



# FYE March 2012

## Briefing Material on Annual Results

May 17, 2012

MIRAIT Holdings Corporation

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# I Financial Results

FYE March 2012

MIRAIT Holdings Corporation

## 1. Financial Results

billions of yen	Actual	YoY	Comparison to initial plan
Orders received	252.0	<b>10.7</b> [4.5%]	<b>(5.1)</b> [(2.0%)]
Net sales	236.0	<b>(10.5)</b> [(4.3%)]	<b>(15.5)</b> [(6.2%)]
Operating income	5.2	<b>0.2</b> [5.6%]	<b>(2.3)</b> [(30.7%)]
Operating income ratio	2.2%	0.2p	(0.8p)
Ordinary income	6.1	0.4 [7.0%]	<b>(1.8)</b> [(22.7%)]
Ordinary income ratio	2.6%	0.3p	(0.6p)
Net income	3.2	<b>(27.3)</b> [(89.4%)]	<b>(1.4)</b> [(30.8%)]
Net income ratio	1.4%	(11.0p)	(0.5p)

- ### Topics
- Orders received increased 10.7 billion yen from the previous year to 252 billion yen overall, as telecommunications carriers' capital expenditure recovered in the second half of the year, especially for mobile network solutions, while increasing also for NTT and Civil engineering. Carry-over construction also increased by 16 billion yen from the previous year.
  - Net sales decreased especially in mobile network solutions, due to the delays in telecommunications carriers' capital expenditure stemming from the impact of the Great East Japan Earthquake and the stagnation of the economy. However, operating income increased by 0.2 billion yen from the previous year to 5.2 billion yen, due to rebound in the gross profit margin derived from efforts made to improve productivity, combined with the reduction of SGA by 0.5 billion yen.
  - Net income decreased by 27.3 billion yen from the previous year to 3.2 billion yen, due mainly to the effect of "negative goodwill" wearing off.

### <Trends in Business Results>

Unit: billions of yen,  
Figures in parentheses indicate percentages

	FYE March 2010	FYE March 2011	FYE March 2012
Orders received	252.9	241.3	252.0
Net sales	255.2(100%)	246.6(100%)	236.0(100%)
Gross profit on sales	27.8(10.9%)	24.3( 9.9%)	<b>24.0( 10.2%)</b>
SGA	19.3( 7.6%)	19.3( 7.8%)	<b>18.7( 8.0%)</b>
Operating income	8.4( 3.3%)	4.9( 2.0%)	<b>5.2( 2.2%)</b>
Ordinary income	9.1( 3.6%)	5.7( 2.3%)	6.1( 2.6%)
Net income	5.7(2.2%)	30.6(12.4%)	3.2( 1.4%)
Reference: Carry-over construction	51.2	46.1	<b>62.1</b>

(5.1)

