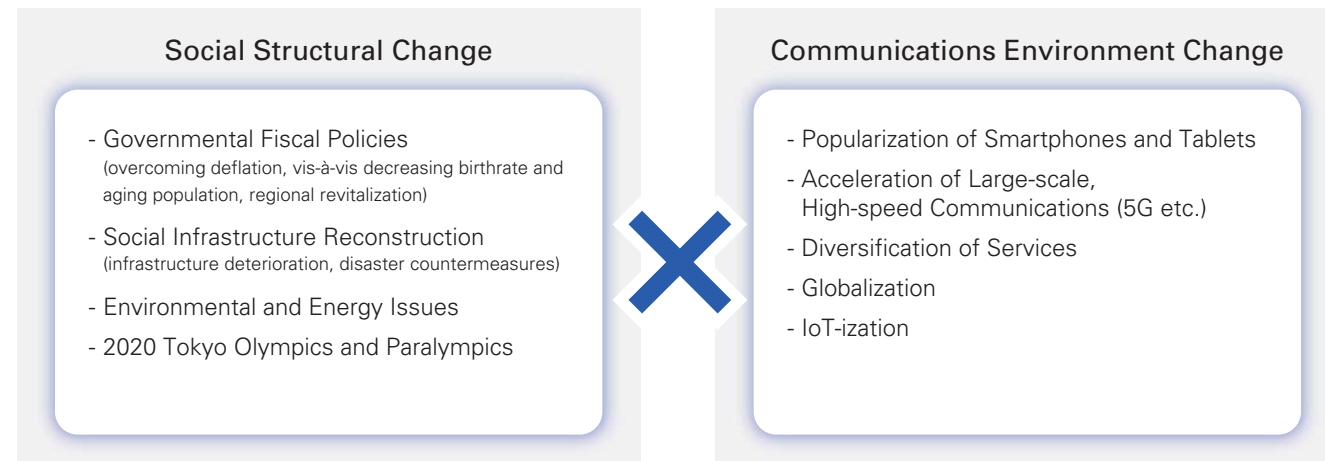
At the same time, in the communications environment,

with the widespread popularization of smartphones and tablets with the shift to 5th generation (5G) large-scale, high-speed communications, we are entering a new stage. Diversification with the globalization of service is progressing, and IoT*-ization is also spreading quickly.

To proactively grasp opportunities in this external environment and new growth markets, the MIRAIT Group has devised a new Mid-term Management Plan for the four years starting in fiscal 2017 to reinforce both the core business and the foundation of talented human resources. While expanding the core business, we will also expect benefits from innovations in the business model through profit consideration management and improved productivity.

* IoT (Internet of Things) refers to innovations in connectivity of various devices and products via the internet.

Business Environment



Framework of IoT-ization for Tele-Communications Industry Market Division

	Conventional ICT market	Growing Markets due to IoT evolution (IoT Market)
1 Service Applications	Content distribution service	Smart Cities, Healthcare, Smart Factories, Connected Cars Measured by trends in the terminal layer
2 Platforms	Data Centers, Cloud	
3 Network	Fixed & Mobile network service	
	Fixed network equipment	
	Mobile network equipment	LPWA
4 Key Devices	Semiconductors	
5 Terminals	Information terminals	IoT service related equipment / materials
	Home appliances / Office equipment	Smart Cities, Healthcare, Smart Factories, Connected Cars

"2017 Information and Communication White Paper" Ministry of Internal Affairs and Communications

Basic Policy



Key Measures

1 Expanding business operations / Business model innovation	<ul style="list-style-type: none"> - Aggressive development of frontier domains in environment/energy, IoT, and others - Expanding available price and quality variations corresponding to customer needs - Expanding business fields by making full use of a variety of technology capabilities, of our customer base, and of a nationwide operation structure - Increasing sales capabilities by promoting partnership strategies
2 Strengthening business foundation / Increasing productivity	<ul style="list-style-type: none"> - Efforts toward construction standardization and review of group formation methods - Promoting optimization through group synergy - Improving profitability through strengthening of the account system, and by thorough budget management of individual construction projects
3 Strengthening the human resources foundation	<ul style="list-style-type: none"> - Reinforcing technical strength including qualification acquisition - Reinforcement of general engineering power in response to the expectations of the customer - Realization of vitality in the workplace through work-style reforms
4 Capitalization strategy / Returns policy	<ul style="list-style-type: none"> - Maintaining a healthy financial standing - Achieving ROE of 8% or more - Stable and continued dividends is the basic policy on shareholder returns - Regarding the total return ratio, with a target of 30% or more, decisions will be made after comprehensive consideration of results and funding conditions
5 Changing corporate culture	<ul style="list-style-type: none"> - Establishing the MIRAIT brand, aiming for higher productivity through reform, prioritizing safety and security - Promoting CSR by strengthening corporate governance and environmental stewardship

Business Targets

	Fiscal 2016 results (2016.4–2017.3)	Fiscal 2017 plan (2017.4–2018.3)	Fiscal 2020 target (2020.4–2021.3)
Sales	283.2 bil. yen	310.0 bil. yen	340.0 bil. yen
Operating profit	10.0 bil. yen	12.5 bil. yen	17.0 bil. yen
ROE (return on equity)	5.2%	6.3%	8% or more

CSR of the MIRAIT Group

Grounded in the "MIRAIT Way", the MIRAIT Group will carry out CSR activities from an intermediate and long-range viewpoint.

The MIRAIT Way

We have established an approach called the "MIRAIT Way" so that all employees of the MIRAIT Group are brought together as one. Each individual employee is urged to be aware and to put this approach into practice. The MIRAIT Way is made of three principles: 1. the "basic management policy" which lays out our meaning of existence and our values; 2. the "conduct guidelines" that concisely outlines proper daily behavior; and 3. the "corporate ethics charter" outlining the basic policy regarding business ethics for all officers and employees and giving concrete action guidance.

MIRAIT Group CSR activities are grounded in the "MIRAIT Way" and will be developed in concrete ways.

The basic point of view behind MIRAIT CSR

Within the MIRAIT Group, three provisions are stipulated in the basic point of view behind CSR in order to promote coherent CSR activities.

- The Basic Point of View behind MIRAIT CSR

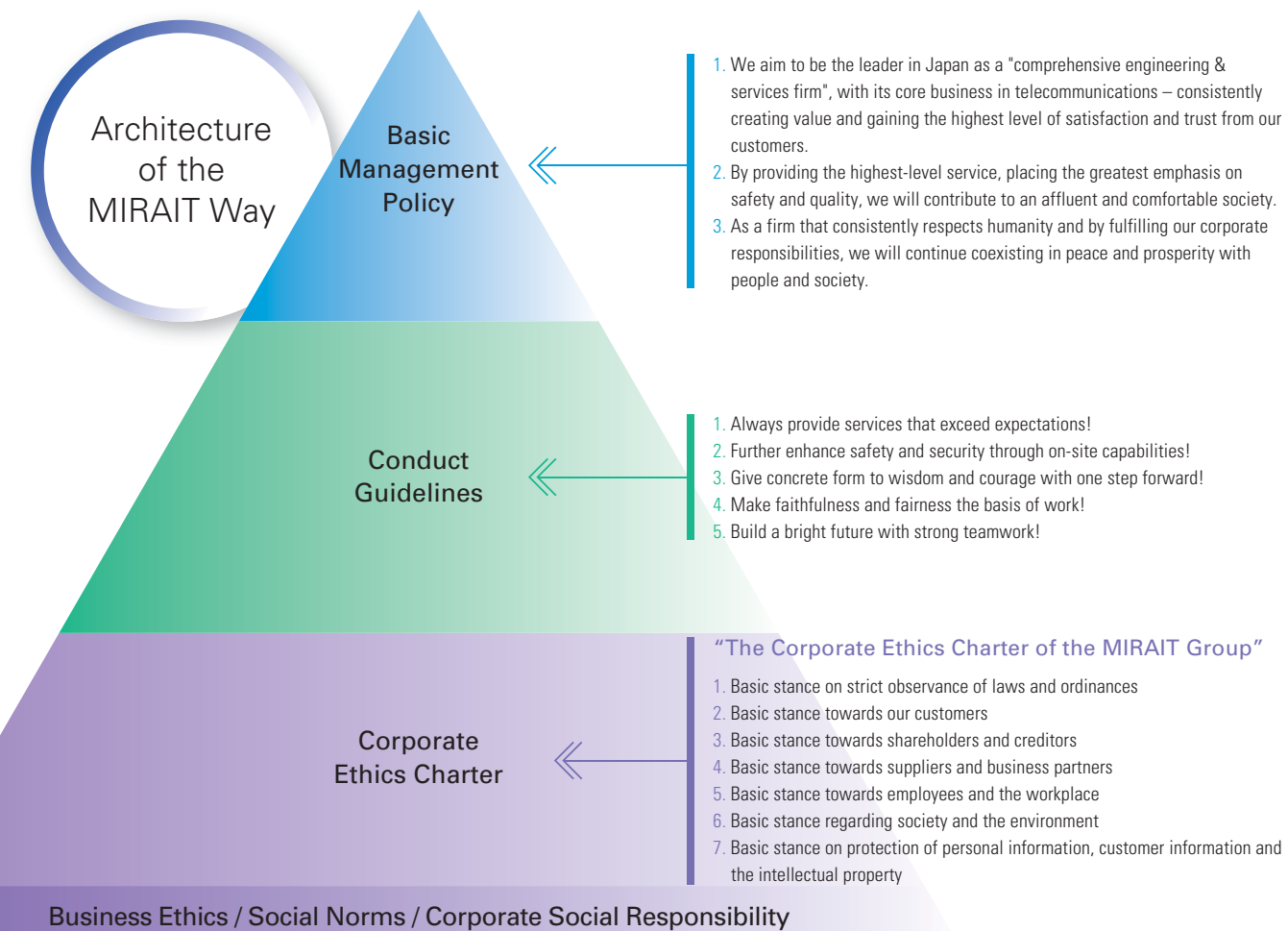
- 1 We will win the long-term trust from stakeholders by ensuring that business activities are conducted to respond to social demands and expectations.
- 2 We will become a firm able to cope with change by incorporating responsiveness to social and environmental issues into the core business.
- 3 We will develop a respected "brand" by contributing to the making of a sustainable society as a company.

Promoting efforts toward CSR priority themes and issues

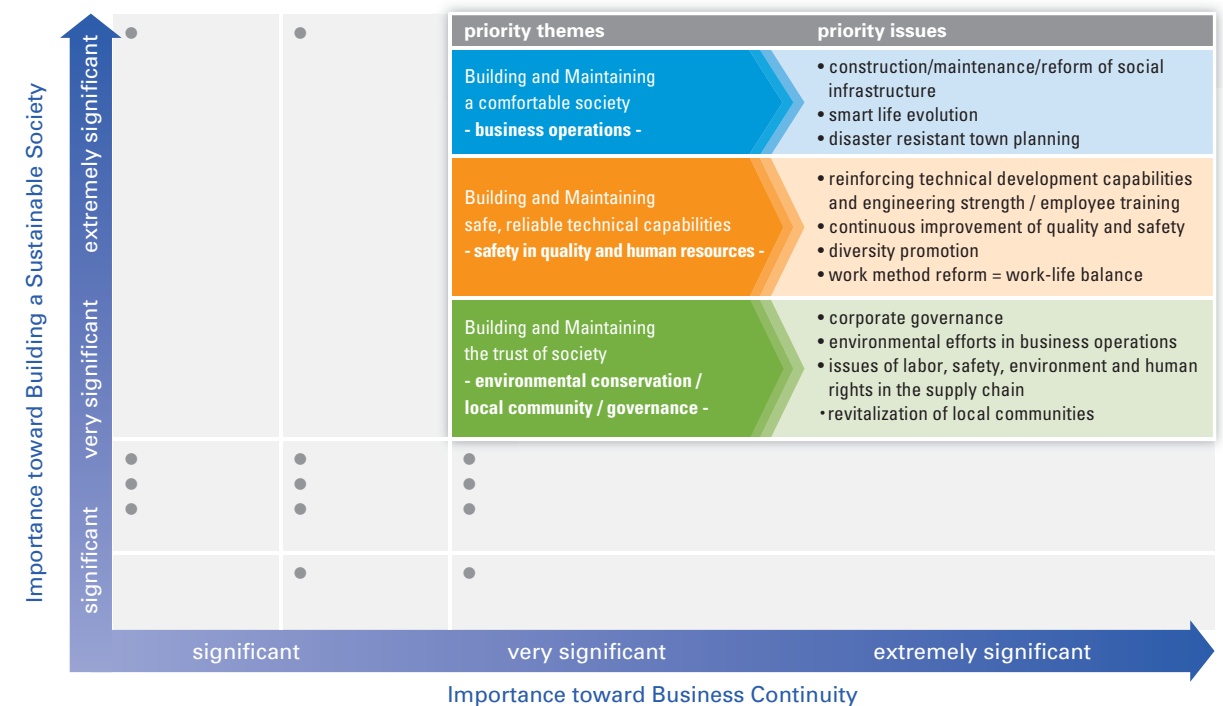
While formulating our new the MIRAIT Group Mid-term Management Plan, we reviewed all the mid-term CSR priority points and issues. As a result of the process of evaluating the significant value of each issue, we have set "Building and Maintaining a Bridge to the Future" as our motto and considering the level of social interest, we will advance efforts aimed toward the three provisions of MIRAIT CSR. Going forward into the next fiscal year, we will set guidelines for each priority issue.

The guidelines will be debated and determined in meetings of the MIRAIT Holdings Corporation CSR Promotion Headquarters which is chaired by the corporation president.

As a comprehensive engineering & services firm and with our core technical expertise gained over many years, while working on solutions to various social problems, we intend to contribute to the realization of a sustainable society as one member of that society.



- CSR priority themes and issues "Building and Maintaining a Bridge to the Future"



Integrated Management Operation

Recognizing that safety, quality, and compliance are fundamental to our business operations, the MIRAIT Group promotes occupational safety and health, product quality, environmental protection and information security in all fields and, starting in October 2012, put the "Comprehensive Management System (MS)" into effect. In addition to establishing action policies covering the four areas mentioned above, we have formulated a management system policy including them and promoting steady but sure results under a "living" management system for the entire group. We have determined to achieve CSR through CSR management as a pillar of our operations.

Management System Policies

To achieve business operation policies and targets, an effective and efficient integrated management system has been formulated, and we will strive operate, maintain and reform that system.

- All individuals involved in MIRAIT Group operations should both be aware of the firm's social responsibilities and strive to improve manners, morals, and compliance.
- All companies and departments of the MIRAIT Group should, in mutual cooperation, promote effective management based on the "plan-do-check-act" (PDCA) cycle method.
- All individuals involved in MIRAIT Group operations should participate in appropriate education and training regarding this system to promote enhanced managerial strength.
- The effectiveness of this management system will be subject to regular verification and continuous reform to include these basic policies.

Building and Maintaining a Comfortable Society

Business Operations

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Building and Maintaining Safe, Reliable Technical Capabilities for safety and security

Safety and Quality
Human Resources

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Building and Maintaining The Trust of Society

Environmental Protection
Local Communities
Governance

P.25



Building and Maintaining a Comfortable Society

Construction / Maintenance / Reform of Social Infrastructure

Going forward, a social infrastructure with higher reliability and greater functionality that is friendly to both humans and the environment is necessary. In anticipation of "tomorrow's needs", the MIRAIT Group assumes responsibility – starting with the area of telecommunications – for servicing, operating, safeguarding and updating the many forms of social infrastructure and for reconstruction after disasters.

Building Communications Infrastructure for Tomorrow's Way of Life

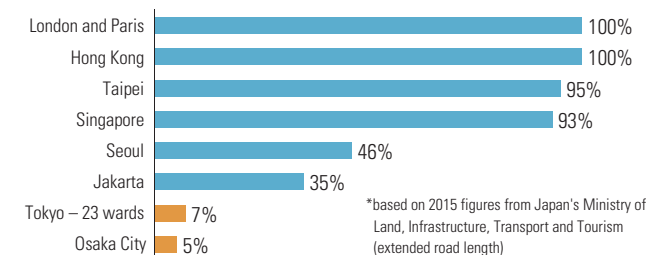
In Japan, due to the declining birthrate, population decrease has become a major issue. There is great concern about the resulting future loss of vitality in economic activity. New ICT, including IoT (Internet of Things) and AI (Artificial Intelligence), is expected to be breakthrough solutions to this issue. In a future society, various items of daily life will be connected on networks. Those networks will support all facets of business and lifestyles. Moreover, enormous amounts of information (big data) are being accumulated. It is anticipated that solutions to diverse issues can be found through analyzing this data. Also, new products and services will be created with the further development of ICT, and we anticipate improved productivity in business and the economy in general. The MIRAIT Group will – with its accumulated expertise in ICT technology – undertake the creation of a high-level ICT society.

In major cities all over Japan, the "undergrounding" (elimination of utility poles by putting wiring and cables underground) is progressing with the purpose making cities more disaster-proof. It will also serve to secure safe walking space and to preserve cityscapes. Especially in Tokyo, in preparation for hosting the Tokyo 2020 Olympic and Paralympic Games, 100% undergrounding is planned for the central core area, but it is still behind progress being made in other major cities around the world. The MIRAIT Group is contributing to safe and people-friendly city planning with a strong emphasis placed on undergrounding operations.



Construction Work to Lay Underground Cables (Electric Cable Multipurpose Underground Duct)

Undergrounding Comparison of Japan with European, American and other Asian Cities



From documents distributed by the First Undergrounding Promotion Committee progress report – Ministry of Land, Infrastructure, Transport and Tourism

Concentrating not only on the immediate response when a disaster occurs, but also on disaster resistant infrastructure

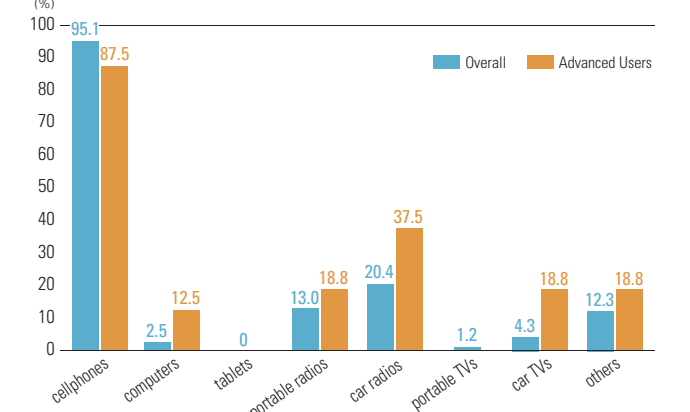
When a disaster strikes, the MIRAIT Group undertakes the task of safeguarding the communications network environment. In August 2016, the typhoon "Lionrock" (No. 10) that struck Iwate Prefecture brought record-breaking heavy rains all over northern Japan. In Iwaizumi-cho, Iwate, one of the stricken areas, communication facilities were damaged by flooding and telecommunication links were temporarily unavailable. After removing large quantities of driftwood and debris and excavating bedrock with heavy machinery, the MIRAIT Group undertook the emergency restoration of communications. As a result, in only 40 days from entering the stricken area, we were able to restore and secure the telecommunications environment.

Moreover, when a disaster strikes, the establishment of a mobile network is the most important issue. Smartphones and other mobile devices are portable, and in times of emergency, text and voice messages, SNS, TV reception and other communication methods provide a wide range of functions. So that these mobile devices can be most useful when they are most needed, the MIRAIT Group is focusing special attention on building and maintaining highly reliable mobile networks.



Emergency restoration construction in Iwaizumi-cho, Iwate Prefecture

Communication/Information Devices brought along during Emergency Evacuation



*Final Report of Findings regarding Telecommunications in time of Disaster" from a Mitsubishi Research Institute, Inc. March 2012 report

Maintaining the mobile network to support evolution in ICT and lifestyles

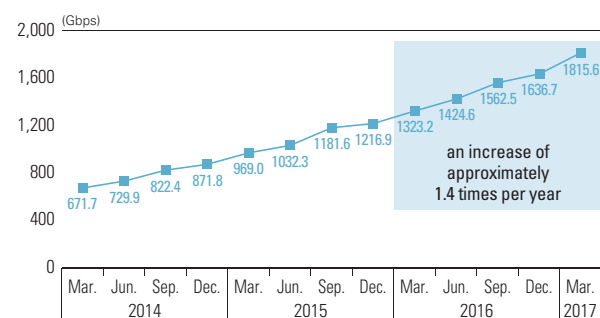
With the current popularization of smartphones, there has been a diversification of mobile network usage – including the use of SNS, viewing videos and so forth. In Japan, the smartphone ownership ratio has already exceeded 70% of the population, and the popularization of mobile devices is expected to increase even further. The driving force behind ICT development is the use of the wide variety of services available to the smartphone user. The importance of mobile devices will only increase from now on.

Supporting all of this activity is the mobile network’s ability to connect to the Internet at any time. As smartphone use and ICT services become even more widespread in the future, the increase in communications data carried by the mobile networks demands preparation of a higher-speed, large-volume wireless data communications environment. The MIRAIT Group has developed a mobile network that allows pleasant use – anytime, anywhere – with wireless communications equipment planning, construction, testing, and maintenance.

Providing solutions to respond to new social needs

Currently, all over the country, Wi-Fi (public wireless LAN) environment expansion is being carried out at a fast pace. It has been pointed out that where in Japan mobile networks such as 3G and LTE are widespread, free Wi-Fi usage is behind that provided in Europe, America, and Asia. Therefore, the Ministry of Internal Affairs and Communications aims to establish Wi-Fi environments in 30,000 locations nationwide by 2020, having also a collateral benefit of disaster support.

Changes in mobile communications traffic (average monthly traffic over the past 3 years)



*Change in our country’s mobile communications (March 2017 data) from the Ministry of Internal Affairs and Communications website

One of the reasons that Wi-Fi environments are so important includes securing a means of communication in emergencies. The MIRAIT Group is actively engaged in establishing Wi-Fi environments in parks and in public facilities that are effective for communication in times of disaster or emergency.

Moreover, in order to properly host the increase in visitors from overseas in conjunction with the Tokyo Olympics and Paralympics a foundation needs to be built. So that visitors to Japan can enjoy their time here, increased construction of free Wi-Fi environments is being considered. One suggestion is to set-up Wi-Fi environments in places along the routes traveled by many visitors to Japan. As a part of this activity, the MIRAIT Group is establishing Wi-Fi spots in subway stations, convenience stores, and in educational and public facilities all over the country.

The need for added security will also increase with the approaching Tokyo Olympics and Paralympics. The MIRAIT Group provides solutions to cover a wide range of scenes for crime prevention and surveillance cameras. With our long

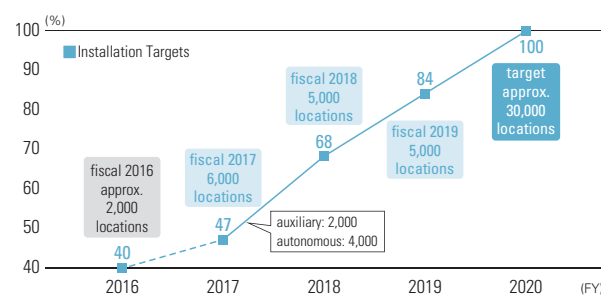


Security camera installed on a utility pole

experience with telecommunications construction, we also handle installation of security cameras on utility poles. Additionally, we have experience installing LED lights to shine around homes and facilities at night amounting to more than 94,500 security lights and 4,600 road lamps (as of fiscal 2016).

These examples demonstrate

Depiction of emergency relief Wi-Fi environments over 3 years



*Explanation regarding progress of installation” February 2, 2017 Japan Tourism Agency of the Ministry of Internal Affairs and Communications

potential solutions created by combining communications, networks, and ICT. We will continue tackling new social needs by combining various technologies.

Construction of public infrastructure supporting daily safety, security, and convenience

From June 2015 to January 2016, we installed an ILS (Instrument Landing System) at the New Chitose Airport. This system enables safe landings in foggy and other bad weather conditions. We expect that this installation will prevent more than 100 flights from being canceled or delayed per year. The East Japan Civil Aviation Bureau of the Ministry of Land, Infrastructure and Transport recognized our high-quality construction with no accidents or emergencies under difficult construction conditions by awarding the “Excellent Installation Builders Award”.