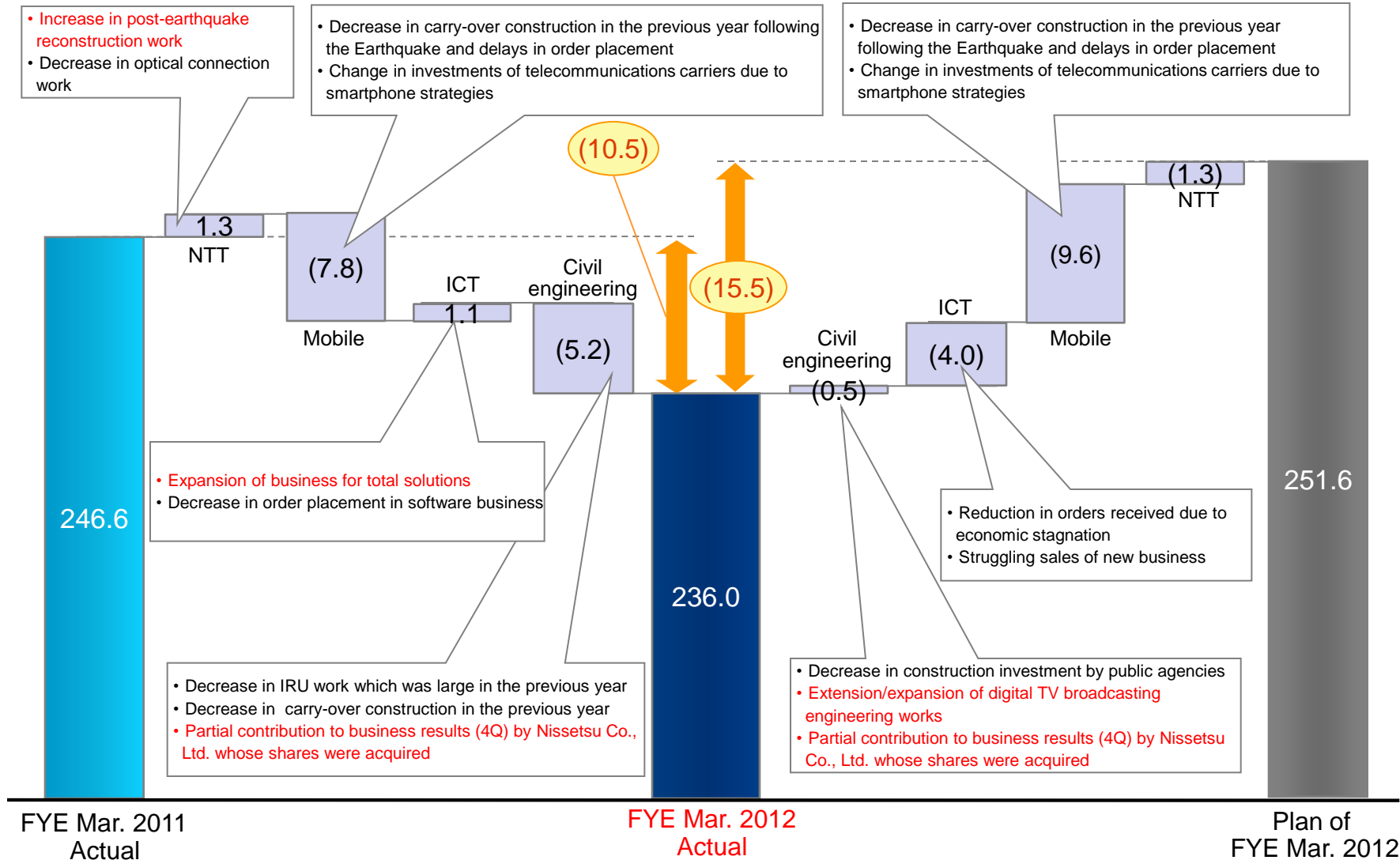
**16.0**

\* Figures for the actual business results of FYE March 2011 are calculated by aggregating the full-year actual business results of DAIMEI TELECOM ENGINEERING CORP., Commutere Corp. and TODENTSU Corporation.  
The effect of "negative goodwill" in the amount of 26.8 billion yen is included in the actual business results (net income) of FYE March 2011.