Glide path antenna showing the descent course (altitude)

(This was the second award after the 2011 construction at Haneda Airport.)

These are just examples of how the technical expertise of the MIRAIT Group is put to use in public infrastructure and supports safe and people-friendly city planning.

Contributions to establishing reliability in local communities overseas

Starting in the 1970s, the MIRAIT Group has constructed telecommunication facilities in more than 90 countries, worldwide. We have applied the technology, experience, and know-how gained over the years in Japan to the installation of infrastructure in many other countries.

The level of internet coverage is lower in Myanmar than other Asian countries, but decisive investment is being made in broadband integrated network infrastructure construction.

The MIRAIT Group started a project to lay optical fiber cable throughout the country in Myanmar in February 2015. In February 2016, we established the MIRAIT Technologies Myanmar Co., Ltd. to strengthen local construction capabilities and for expansion of business opportunities. The project was carried out not just from Japan, but also in cooperation between the local corporation and the Philippine cable company, MIRAIT PHILIPPINES INC. As of March 2017, 2,700 km had been laid, and installation construction was still underway as of July 2017. In areas of frequent flooding, over a total underground installation section of 400 km, 120 km of

that – nearly a third of the total – was damaged by flooding, but despite that, construction was completed quickly. Additionally, in the ancient city of Bagan, we received a high evaluation from the Agency for Cultural Affairs because we undertook construction while devising seven different methods of construction for protection of cultural properties. This project not only created local employment opportunities, but it also contributed to cross-cultural communication and mutual understanding through the collaborative work.

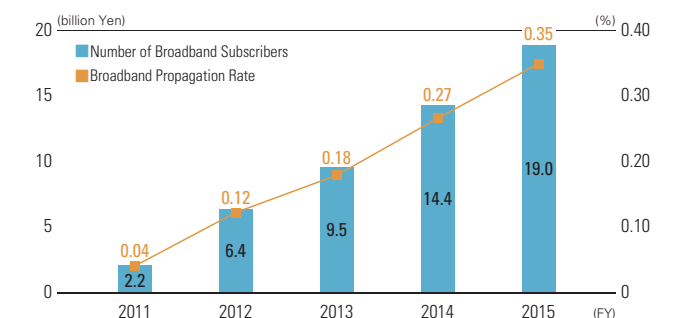


Optic fiber installation in Myanmar

In Australia too, optic fiber related construction is being carried out in earnest by MIRAIT Technologies Australia Pty. Ltd. for telecommunications infrastructure. In 2016 we were entrusted with a large-scale order from the major domestic Australian telecommunications carrier for line renewal in 15,000 locations. While reinforcing our management base and securing our product quality standard, we are working toward higher credibility, and with business expansion in Australia and elsewhere, we are pushing forward our global business development.

Going forward, in all overseas areas, we will conduct communications infrastructure construction business deeply rooted in the local community thereby contributing to each country or region’s ICT environment installation and enhancement of functionality.

Broadband Subscribers and Propagation Rate in Myanmar



*The Condition of World Information Communication” from the Ministry of Internal Affairs and Communications website



Fully utilizing acquired technical know-how for improved city function by expanding cable undergrounding

In Tokyo, “undergrounding” (utility cable and electric wiring tunnel construction) is proceeding at a fast pace in anticipation of the 2020 Tokyo Olympics and Paralympics. Elimination of utility poles through undergrounding will both improve the urban landscape and be indispensable to city anti-disaster measures such as earthquakes and typhoons against utility pole collapse. This vital infrastructure maintenance will ensure a safe and comfortable passage in addition to improving city functions.

The MIRAIT Group has carried out much of this multipurpose cable construction and is confident in our technical expertise accumulated over many years of experience. We believe that the installation along Meguro-Dori street (in Tokyo’s Meguro and Setagaya Wards) demonstrates how our accumulated know-how can be put to productive use.

Care for neighborhood residents is very important in construction in the central areas of Tokyo. Because of traffic conditions, construction is carried out usually at night and the sections under construction border on housing areas. Especially since work must be done under these sorts of special conditions, prior explanation to the neighboring residents is essential. When explaining the construction, once we have pointed out that the mission of undergrounding installation is for disaster prevention and for safety and comfort in addition to tourism and beautification, most of the residents kindly understood, but we have also gotten stern opinions on occasion. When that has occurred,



we had repeated communications with the residents holding the harsh views. By sincerely stating that the construction is essential for improving city functions in Tokyo and that measures would be taken to reduce inconvenience, in the end, we have been able to reach an understanding. The idea that “High-quality construction work can be carried out only with good mutual relations with local residents”, shared by all those concerned with the work – and through teamwork – that quality work can be done.

The main stages of this construction work were to excavate the existing roadway and to bury underground the ducting carrying the cables and the special parts that will act as connecting points. In the same area, buried underground are pipes for water, sewage, and gas – lifelines for other operators. When excavating, it is necessary to grasp their precise underground locations. Surveys to understand underground conditions and conferences with the water and sewage bureau and the gas company are held beforehand, and thorough safety checks are made during excavation. These are proper and natural steps for a construction company, but they do prevent equipment accidents.

Striving to improve my total management skills, not only in the technology of construction as a whole, but also the management of these safety issues and follow-through with the neighborhood residents, I hope to play an important role as the Tokyo undergrounding construction accelerates.



MIRAIT Technologies Corporation
NTT Business Unit
Civil Works Business Division
Tokyo Civil Works Department

Hiroshi Kikuchi

Project Outline

- Project name
Common Cable Duct Installation Construction
- Site Location
Meguro and Setagaya Wards, Metropolitan Tokyo
- Client (Contracting Party)
Tokyo (Agency ordering: NTT INFRANET CO., LTD.)
- Main Contractor
MIRAIT Technologies Corporation

Making New Social Systems

Unprecedented approaches are necessary for the realization of a sustainable society and resolution of the issues facing Japan.

From the perspective of a comprehensive engineering & services firm, the MIRAIT Group build new social systems – one step at a time.

Next generation energy so that we can pass a beautiful natural environment on to the future

Japan’s energy self-sufficiency is less than 10% and it relies on imported fossil fuels for generating electricity. This pattern was only strengthened after the East Japan great earthquake disaster of 2011. It has been said that Japan’s energy circumstances are worse even than during the first oil shock (1973). The problem of energy is not just an issue for Japan; it is a worldwide problem as we see in efforts to deal with climatic change and depleting crude oil reserves. Seeking to find ways to break through these difficulties, the MIRAIT Group is diligently at work on sustainable next-generation energy business.

One possibility is utilizing natural energy by building solar and wind power systems.

With regards to solar energy production, we are undertaking the planning, construction, maintenance and operation of facilities ranging from large scale “mega-solar” plants to household power storage systems. Particularly with the revision of the FIT * regulations in April 2017, inspection and maintenance has gained particular importance. The MIRAIT Group places special emphasis on O&M business, assigning a chief engineer for operation monitoring, safety checks, and emergency response maintenance.

In addition, we are making new steps into the field of wind-power generation facility construction. Construction of “Kahoku Generator No. 1” was completed in July 2016 in Kahoku City, Ishikawa Prefecture as commissioned by a customer in the renewable energy generation industry. We expected further growth in demand from next-generation energy businesses in the future. The MIRAIT Group is diligently working on new technological fields to aid in the effort to pass on a beautiful natural environment to the future.

*FIT (Feed-in Tariff Scheme) is a special measures law covering the procurement of renewable energy electricity by electric companies.



Attaching wind-power generator blades to the generating mechanism

Installing electric vehicle charging stations in more than 1000 locations nationwide

Electric vehicles and hybrids – dissemination is increasing as elements of an ecological, “green” mobility system. The spread of these next-generation vehicles is an important aspect not only as a countermeasure to the energy problem but also for strengthening the automotive industry. The “Japanese Revival Strategy – 2015 Revision” cabinet council decision of 2015 calls for an increase of next-generation vehicles sales to ratio of between 50 and 70% of all vehicles by 2030.

An infrastructure for charging these next-generation vehicles is essential. In the context of the high-paced progress of charging station infrastructure construction advances, backed by large-scale assistance programs that started in 2013, there are currently charging facilities installed at more than 7,000 locations. The MIRAIT Group handles comprehensive management of civil engineering, construction, power, telecommunications and other technologies needed for these charging stations, providing total services from planning to installation and maintenance.

To date, we have installed 1,000 quick charging facilities in expressway service and parking areas in addition to convenience stores, supermarkets, and other locations. One EV quick charging station is installed at the Michi-no-Eki (roadside station) Hota Elementary School in Chiba Prefecture. This facility is a roadside station that utilizes a decommissioned elementary school to house stores, restaurants, overnight accommodations and so on while keeping the atmosphere of a school. Adding increased value to this popular and unique endeavor, visitors who are electric vehicle users are able to charge their vehicles while enjoying their shopping experience, bring about a synergistic benefit.



The EV quick charging station at “Michi-no-Eki Hota Elementary School”

Aspiring to a “Smart Life” balance by harmonizing work, life, and the environment

When considering the meaning of the words, “sustainable society”, one cannot disassociate the lifestyles of those living there. The MIRAIT Group aims for a “smart life” society with affluent lives in harmony with nature.

Take, for example, recent attention given to “work style reform” in the backdrop of a recent decreasing birth-rate, population reduction, and globalization. Corporations today are expected to improve business productivity while dealing with work style diversity and hiring systems. The MIRAIT Group offers solutions to organizations wrestling with these issues.

“Casting Tables 3” is a system for precise human resources management and improved call center operation. The operator submits desired work hours and days off, and a shift list is prepared adapted to individual lifestyles. “ImageGate®” is a system that uses smart devices to aid in operational efficiency. By digitalizing technical drawings and transferring them to a smart device – a portable tool – duties such as surveys, inspections and reports can be carried out simply and clearly. Additionally, because the tool of a digitalized drawing can be sent via the Internet, the need to carry around paper drawings is eliminated. This is very useful on construction sites, or for shelf-stocking control in supermarkets, or when drawings are used in business negotiations. And, starting in 2015 testing began aimed at practical application using the 280MHz band of a wireless network for remote, automatic water meter reading. This technology is a combination of the “FlexNet TM” wide area, low power network capable of carrying vast quantities of device data together with smart water meters enabling consolidated remote meter reading from great distances. The need for individual readings at each dwelling is eliminated and



Installing smart water meters at a test station in the mountainous Hakone-machi

makes more efficient operations in mountainous areas possible. It is also hoped that this technology will be useful in water leak detection and in services to monitor elderly people. The favorable outcome of these tests is the result of cooperation several parties – the water company, telecommunications industry and product manufacturers.

Providing services to make Japan an even more attractive tourist location

The Japanese government is pushing forward various measures aimed at making the country an “advanced nation” for tourism. Particularly high expectations are held for the economic revitalization resulting from inbound tourist consumption. The target for visitors to Japan in 2020 is 40 million people with 8 trillion yen spent domestically. In 10 years after that 60 million visitors and consumption of 15 trillion is targeted. An important challenge is that these measures do not merely urge foreign visitors, but that the level of repeat visits is increased. With that in mind, the MIRAIT Group has developed a service aimed at providing better service to visitors from overseas.

“PONTANA” is a digital information stand that distributes digitalized pamphlets and such that would typically be printed on paper. Designed for use in large-scale commercial and public facilities, it can hold up to 450 different kinds of digitalized pamphlets. The user needs only to tap on the screen to transfer the data to a smartphone or other mobile device to carry with him.

In May 2016 at the G7 Ise-Shima Summit held in Mie Prefecture, PONTANA information service tool was installed at the international media center (IMC) annex of the Mie information building. Multilingual contents were provided for many members of the overseas media fulfilling a role in providing information regarding Mie Prefecture’s charm.

Another digital information distribution service is “ee-TaB*®” used in hotels and other accommodation facilities. Using a tablet installed in the room, a guest can obtain information regarding the facility or tourist locations in the area by receiving multilingual voice messages and animation. They have been installed nationwide in 20 accommodation facilities targeting visitors from overseas.

Utilizing technological resources cultivated over the years and quickly recognizing tomorrow’s needs, the MIRAIT Group is formulating systems for implementation.



“ee-TaB*®”



PONTANA digital information stand installed at the Ise-Shima Summit

PROJECT REPORT



Trail-blazing new possibilities in PV (photovoltaic) solar power generation systems with new innovative techniques in a consolidated structure together with power and construction work

On March 31, 2017, construction on the F Nagara PV solar generation system was completed. This system covers approximately 20 thousand M2 of land and achieves power production of 2 megawatts. The inception of this project for the contracting organization – NTT Facilities Inc. – was a request from a property owner that his unused land be used for solar power generation. Because different specialties such as power installation and civil engineering and necessary for building a solar power generation system, it is common to commission different contractors for each type of work. However, because we can handle both specialties, MIRAIT Corporation was able to take care of site preparation, building, and power installation comprehensively. By shouldering the construction collectively, the smooth linkage between the various aspects of construction was made possible, thereby benefit for the customer in several areas such as cost, construction time, product quality, and after-sale service.

Furthermore, use of the new innovative technique

called “M-shaped Array Method” developed by NTT Facilities enabled substantially increased the power generation per square meter of the site area. The M-shaped array method is a way to increase the number of PV solar panels that can be installed in the same area by lining up several panels tilted in the shape of the letter M and installing them in an array facing east-west instead of the conventionally used north-south method. In this installation, a test was conducted by mixing the conventional method with the new technique. As a result, it was found that the new technique produces more electrical energy per year. Use of this installation method enables greater power generation in limited space, meaning that the number of alternative choices for equipment installation is enlarged. From now on, by building renewable energy facilities such as photovoltaic solar power generation systems on unused land we want to contribute to regional revitalization.

The experience of building this system was also a significant outcome for the MIRAIT Group through the new knowledge that was gained. We are quite pleased

that our involvement with the renewable energy – such as PV solar generation – we are able to contribute to environmental conservation. Ensuring a certain and safe completion of construction, we adhere to scheduled completion dates, prevent accidents, and maintain product quality. By keeping to those simple but essential points, the MIRAIT Group brand value will increase as we head towards our goal building a society that co-exists symbiotically with nature.



photo left: MIRAIT Corporation Chiba Branch Office East Chiba Access Service Center

Yoshikazu Matsumura

photo right: MIRAIT Corporation Chiba Branch Office NTT Sales Marketing Division

Yasuto Sawano

Project Outline

- Construction name
F Nagara PV solar generation system installation
- Site Location
Nagara-cho, Chosei-gun, Chiba Prefecture
- Client (Contracting Party)
NTT Facilities Inc.
- Contractor
MIRAIT Corporation

Improving Customer Service

We endeavor to create an environment where workers can unleash their power to satisfy customer expectations of trust and high-quality products and service, provided at any time, by devising mechanisms and training to put those tools in motion.

Quality Management

As part of an integrated management system, the MIRAIT Group companies have been certified for quality management under ISO 9001. Working diligently to provide high-quality construction and service, we have established a Quality Policy based on the idea that maintaining safety, security and trust are the foundations of management. Also, through company regulations, we have clarified specific processes, procedures, and criterion.

Annually, each company sets targets (for the number of facility accidents, the number of inspection issues indicated, score for customer satisfaction, etc.) depending on the type of operation. The level of achievement is then reviewed for efforts continuing into subsequent years.

Policy on Quality

We will efficiently conduct standardized production and service activities to provide customers with high-quality products and services that meet their expectations and earn their trust.

- We will promptly respond to customer requests and adopt applicable legislation and regulations.
- We will seek to enhance product and service quality as well as construction quality under the "customer first" principle for greater customer satisfaction and more efficient production and service operations.
- We will reduce quality risk to maintain and improve QCD (quality, cost, and delivery).

Improving Technical Strength and Workplace Power

The MIRAIT Group is expending various efforts to steadily improve technical strength – which supports service quality.

■ Striving to be a trusted worksite supervisor

To strengthen management by the worksite supervisor * – the core human resource of business operations, "Worksite Supervisor Training" is given to newly appointed worksite supervisors and deputy worksite supervisors.

In recent years, with the increase in the number of construction sites and with the diversification and increased complexity of construction details, as the person responsible at the worksite, the worksite supervisor must have extensive response capabilities. During this training, the "Worksite Supervisor Handbook" – that contains the sum total of the MIRAIT Group's experience and know-how. In addition to learning the basic elements of construction management such as preparing a budget and cost management, through the introduction of discussion and role-playing, knowledge is gained organically. It is an approach that enhances problem-solving capabilities.

*Worksite supervisor is a supervisory position appointed to consolidate work at each of the MIRAIT Group's construction sites.

■ Implementation of authorization of workers for high elevation work safety

So that an engineer is able to work at high elevations safely and securely, a "high elevation security worker authorization" (access system) and "high elevation security worker authorization" (network system) is implemented.

The number candidates for each type of authorization as of the end of March 2017 was 2,972 for the access system and 243 for the network system.

■ Holding lectures at the Expert College

Lectures are being held at the Expert College for the education of specialized technicians, with various types of training offered. In 2016 a 9-month Access Systems Basic Technology course for newly hired employees and a 19-day Metallic Cable Connection training course were offered. The purpose of this training is to learn basic access systems technology and skills together with safe construction abilities.

An additional aim is for the acquisition of various types of certification such as information wiring installation and licensed electrician.

■ Training for a renewed awareness toward safety

A training course for a renewed awareness toward safety if offered to the employees at construction sites who are charged with safety leadership and safety management (an appointed safety supervisor, site agent, or other). The training helps in enhanced safety management capability through classes and practice in safety patrol points, examination of example accidents and others. Classes were held five times in 2016 with 55 people attending.

Receiving the "Minister of Land, Infrastructure and Transport's Award for Outstanding Engineering"

In October 2016, Takahiro Oomi of the Access Department, Kanagawa Branch of MIRAIT Corporation and Yoshinobu Tanaka of the Access Department, NTT Business Unit East Japan Business Division, Access Department, MIRAIT Technologies Corporation received the "Minister of Land, Infrastructure and Transport's Award for Outstanding Engineering" (Master Builder). This honor is awarded to expert builders working on the front line at construction sites who have shown particularly outstanding skills and technology and who have made significant contributions with guidance in the training of the next generation. The MIRAIT Group has received this award for five consecutive years since 2012, but this is the first year that both MIRAIT and MIRAIT Technologies have won in the same year.

Endeavors hand-in-hand with operation partners

Well aware that cooperation from business partners is essential for service quality retention and improvement, the MIRAIT Group acts in close coordination.

■ Enhanced coordination in setting evaluation standards

As part of the integrated management system, the MIRAIT Group has established a "supplier (procurement) evaluation/selection enforcement standard" among companies supplying products or services that affect the quality of the business. With regards to new business partners and continuing business connections that are larger than a set criterion, we make a multisided evaluation (of 6 facets: quality, delivery periods, improvement activities, management stability, environmental conservation, information asset management). Prioritizing based on a ranking of the results; purchases are made from suppliers with precedence – strengthening the coordination with superior partners.

■ Interaction and Communication

To deepen mutual understanding and communication with affiliated companies, and with the purpose of contributing to healthy management, "cooperation meetings" are held with members of approximately 200 affiliated companies. Headquarters activities and three sub-groups – safety, technical training, and management information along with various workshops together with safety strategy activities are held in addition to information sharing on the cooperation meeting website.

Additionally, to deepen the interaction with affiliated companies with regional branches, we have divided the country into nine areas, holding regular meetings of the "regional cooperation meeting" to exchange information about business project development and other topics. In

fiscal 2016, we pushed forward mutual recognition regarding future business development among the 358 companies that participated.

Overall improvement in operation quality

The MIRAIT Group believes that the key to steadily improving service quality is to raise standards of overall operation quality consistently. Diligently turning our attention to points noticed and opinions held by onsite workers (both group employees and affiliated company workers), we promote "KAIZEN suggestion activity" to improve efficiency and the quality of duties. Also, we gather team members from group companies' worksites and hold regular "MIRAIT Group KAIZEN meetings" to introduce activity results, bringing reciprocal improvement. In 2016, 15 teams gave presentations sharing the results of the different inventive ideas.

Furthermore, from a business management viewpoint, the MIRAIT Group as a whole is engaged in TQM (Total Quality Management) to enhance the overall operation quality.

14,727

Number of KAIZEN suggestions
(fiscal 2016)

358 companies

Participants in "regional cooperation meetings"
(fiscal 2016)

Work that develops emotional connections with the local community and our affiliated companies

As the head of construction for new construction, expansion and removal of base station construction for a telecommunications firm, I am responsible for on-site safety management and guidance, progress control, cost management and quality control. Because the understanding of the local population is a condition, I keep their feelings and faithful communication in mind performing my duties. That makes the joy of a safe completion all the greater.

I joined the company in a mid-career job change. In my previous job, I acted as the chief in charge on-site

field-work for base station construction. Therefore, I can understand the viewpoint of the subcontractor from actual experience. As such, in my new position, I try my best to think of ways that work can proceed more effectively and smoothly, without putting excessive burden on the subcontractor employees.

I find work as head of construction greatly fulfilling and I hope to pass that sense on to the next generation. In order to gain the trust – both in and outside the company – as a reliable head of construction, both in name and reality, I intend to continue studying.



Makoto Takahashi
MIRAIT Corporation
Mobile Communications Business Headquarters
Engineering Division

Human Resource Education

Supporting growth of each employee from a broad perspective means systematically reinforcing our human capital that will support us in the future.

Personnel Training System

At the MIRAIT Group, we consider human resource development as one of the most vital themes. We have established personnel training systems made up of “sectoral model systems” to enhance specialized professional capabilities by sector and “stratified model systems” with the mastery of knowledge required in common at each professional level (see diagram below). Supporting the progress of each employee, we are driving the reinforcement of our human resource foundation which, in turn, sustains our business operation.

Personnel training systems begin with introductory courses soon after a new employee joins the company and extend through each professional level to executives. Training is designed to enable acquiring necessary knowledge appropriate for the prospective role and career stage. For new employees, a particularly solid education training system is set up that will be useful regardless of their background – sciences or humanities. Additionally, there is an interview system whereby in an employee can discuss ways to realize his own career goals with a supervisor. To accommodate an employee’s ambition, we promote affirmative challenges to acquire various qualification certificates, and we have



New employee training

established a bonus system depending on a degree of difficulty of the challenge.

Preparing the Training Environment

At training centers like the Ichikawa Training Center (Ichikawa City, Chiba Prefecture) and Kansai Hyper Techno Port (Kobe, Hyogo Prefecture), various equipment has been installed for full-blown technical skill training and technological development of our engineers. From brand new employees to seasoned veterans, to meet our customers’ and society’s demands and to contribute to today’s needs, we are sharpening our technological capabilities and ability to make proposals.

Initiating Internship Program

In August 2016, we initiated an internship program for students. The principal objective is giving professional-life assistance to the generation that will shoulder the burden of Japan’s future. In the short-term internship of about one week, through work experiences such as observing telecommunications cable being connected and visits to construction sites, we provided the students the opportunity to deepen their occupational awareness and realize their own aptitudes.



Students intently listening to an explanation

Training programs at overseas operations

The MIRAIT Group conducts various training programs for employees hired at their overseas branches. At MIRAIT Technologies Myanmar Co. Ltd., not only locally hired employees, but those from local affiliated companies participate. Striving for technical skill enhancement, we hold lectures and practical workshops in large-scale training sessions.



We have also dispatched employees to the group company with its head office in Singapore, Lantrovision, so that they can learn about foreign accounting practices, improve skills for managing overseas projects, and earn an international qualification, RCDD (Registered Communications Distribution Designer).

Personnel evaluation system

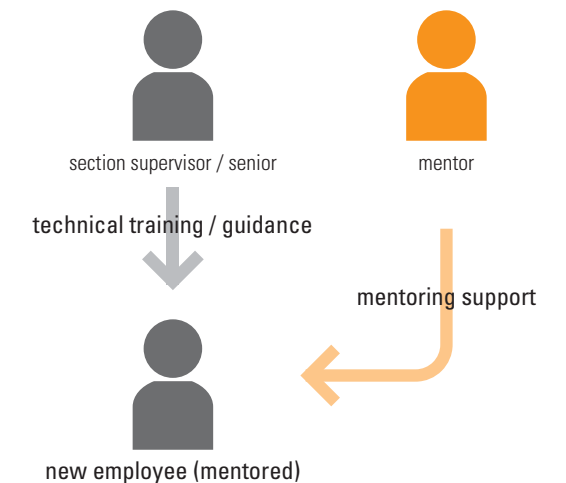
We have introduced a results-based system. In personnel administration, it uses evaluation of actual process performance against expected roles and level of achievement.