# I Financial Results FYE March 2012

## 2. Details of Net Sales [Compared to YoY/Plans]

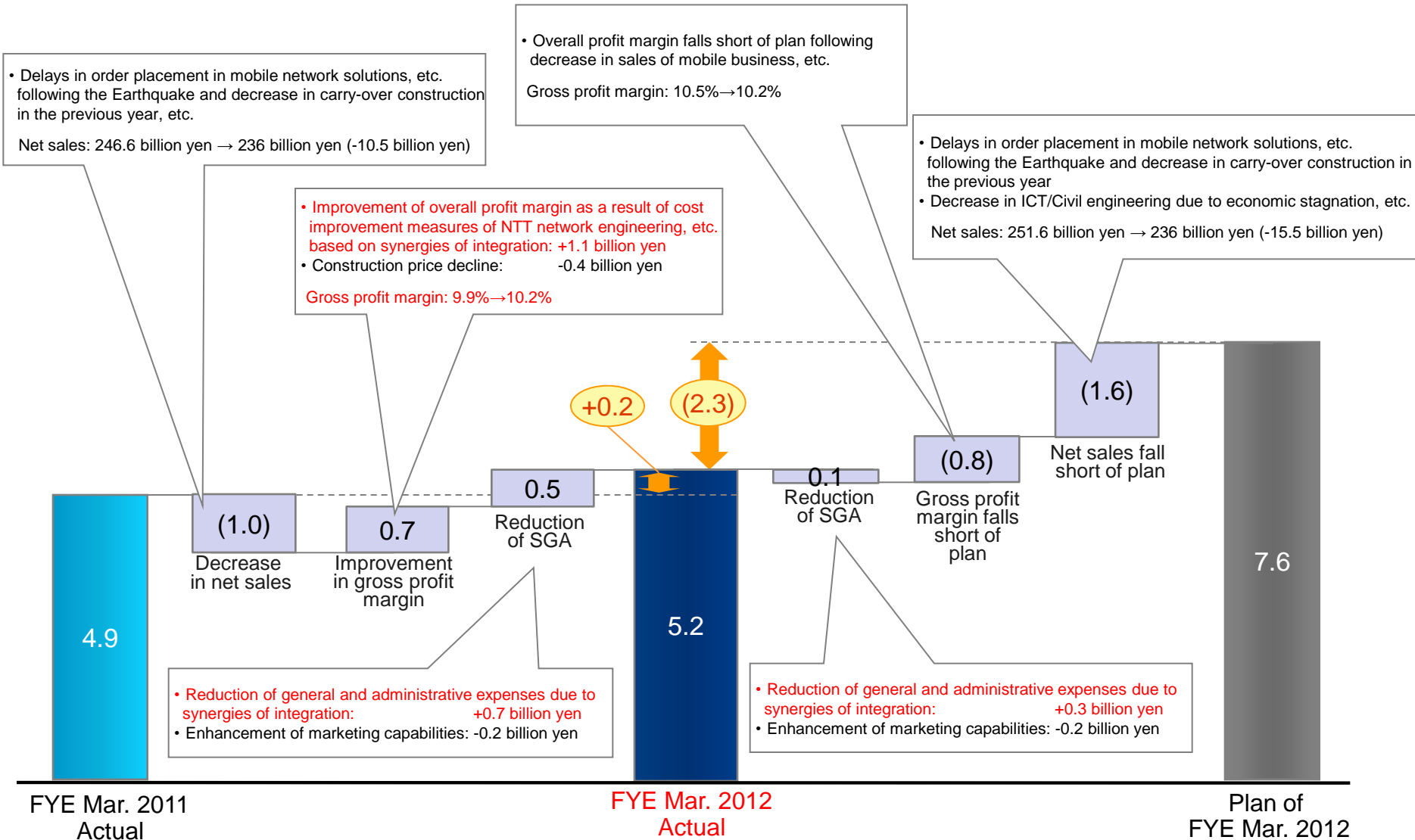
(billions of yen)



\* Figures for FYE March 2011 Actual are calculated by aggregating the full-year actual business results of DAIMEI TELECOM ENGINEERING CORP., Commutere Corp. and TODENTSU Corporation.

## 3. Details of Operating Income [Compared to YoY/Plans]

(billions of yen)



\* Figures for FYE March 2011 Actual are calculated by aggregating the full-year actual business results of DAIMEI TELECOM ENGINEERING CORP., Commutere Corp. and TODENTSU Corporation.

## 4. Cost Improvements by Synergies of Management Integration

- Steady progress was made in cost improvements by synergies of management integration.
  - Gross profit margin improved in NTT business and SGA was reduced in FYE March 2012.
- The Company will bring about more integration effects through business reorganization from FYE March 2013 onward.