In the evaluation, serious consideration is given to communication between employee and supervisor. Setting goals and establishing process management rules is carried out in interviews. Making it a rule to set targets in interviews and manage progress, we have each individual understand his position in the organization and significance of his goals and have in place a system where achieving targets is incentivized and personal motivation and discipline for creative thinking and making improvements is stimulated.

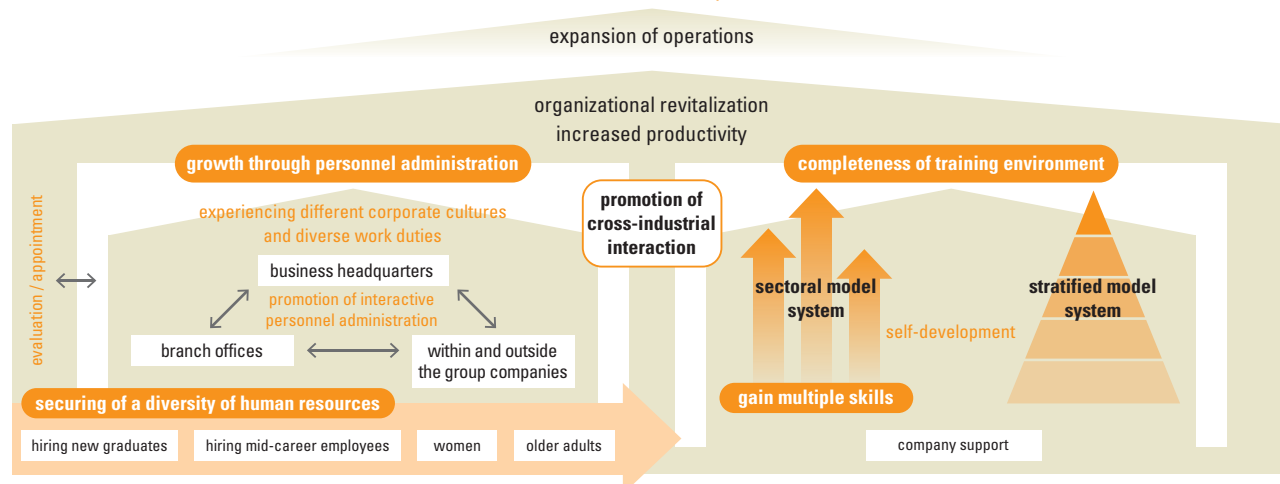
Mentoring Program

A senior employee – mentor – is appointed for each new employee, separate from his assigned section supervisor, for guidance and counseling. Through dialogue regarding points noticed by his mentor and counseling, the system promotes voluntary and autonomous development by new employee (mentored). With monthly interviews, periodical reports and feedback, not only the new employee, but the senior employee acting as a mentor, this is a program for positive growth.

Idea behind the Mentoring Program

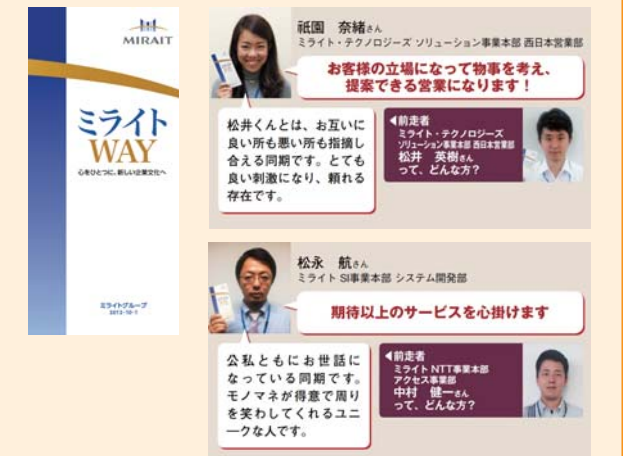


Enhancing & Revitalizing Human Resource Foundation to Support Expansion into New Business Domains and Operational Innovation



“My Way” Manifest

In the MIRAIT Group, a plan is in place for each employee to establish his own work-style program called the “My Way” manifest. Being aware of the principles of the basic management policy, conduct guidelines, and the corporate ethics charter outlined in the “MIRAIT Way” approach, and considering past experience and current tasks, each individual expresses the manifest in his own words. In the MIRAIT Group in-company magazine – MIRAIST – there is a column where each employee, in relay fashion, can present his “My Way”, enabling us to know one another better.



Diversity

Regardless of age, gender, nationality, existence or lack of handicap – placing importance on individuality – we encourage the building of a workplace that will manifest our employees’ abilities to their maximum.

Promoting the active role of female employees

So that female employees can give play to their abilities and are able to build careers in various arenas, we are devising action plans and analyzing problems in each company. Our plan initially centers on increasing the ratio of females in new graduate hires and increasing the ratio of females in managerial positions, and at the same time, we are striving to provide support for a good Work-Life Balance.

■ Work-Life Balance

In the MIRAITS Group, we try to provide an environment where satisfying working style and lifestyle are achieved so that employees can harmonize their work and home life. We aim to implement an approach with support so that potential abilities are manifested in operational duties for a good work-life balance. Setting up “no overtime days” and encouraging leaving work on time will certainly promote employee health, but also support women employees’ activities. While, at the same time, having the objective of creating a workplace environment that facilitates work and home life balance, we intend to enhance operation efficiency by promotion of KAIZEN activity in each workplace and to reduce overall working hours.

Also, envisaging a variety of role models and networking, we will plan an ongoing lecture series with instructors active in related arenas.

■ Finding a good balance between a career and childcare/nursing

So that employees can continue working with a sense of security for a long time, parental leave (available until the child reaches three years of age) and reduced working hours system (available until the child finishes the third year of elementary school), plans are available corresponding to major life events such as childbirth, infant care or nursing that are well above levels stipulated by law. Since the MIRAITS Group inaugurated the plan in October 2012 until March 2017, the rate of maternity leave taken by women employees is 100%.

In September 2015, MIRAITS Corporation was awarded the “Kurumin” certification mark for companies that provide support to families raising children by the Minister of Health, Labor and Welfare.



100%
Rate of women employees granted maternity leave (fiscal 2016)

Balance Support System – Career and Childbirth/Child Rearing



*To ensure a smooth return to the same workplace after maternity leave, during the leave, arrangements are made for a supervisor or coworker who has taken maternity leave in the past to conduct regular face-to-face meetings to provide updates on the status of the workplace.

Balance Support System – Career and Nursing

system name	description
Nursing Holiday System	An employee who has a family member needed home nursing care and is participating in the family member’s care, for each family member requiring care, the employee may be granted up to one year of continuous holiday time or up to one year within one year of discontinuous holiday time. Also, when period granted the first time does not exceed 93 days, it can be divided and acquired twice (effective period may go beyond the 1-year period).
Nursing Holiday System	When one family member requires nursing care from an employee, leave is granted for 5 days per year and limited to 10 days per year for 2 or more family members needing care in half-day units. Also, nursing or other necessary care can be granted for short periods. (paid leave)
Accumulative Leave System	Of expired annual paid leave time, up to 6 days/year can be reserved. It can be used for volunteer activity, family care, nursing, expectant mother’s medical examination, infertility treatment, maternity leave for a spouse and other purposes.
Time Units for Annual Paid Holiday	Limited to 5 days per year, annual paid leave allowance can be used in one-hour units.

■ Acquisition of “Eruboshi” (Female Employees Promotion Law) Certification

“Eruboshi” is the nickname for the logo mark of a certification program of the Minister of Health, Labor, and Welfare in which companies formulating and reporting action plans to promote the roles of women in the workplace that are carried out outstandingly are authorized to use the mark. Between January and February 2017, MIRAITS Corporation and MIRAITS Technologies Corporation of the MIRAITS Group cleared all five evaluation items (recruitment, employment continuity, work methods including working hours etc., ratio of managerial class employees, and variety of career courses) reaching certification level, thus receiving the highest of the three levels of certification.



Support for Senior Personnel

Correspondent to Japan’s progressively lower birthrate and aging population, to support the participation of senior talented personnel qualified person in the high technology necessary for communication construction industry, we have set the retirement age at 62 and have established a

re-employment program to maintain an environment where those who desire to can continue taking an active part.

Additionally, we hold life plan seminars for employees over a certain age and provide support for financial planning and working methods after employment extension.

Promoting the active role of local personnel in foreign countries

Centering on Asia and the Pacific Region, the MIRAITS Group currently maintains branches in 14 countries and regions with locally hired personnel working in the regional offices. Through mutual support such as dispatch of personnel required between overseas bases, we seek an overall enhancement of the technical skills of local employees for growth so that each employee can demonstrate his full abilities.

67 male grads **21** female grads
Breakdown, by gender, of new graduate hires (fiscal 2016)

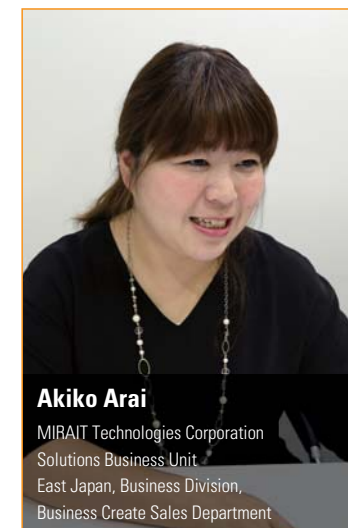
91.3%
Ratio of retention rate for new graduates after 3 years (fiscal 2016)

2.7%
Ratio of women in managerial positions (as of March 2017)

97 individuals
Re-employment instances for mature employees (fiscal 2016)

1,617 individuals
Employees hired locally in 14 countries and regions (as of end March 2017)

*Values are totals for MIRAITS Corporation and MIRAITS Technologies Corporation (excluding the number of local employees in 14 countries and regions).



Akiko Arai
MIRAITS Technologies Corporation
Solutions Business Unit
East Japan, Business Division,
Business Create Sales Department

A workplace environment where I can take up new challenges at any time

From the time I was hired, I worked in an office, but I started to want a new challenge. After giving birth, I saw an opportunity and applied for a transfer to the sales division. I thought it would be a chance to make a more significant contribution to the business. Plus, I thought I would like to meet more people in a new section and, by taking a job in sales would better understand our company. I had some uncertainty about both childcare and the work position, but the feeling of excitement over the new challenges overcame my fears.

The company system allows for parental leave until my child was three, but I was able to find a nursery school and returned to the workplace after a year. During my leave, I received frequent emails from my boss and coworkers with information about the workplace, so my

return to work was smooth.

As I began to get used to sales work, I formed relationships with our customers and occasions to go outside the office increased, but since I can use email and in-company systems even when I am away from the office, it is possible to make efficient use of my time – that is a real help. After I caused a coworker trouble when my child got a fever, I am careful to share daily information so that even if I cannot be in the office, there is someone who can deal with the situation. I am very grateful to my supervisors and coworkers for their consideration and support in many aspects. I will place importance on thoughtful consideration and mature into an account executive trusted by our customers.

Environmental Protection

Making a consistent daily effort to reduce the environmental footprint resulting from our business activities, to preserve rural mountain landscapes, and to take an active role in environmental beautification, we strive toward passing on a healthy earth and regional environment to the next generation.

Environmental Management

■ Environmental Management System

The MIRAIT Group has acquired EMS (Environmental Management System ISO 14001) certification for our domestic companies. And for the overseas group companies, too, environmental management systems corresponding to this are being formed and put into operation.

At each business location, operational activities are examined and evaluated for their environmental impact. We then devise countermeasures for serious environmental effects and every year develop implementation plans, confirming the results and issues for continuity in impact improvement.

We make regular audits with ISO 14001 certified offices having internal and outside investigations annually.

Furthermore, in the three years between 2014 and 2016, there have been no incidents, accidents, pollution, or grievances caused by violation of environmental laws or problems (for domestic group companies).

Policy on the Environment

As an upstanding corporate citizen, we will pursue activities for protecting the global environment through our daily operations and contribute to the creation of a more affluent and comfortable society.

- We will comply with legislation and regulations regarding environmental protection, such as the Act on the Rational Use of Energy and the Waste Management and Public Cleansing Act, and work to reduce our impact on the environment and prevent pollution.
- We will implement appropriate risk assessment measures to reduce environmental risk and conduct effective environmental activities.
- All MIRAIT Group employees will seek to increase their awareness of environmental protection and actively endeavor to pass on a healthy global environment to future generations.

Environmental Goals and Achievement Status

goal:	results for fiscal 2016
reducing CO ₂ emissions by more than 1% over the previous year	reduction of 0.3% from fiscal 2015

■ Sharing Results from Environmental Information Systems

To ascertain actual values of leading performance indicators for environmental conservation initiatives (for electric energy consumption, consumption of fuels such as gasoline and kerosene, volume of waste – paper, household garbage, industrial waste – and “green” procurement amounts) we have initiated an “environmental system” that is useful in preservation efforts.

Particularly in summer and winter when electricity consumption increases, each workplace sets its own goals

and has campaigns to encourage reduced energy use.

Contributing to a circular economy

■ Green product-development guidelines

We have established “green product-development” guidelines compiling the points that should be considered from the product design and development stage with the preservation of the global environment in mind. During development, while both observing related laws and ordinances, we also consider environmental effects over the lifecycle of the construction method, product, or service.

■ Reducing burden to the environment caused by cars and other vehicles

By introducing low-emission/ fuel-efficient vehicles, and by encouraging ecologically friendly driving – eco-drive – which is relatively less burdensome to the environment and leads to fewer traffic accidents, we endeavor to raise company-wide awareness and promote reduced energy use.

■ Recycling Construction By-products

We continuously work to minimize the volume of construction by-products that occur at each construction site and to discover ways to recycle by-products that do occur. As part of that effort, we switched from wooden drums on which steel stranded wire is wound and disposed of after one use to a reusable “ECO drum” – part of a telecommunications construction industry program – starting in 2008 and, except for a few sizes, use only ECO drums.



ECO drum

■ Green Procurement

Whenever possible, we purchase office supplies and OA paper based on the recommendations of GPN* green procurement guidelines. The green purchasing ratio for MIRAIT Corporation and MIRAIT Technologies Corporation where 82.8% and 85.8%, respectively.

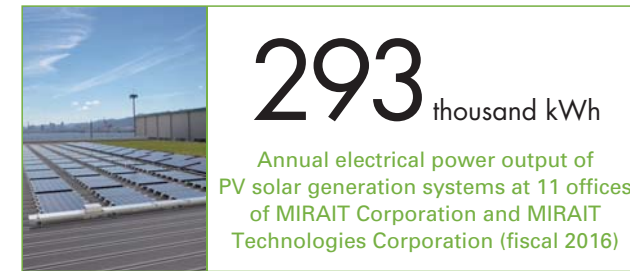
*For procurement, the GPN (Green Purchasing Network) guidelines list products with consideration given to environmental conservation.

■ Promotion of the environmental preservation in the supply chain

We have established an evaluation standard for our suppliers setting appraisal points for environmental issues (resource conservation, recyclability, and etc.) as part of selection criteria.

■ Energy conservation at construction centers

At construction centers in each location, we have installed LED lighting, demand monitoring systems for power consumption, and are utilizing roof space for PV solar power generation to promote resource conservation.



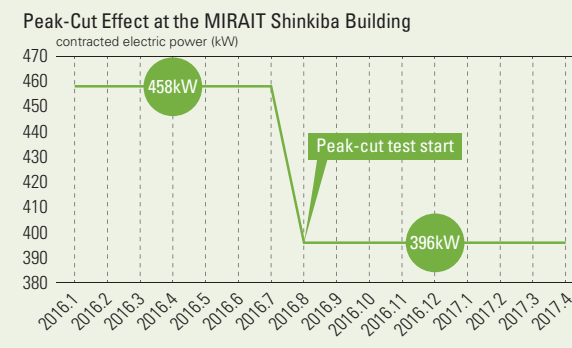
Photovoltaic solar power generation facilities of the Kobe technical center

■ Promotion of power consumption economy

Most of the energy consumed in offices is electricity. At the MIRAIT Group we are, as a group, promoting reduced power consumption measures through rationalization of use and reduction in numbers of printers and copy machines, thoroughgoing program of power-saving settings on PCs, along with proper temperature control. Additionally, with strict enforcement of lights-out policies and regulation of elevator use, we are encouraging reduced power consumption in multiple aspects.

Reduction of electricity consumption through building energy management systems

In 2012, a cloud-based building energy management system was installed at the Shinkiba Building of the MIRAIT Corporation where, by automatically controlling the indoor temperature at a set point while controlling the CO₂ concentration of the indoor space at an appropriate level, we are able to reduce power consumption. Also, in 2016, we installed a peak cut control system so that when the building's consumed power exceeded a prescribed threshold, the air conditioning (outdoor equipment) – which accounts for a significant ratio of consumed power – is turned off. We were thus able to reduce contracted electricity from 458kW to 396kW for an approximately 14% reduction.



Contributing to a society in harmony with nature

■ Biodiversity Conservation

Since 2003 we have participated in the rural areas and neighborhood (“satoyama”) preservation activities of the Osaka Green Trust (Public Interest Incorporated Foundation) by recruiting volunteers both inhouse and from affiliated companies. As in the previous year, in 2016, we participated in restoring and maintaining the planted bamboo groves by pruning and thinning the bamboo grass in the Kurumatsukuri Forest of Ibaraki City in metropolitan Osaka. We are taking initiatives toward environmental conservation and preservation of biodiversity for creation of an abundantly green and pleasant environment.



Work in at the Kurumatsukuri Forest

■ Environment Beautification

As part of our efforts toward environmental conservation and local community contribution, we also work with area cleaning and litter removal activities.

In addition to removing litter and articles washed ashore at “Inage Beach” in Inage Seaside Park, Chiba Prefecture, we been participating in cleanup activities in the area around Meguro River in Tokyo’s Shinagawa Ward continuously since 2003.

At Daimei Tusan Corporation, a MIRAIT Group company, on the 23rd of every month, a “Two-Three Day” is held for cleanup activities around the headquarters office in Koto Ward, Tokyo. In addition to this example many offices of group companies conduct cleaning activities as we expand our locally rooted environment beautification efforts.



“Two-Three Day” Cleanup Activities

Occupational Safety and Health

Judging safety, security, and maintaining trust to be a crucial basis for our management foundation, we strive to ensure a safe and healthy workplace environment.

Occupational Safety and Health Management

The companies of the MIRAIT Group have been certified under the Occupational Health and Safety Assessment Series (OHSAS 18001). Safety, security, and maintaining trust are crucial to our management foundation, and we work towards ensuring a safe and pleasant workplace. Setting accidents resulting in injury or death, traffic accidents and other seriously unsafe incidents as supervision check-points, we continuously improve our performance.

Policy on Occupational Safety and Health

We will place top priority on safety while seeking to secure the safety and health of all MIRAIT Group employees and providing a comfortable work environment.

- We will comply with applicable legislation and regulations regarding occupational safety and health.
- We will promptly reduce or eliminate occupational safety and health risks in our business operations by effectively assessing current risks and anticipating potential risks.
- All MIRAIT Group employees will strive to learn about occupational safety and health from each other and work in concert to ensure workplace safety and security

Striving toward the eradication of accidents and improvement of safety quality

To achieve the goal of eradication of accidents and improvement of the safety qualities of our operations, a stance of returning to basics in our daily actions is essential. We are implementing that stance.

By preparing and distributing such materials as operational safety handbooks, by conducting safety training and confirmation of implementation, and by providing materials such as videos of accident scenes as well as visual presentations of laws and regulations covering safe practices, we are pushing for a deeper understanding of safety in onsite workers. Additionally, to encourage communication about safe practices among workers, company executives – from the president on down – diligently make visits to the workplace in an effort to raise each worker’s awareness of safety on a daily basis.

The MIRAIT Group Safety Convention

In July every year, in conjunction with “National Safety Week”, group companies and affiliated companies hold MIRAIT Group Safety Conventions in two locations, east and west, to encourage waterfront development reconfirming safety awareness and safety measures. (960 members participated in the Tokyo meet and 614 members in the Osaka meet.) In fiscal 2016, the president and vice president of MIRAIT Holdings Corporation participated. Presentations

from the employee in charge of safety about entrenchment of the “Safety Work Cycle” and various other examples of workplace safety strategies were discussed, and a lecture by a third-party instructor was given.

Dangerous Experience and Body Sensation Training

Aiming to eradicate falling and slipping accidents which account for approximately 40% of all fatal accidents at construction sites, the MIRAIT Group holds “dangerous experience and body sensation training” using facilities where employees and workers from affiliated companies can have simulated accident experiences. The purpose is to raise safety awareness through experience. Because the participant trainee senses a falling accident bodily, his appreciation of the importance of basic movements and safety appliances is much stronger. Increasing the number target branch offices and enlarging the training topics, more than 250 trainees participated in fiscal 2016.

Ensuring safety in a Large-scale Disaster

In response to social needs, we have distributed a “Pocket Manual for Major Earthquakes and other Disasters” to employees in case of major emergencies. It contains a collection of information regarding principles of action to be taken and safety confirmation methods when a disaster occurs. It also calls for a confirmation of routes home to be taken on foot and for practice with the safety confirmation system.

Support of Health Management

In addition to enforcing regular health check-ups for all employees, comprehensive medical examinations for employees over a certain age and specific health guidance, we intend to encourage health monitoring for our employees. We also provide recreation facilities in several locations in Japan as opportunities to refresh, and we always encourage activities that promote health such as the walk rallies held by the Health Insurance Association.

Mental Health

Starting in December 2015, we have made a “stress check system” mandatory. This regime aims to be a primary precaution measure through employee awareness of stress, workplace reform, and to stave off psychiatric disorders through primary prevention. Before making the regime mandatory, the MIRAIT Group prepared a Mental Follow-up System (with consulting services, etc.) based on group analysis after the stress check enforcement. Each department conducted mental stress training and through workplace reform. Efforts are being made toward prevention of psychiatric disorders.

Contributions to Local Communities

As a member of the local community, we earnestly plan and carry out efforts to build communities for comfortable living – full of vitality – by giving full play to our strengths.

Contributing to local community problem-solving

Dispatching teachers for outdoor classrooms

The MIRAIT Group emphasizes contributing to local communities through sports promotion and support for the athletes. In fiscal 2016, MIRAIT Technologies Corporation sent two of their employees (*1) who are also track and field athletes to a “Classroom for Learning from the Athletes” held by Kasai City, Hyogo Prefecture as special instructors. Elementary, junior high and high school students from Kasai City were given track and field lessons.

*1 Yuki Watanabe (running high jump: winner of 2014 and 2015 Japan Athletics Championships)
Ai Kida (the hop, step, and jump [triple jump]: third place in 2017 Japan Athletics Championships)



Scenes from track and field outdoor classroom

Re-use of abandoned fields and rice paddies

All over Japan, abandonment of once cultivated fields and rice paddies is increasing, causing damage such as the spread of weeds, pests, birds, and other animals to neighboring farmland. As a contribution to the local community, MIRAIT Group affiliated company – Murayama Doken Co., Ltd. – is cultivated rice in formerly abandoned land in Tokamachi City, Niigata Prefecture. In support of this effort, the MIRAIT Group is calling on volunteers for rice planting and reaping,



Rice planting in abandoned rice paddies

Volunteer participation in the Restoration Effort

Support for the Tohoku Disaster Area

Following on activities in the previous year, we are participating in the community service activities being carried out in Iwanuma City, Miyagi Prefecture by the Miyagi Dengyo Association (disaster volunteers), planting trees for tsunami

control forest restoration.

The MIRAIT Group continues to participate in tangible activities begun in 2011, having thus far, installed flower beds near the temporary housing and removed debris from farmland.

Support for the disaster areas in Kumamoto

When the Kumamoto earthquakes struck in April 2016, using the power supply self-supporting “Poggimo” wireless LAN access point and “MgBox” emergency magnesium-air battery that we market, we set up a free temporary Wi-Fi spot and the battery charging facility for mobile-phones in evacuation shelters in Kumamoto City, providing secure telecommunications to the disaster area.