	FYE March 2011 (Actual)	FYE March 2012 (Actual)	FYE March 2013 (Plan)
Cost improvements in each business	<b>&lt;NTT network engineering&gt;</b> <ul style="list-style-type: none"> <li>Abolition and integration of offices</li> <li>Consolidation of OPTOS centers</li> <li>Joint training</li> <li>System integration (access systems)</li> <li>Optimization based on benchmarks</li> </ul> <b>&lt;Mobile network solutions, ICT/Civil engineering&gt;</b> <ul style="list-style-type: none"> <li>Improvement of base station engineering work, etc.</li> <li>Joint training</li> <li>Improvement of procurement/transport/storage operations and promotion of self-operations</li> <li>Integration of maintenance/service centers, etc.</li> </ul>	<b>&lt;NTT network engineering&gt;</b> <ul style="list-style-type: none"> <li>Integration of area services, abolition and integration of offices</li> <li>System integration (photo inspection systems/user systems)</li> <li>Sharing and utilization of assets</li> <li>Standardization of business processes</li> <li>KAIZEN activities</li> </ul> <b>&lt;Mobile network solutions, ICT/Civil engineering&gt;</b> <ul style="list-style-type: none"> <li>Integration of mobile business</li> <li>Improvement of procurement/transport/storage operations and reduction of dispatch costs</li> <li>Integration of maintenance/service centers, etc.</li> </ul>	<b>&lt;NTT network engineering&gt;</b> <ul style="list-style-type: none"> <li>Integration of area services, abolition and integration of offices</li> <li>System integration (user systems)</li> <li>Sharing and utilization of assets</li> <li>Standardization of business processes</li> <li>KAIZEN activities</li> </ul> <b>&lt;Mobile network solutions, ICT/Civil engineering&gt;</b> <ul style="list-style-type: none"> <li>Improvement of productivity of each process</li> <li>Coordination of human resources activity nationwide and reduction of dispatch costs</li> <li>Integration of maintenance/service centers, etc.</li> </ul>
	[Subtotal]	+ 0.5 billion yen	+ 1.1 billion yen
Reduction of general and administrative expenses, etc.	<ul style="list-style-type: none"> <li>Reduction of expenses (telecommunications costs, transportation expenses, etc.)</li> <li>Reduction of personnel costs, welfare costs, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Launch of SGA reduction project</li> <li>Reduction of membership costs, telecommunications costs, etc.</li> <li>Reduction of outsourcing and dispatch costs, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Reduction of administrative expenses, dispatch costs, etc. [+500 million yen]</li> <li>In-house system integration, flexible staffing, consolidation of offices, etc. through business reorganization [Amount currently being scrutinized]</li> </ul>
	[Subtotal]	+0.3 billion yen	+0.7 billion yen
[Total]	+0.8 billion yen	+1.8 billion yen	+1.9 billion yen or more

<Reference>	FYE March 2010	FYE March 2011	FYE March 2012	FYE March 2013
Gross profit on sales (gross profit margin)	27.8 billion yen (10.9%)	24.3 billion yen (9.9%)	24 billion yen (10.2%)	27.4 billion yen (10.4%)
SGA (SGA ratio)	19.3 billion yen (7.6%)	19.3 billion yen (7.8%) (Reduction of general and administrative expenses, etc. +300 million yen Temporary cost for integration -300 million yen)	18.7 billion yen (8.0%) (Reduction of general and administrative expenses, etc. +700 million yen Enhancement of marketing capabilities -200 million yen)	19.1 billion yen (7.2%) (Reduction of general and administrative expenses, etc. +500 million yen Increase in subsidiaries, etc. -900 million yen)

## 5. Assets, Liabilities and Net Assets

- High standing **equity ratio at 65.3%**
- Total assets increased from 148.3 billion yen to 153.7 billion yen, and liabilities increased from 47.5 billion yen to 50.7 billion yen, due in part to the increase in accounts receivable, etc., in addition to **Nisetsu. becoming a consolidated subsidiary following the acquisition of its shares in January 2012.**
- **MIRAIT HD shares (approx. 2.97 million shares) currently owned by subsidiaries are scheduled to be acquired by the holding company in the form of property dividends in June.**