Furthermore, as financial support that would go directly to the victims of the Kumamoto earthquake, the company gave gifts matching (*2) those donated by our employees. In total, the MIRAIT Group donated 920 thousand yen to Kumamoto Prefecture.

*2 The total sum of a system of increased donations by adding a set amount proportionate to the amount of the contribution made by employees.



“Poggimo” and “MgBox” installed in an evacuation shelter

Activities to promote communication with local communities

Participating in Festivals

With the changes in social structure, a continuation of the festivals that have been a tradition in all parts of Japan is becoming increasingly difficult. For the Summer Festival held near the MIRAIT Technologies Corporation headquarters in Nishi Ward of Osaka since the Edo Era by the parishioners of Goryo Shrine to pray for good health, it has also become difficult to assemble sufficient bearers of the “Mikoshi” portable shrine. In response to a request from the community association, in July 2016, three employees participated as shrine bearers.

Participation in the Toyosu Festa

The MIRAIT Group has participated in the Toyosu Festa held by Tokyo’s Koto Ward every year since our head office moved to Toyosu in 2010.

Corporate Governance and Internal Control

The Basic Line of Thinking toward Corporate Governance

MIRAIT Holdings Corporation has built an organizational framework and system to ensure the transparency and fairness of its decision-making process, and places building relationship of mutual trust with stockholders and all stakeholders as one of the most essential managerial issues. We aim for sustained growth and the improvement of a medium-and-long term corporate value through the practice of effective corporate governance and continuous improvement.

The structure of corporate governance

The MIRAIT Holdings Corporation is a company with a board of company auditors and has a board of directors, a board of corporate auditors, and an accounting auditor. We elect two directors to the board of directors from outside the company. Additionally, we have set up a system for reciprocal cooperation where the board of corporate auditors together with an internal inspection section and accounts inspector each perform independent inspections.

Internal Control System

MIRAIT Holdings Corporation board of directors has resolved and put into action, the “Basic Policies of Internal Control System” to ensure the appropriateness of operational activities at each of the MIRAIT Group companies. Also, we have enacted “Subsidiary Company Administrative Regulations” so that, through the establishment of specific internal controls at our subsidiary companies, the MIRAIT Group as a whole will have an internal control system in place for appropriate group administration.

Internal Audit

The operational audit department can ensure a unified inspection and internal audit program conditions through verification of the maintenance and operational status of the group as a whole and at the same time can advance the improvement of operations.

Nominating policy and procedures for nomination of board directors and auditors

In the nomination process for candidates for the board of directors and auditors, a wide variety of candidates is selected from both inside and outside the company and candidates having superior personality, judgment and high management skills are chosen by the board of directors.

Particularly the independent outside directors who have abundant experience and knowledge across different fields can nominate individuals from the perspective of advancing the medium- to long-term value of the firm by providing guidance and managerial supervision, and who can carry out their roles and duties with a specialized and objective viewpoint. Moreover, the independent outside directors who have abundant experience and knowledge across different

fields and with an independent and objective view can properly monitor the board of directors’ managerial decisions, execution of duties, and their observance of laws and ordinances, enhancing the transparency of the board. MIRAIT Holdings appoints individuals who will contribute to the enhancement of corporate value as independent outside director candidates.

The rationale for selection of each director and auditor is outlined in the “Shareholders’ Meeting Notice of Convocation”.

Independent Outside Directors

At MIRAIT Holdings Corporation, to ensure sustained growth and anticipating guidance from the viewpoint of middle- and long-term increase of corporate value, and considering the opinions of stockholders and other stakeholders, from our establishment in 2010, we have elected outside independent directors to our board of directors. Currently, we have two independent outside directors, and are diligent about overall reporting including prior explanation about matters in the proceedings of the board of directors.

Furthermore, the attendance rate of independent outside directors at the board of director meetings is high. Each one has, from his own expertise, given vigorous suggestions about management supervision, managerial policies, and management improvements.

Rationale behind Appointment of Outside Directors

Masaharu Kimura (Outside Director)

As an executive at Japan IBM Co. and other IT industry companies, Masaharu Kimura has abundant experience. We hold high hopes for his knowledge and insights, and with his independence from business operations conducted by management, he is well qualified to objectively monitor management. We judged that his appointment would lead to enhanced transparency and a strengthened supervisory function of the board of directors and was therefore chosen as an outside director.

Eiji Ebinuma (Outside Director)

With experience in essential posts at Mizuho Bank, Ltd and others and also with his knowledge and experience from being an attorney, Eiji Ebinuma, with his independence from business operations conducted by management and legal perspective, was chosen for an objective and independent monitoring of business administration. We judged that his appointment would lead to enhanced transparency and a strengthened supervisory function of the board of directors and was therefore chosen as an outside director.

Masao Matsuo (Outside Auditor)

Having participated in the management of such companies as NTT Advertising, Inc., Masao Matsuo has rich experience and insights regarding business management. We appointed him as an outside auditor anticipating effective monitoring and advice regarding overall management from an objective and independent point of view.

Hiroshi Daikuya (Outside Auditor)

With qualifications as a certified public accountant and as the managing director for the business consulting firm, @Stream Corporation, Hiroshi Daikuya has abundant experience and insight into business administration. We appointed him as an outside auditor anticipating effective monitoring and advice regarding overall management from an objective and independent point of view.

Introduction of Performance-linked Compensation

In September 2016, we introduced a performance-linked stock-based compensation plan (Board Benefit Trust) for the MIRAIT Group directors.* By making the linkage between the group directors’ compensation with performance and stock value clearer, we anticipate a raised awareness of contributions to medium- to long-term performance and corporate value.

*This refers to MIRAIT Holdings Corporation and its subsidiaries, MIRAIT Corporation and MIRAIT Technologies Corporation directors and executive directors (excluding outside directors and non-executive directors).

Appraisal of the Effectiveness of the Board of Directors

Toward enhanced corporate governance, we strive for efficient management of the board of directors. Based on the regulations of the board of directors, a board meeting is held once a month or whenever necessity requires. At the board of directors meeting, all matters that require deliberation are discussed, there is an active exchange of opinions about each topic in addition to quarterly reports from each director regarding the performance of duties. Also, an evaluation of the board’s effectiveness is conducted to encourage functional improvement.

Risk Assessment

Establishing the fundamental points of risk control for the group in the “Risk Management Regulations”, we perform accurate control over various risk factors, and the “risk management executive committee” – with the CEO at its head – reviews issues regarding risk control.

Regarding information security, the group has introduced the Information Security Standard (ISO/IEC 27001), the group,

as one united body, will work painstakingly to prevent information leaks and safeguard assets. When an accident, including information security accidents, occurs a “0 report” information is immediately shared with management. To be prepared for a resourceful response, we have set up an in-company accident bulletin reporting system.

Compliance

We formulated the “Compliance Regulations” in March 2011 to work towards thorough compliance. The “compliance executive committee” – with the CEO at its head – deliberates the group’s separate problems and manages the progress of promoted activities. Also, we have distributed a “Compliance Manual” within the group to encourage penetration and thoroughness of compliance with business ethics.

Basic approach and performance regarding payment of taxes

The MIRAIT Group strictly observes all laws and regulations covering taxation practices in all countries and regions where it does business, and we endeavor to maintain and improve taxation compliance with proper payment of taxes. After adjustment in fiscal 2016, our corporate tax amount was 3,507 million yen, and the effective tax rate burden on earnings before tax was 34.0%.

IR Activities

We build a relationship of trust with our shareholders and investors through affirmative communication, such as timely and appropriate information disclosure, the general meetings of stockholders, financial results briefings and presentations to individual investors.

Message from our Outside Directors

Investment in growth areas and enhancement of group corporate governance

In the Mid-term plan drawn up in fiscal 2017, a added expansion into business domains such as the environment, energy, IoT and so forth, along with the promotion of globalization demands a strengthening of technology based on diversity because development of global human resources has become a vital issue. On the other hand, sufficient understanding of management principles and support for group companies, including those overseas, maintaining a healthy financial structure, increasing productivity, and risk assessment for the various business operations are required. To answer the hopes of society as “Your Company”, a growth strategy through further strengthening of cooperation among group companies human resource training and improving overall corporate governance efforts, including risk management are necessary. As an outside director, to make immediate use of my previous experience, I will attend board of director meeting to contribute to accurate managerial decisions.



Outside Director: Masaharu Kimura

As a gatekeeper of corporate governance

Starting in June 2015, the corporate governance code came into effect for companies listed on the stock exchange.

Regulation 4 - 7 of this code gives the following role and duties for the independent outside director:

- i) Provision of advice on business policies and business improvement based on their knowledge and experience with the aim to promote sustainable corporate growth and increase corporate value over the mid- to long-term;
- ii) Monitoring of the management through important decision-making at the board including the appointment and dismissal of the senior management;
- iii) Monitoring of conflicts of interest between the company and the management or controlling shareholders; and
- iv) Appropriately representing the views of minority shareholders and other stakeholders in the boardroom from a standpoint independent of the management and controlling shareholders.

I always attend board of directors meetings so that I can fulfill my role.



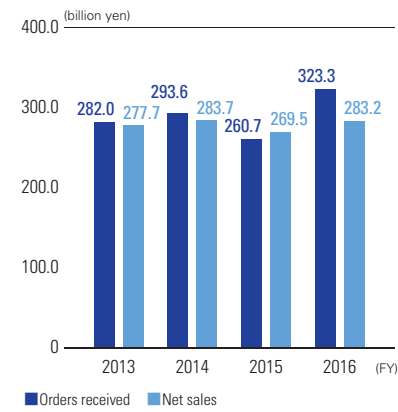
Outside Director: Eiji Ebinuma

Financial Data (on a consolidated basis)

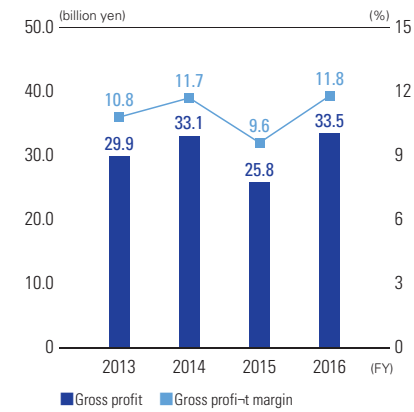
We strive to maintain a sound financial footing and make accurate financial information promptly available by various means including via our website and brochures. By doing so, we hope that our Group will continue to be a corporate organization that is supported and trusted by society.

* The most recent data can be found on our website: <http://www.mirait.co.jp>

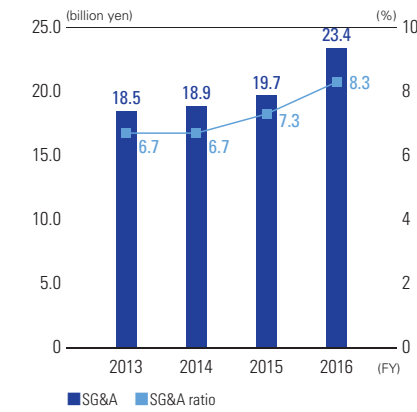
Orders received/Net sales



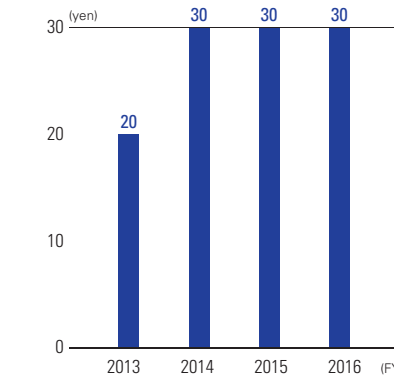
Gross profit/Gross profit margin



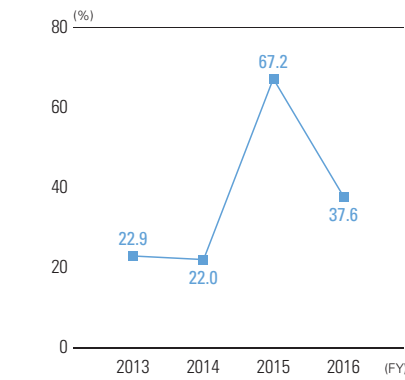
SG & A/SG & A ratio



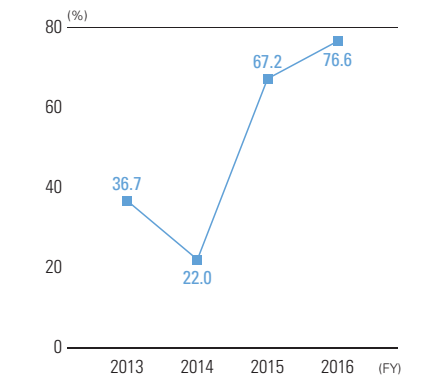
Dividend per share



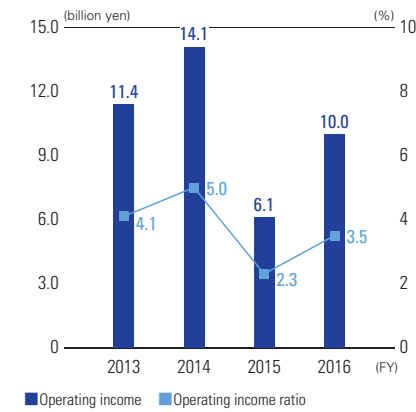
Dividend payout ratio



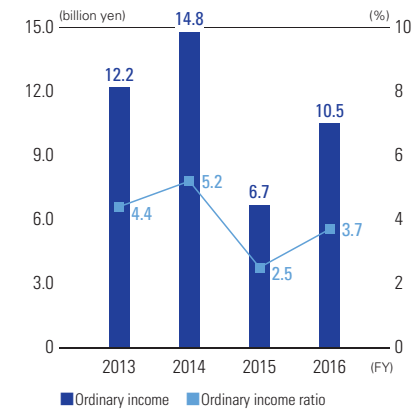
Total return ratio



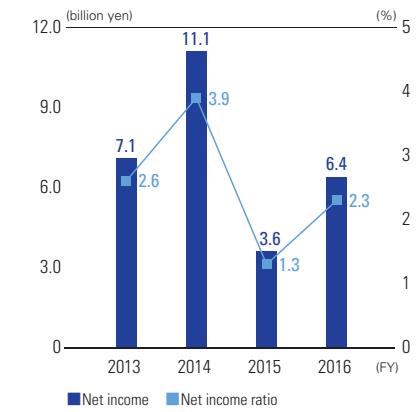
Operating income/Operating income ratio



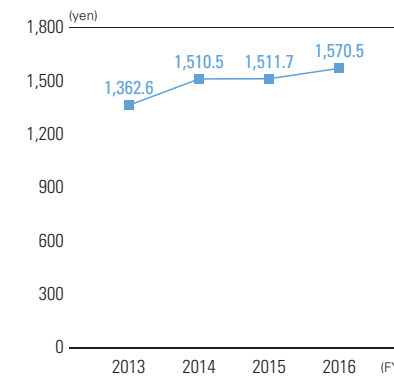
Ordinary income/Ordinary income ratio



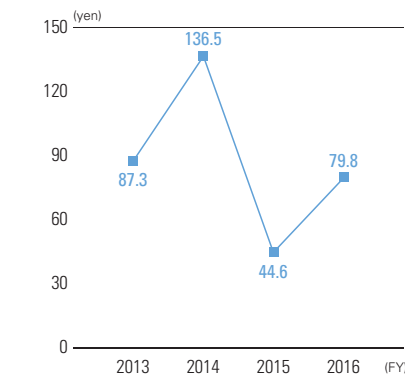
Net income/Net income ratio attributable to owners of parent



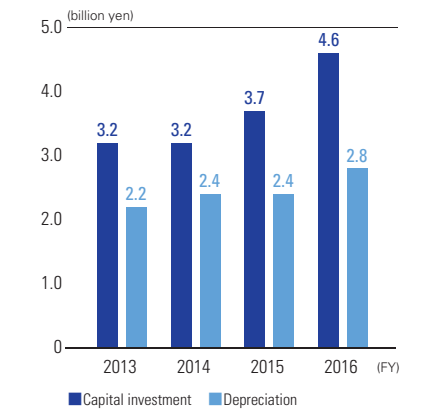
Net assets per share



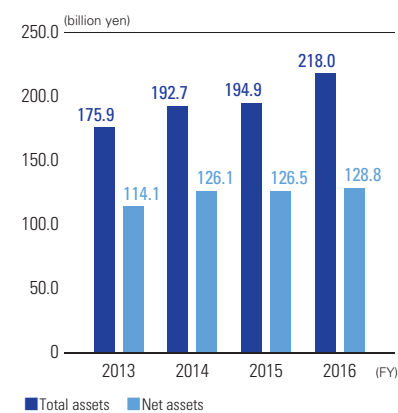
Net income per share



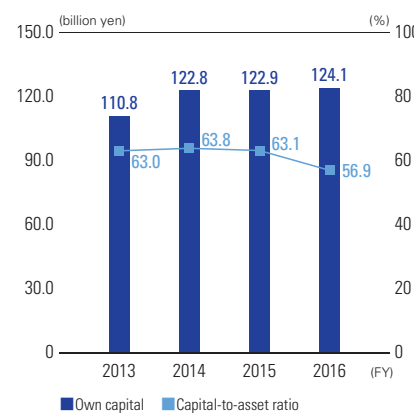
Capital investment/Depreciation



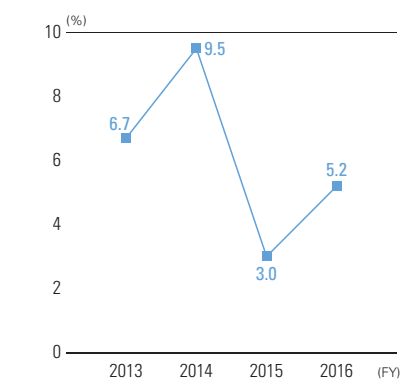
Total assets/Net assets



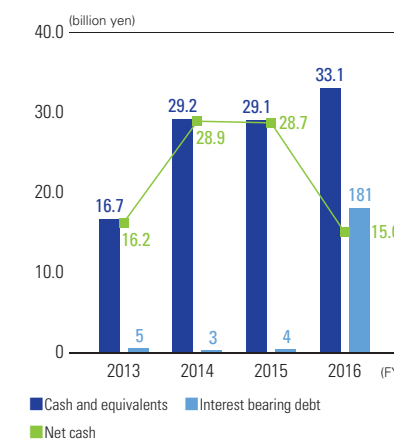
Own capital/Capital-to-asset ratio



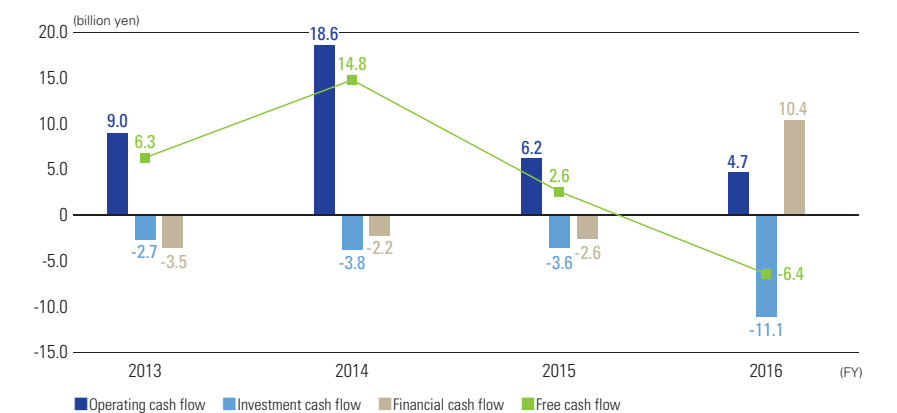
Return on equity (ROE)



Cash and equivalents/Interest bearing debt



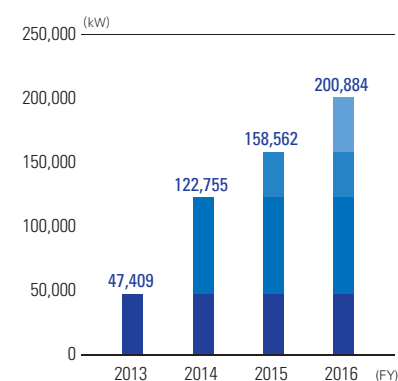
Cash Flow



Non-financial Data

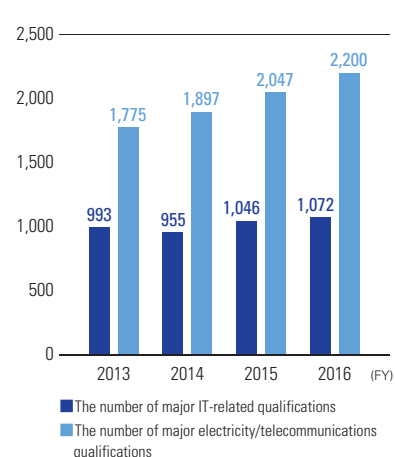
The MIRAIT Group also works to continuously prepare and disclose material non-financial data from its operational activities.

Provision of renewable energy

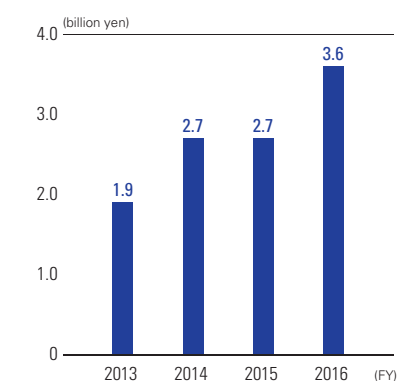


*Generation capacity (cumulative total) of our group construction facilities

Number of Qualifications



Corporate citizenship spending



Occupational Safety and Health

	2013	2014	2015	2016 (FY)
Occupational accident rate	0.17	0.33	0.00	0.18

Diversity

	2013	2014	2015	2016 (FY)
Ratio of women in new graduate hires	4.2%	13.0%	19.5%	23.9%
Ratio of women in managerial positions	1.4%	1.8%	2.1%	2.7%
Female directors (officers) and number of outside directors	0	1	1	1 (person)
Rate of parental leave taken	100%	100%	100%	100%
Rate of paid days off taken	41.3%	48.6%	52.2%	52.8%

Environment

	2013	2014	2015	2016 (FY)
CO ₂ emissions (t-CO ₂)	9,219	7,298	7,117	7,095

(value is the total for MIRAIT Holdings Corporation, MIRAIT Corporation, and MIRAIT Technologies Corporation – the three companies)

Shareholders

As of March 31, 2017

*The latest information can be found at our website (<http://www.mirait.co.jp>)

Total authorized shares: 330,000,000

Total outstanding shares: 85,381,866 shares (including 5,985,331 treasury shares)

Number of shareholders: 19,916 (excluding treasury shares)

Major shareholders:

Name	Number of shares held (in hundreds)	Ownership (%)
Sumitomo Electric Industries, Ltd.	162,360	20.45
The Master Trust Bank of Japan, Ltd. (trust account)	34,250	4.31
Sumitomo Densetsu Co., Ltd.	24,886	3.13
Japan Trustee Services Bank, Ltd. (trust account)	23,069	2.91
CBNY-GOVERNMENT OF NORWAY	23,013	2.90
BBH FOR FIDELITY LOW-PRICED STOCK FUND (PRINCIPAL ALL SECTOR SUBPORTFOLIO)	16,553	2.08
STATE STREET BANK AND TRUST COMPANY 505001	14,033	1.77
THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	13,555	1.71
Japan Trustee Services Bank, Ltd. (trust account 5)	12,667	1.60
Japan Trustee Services Bank, Ltd. (trust account 9)	12,403	1.56

*1. The ratio of shares held is calculated after subtracting the treasury shares (5,985,331).

*2. The number of shares held shown is rounded down to the nearest 100 shares and the ownership is calculated by rounding off to two decimal places.

Share distribution by owner (excluding treasury shares)

Number of shares by owner	(shares)	ratio	Number of shares by owner	(persons)	ratio
Financial institutions	18,836,057	23.7%	Financial institutions	49	0.2%
Financial Instruments business operators	1,076,204	1.4%	Financial Instruments business operators	31	0.2%
Other corporations in Japan	24,764,742	31.2%	Other corporations in Japan	285	1.4%
Foreign corporations, etc.	19,645,542	24.7%	Foreign corporations, etc.	180	0.9%
Individuals/other	15,073,990	19.0%	Individuals/other	19,371	97.3%
Total	79,396,535	100%	Total	19,916	100%