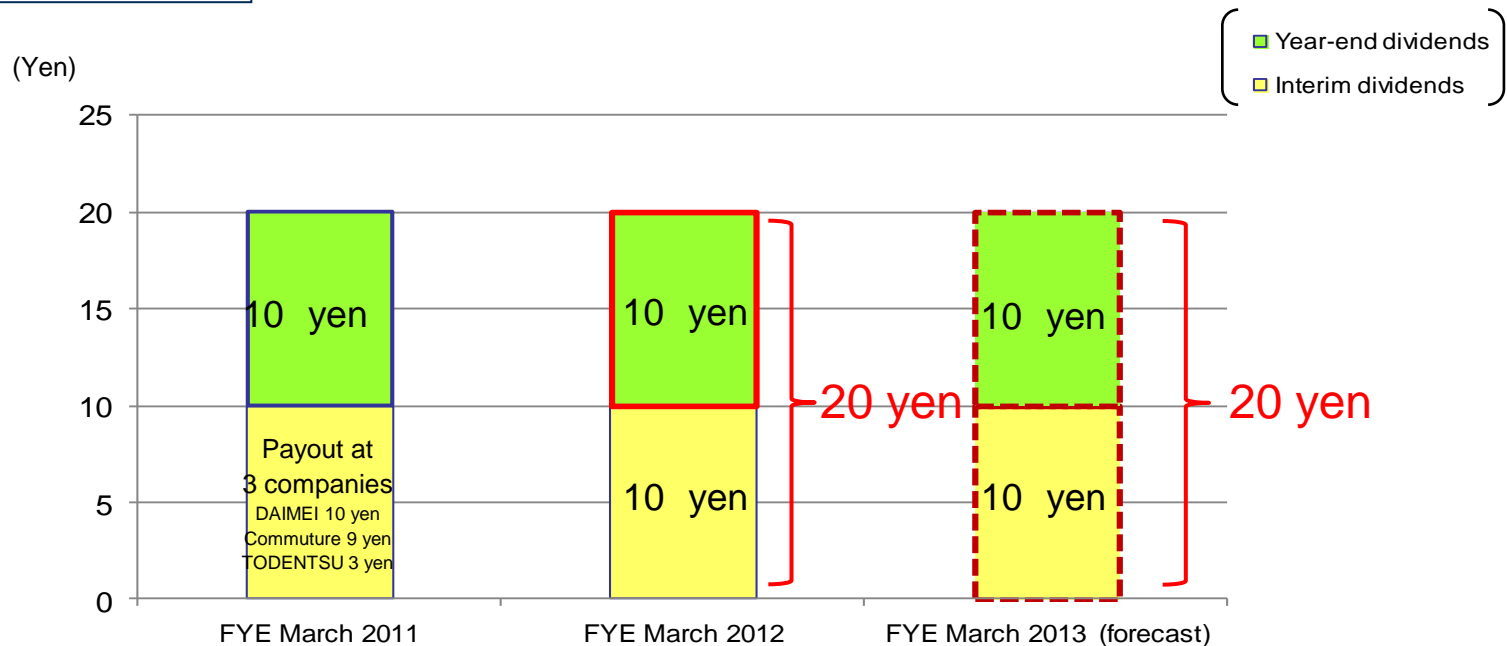
End of March 2011 MIRAIT Consolidated B/S		End of March 2012 MIRAIT Consolidated B/S		(billions of yen)
<b>Assets</b> <b>148.3</b> (Breakdown) Current assets 102.7 (incl. cash and deposits, etc. 19.0) Noncurrent assets 45.5	<b>Liabilities</b> <b>47.5</b> (incl. interest-bearing debt 0.6)	<b>Assets</b> <b>153.7</b> (Breakdown) Current assets 107.9 (incl. cash and deposits, etc. 20.4) Noncurrent assets 45.7	<b>Liabilities</b> <b>50.7</b> (incl. interest-bearing debt 0.5)	Equity 100.4 billion yen <b>Equity ratio</b> <b>65.3%</b>
	<b>Net assets</b> <b>100.7</b> (Breakdown) Capital stock 7.0 Capital surplus 26.7 Retained earnings 66.4 (incl. negative goodwill 26.8) Treasury stock (1.6) Minority interests 2.1		<b>Net assets</b> <b>102.9</b> (Breakdown) Capital stock 7.0 Capital surplus 25.9 Retained earnings 68.9 <b>Treasury stock (1.6)</b> Minority interests 2.5	



## 6. Returns to Shareholders

- **Basic dividend policy is to conduct stable dividend payouts** in consideration of business results and payout ratio.
- Dividend of 20 yen per share was paid for FYE March 2012 (interim dividend of 10 yen and year-end dividend of 10 yen).
- Dividend forecast for FYE March 2013: Policy is to **maintain dividend of 20 yen per share** (interim dividend of 10 yen and year-end dividend of 10 yen).

### Dividends per share





## II FYE March 2013 Business Plans

MIRAIT Holdings Corporation

## 1. Full-year plan

- For FYE March 2013, **the Company plans to record much higher revenues and profits**, as the business climate is expected to improve due to increase in mobile business, etc., economic recovery and reconstruction in the Tohoku region.
- As business reorganization will be executed this year, **the Company plans to improve the gross profit margin and the SGA ratio by transforming its business structures and bringing about integration effects.**

Unit: billions of yen	FYE March 2012 Actual	FYE March 2013			<Reference> FYE March 2014 Medium-term management plan targets
		Full-year plan	YoY change	Rate of change	
Net sales	236.0	265.0	+28.9	12.3%	280.0
- NTT	111.4	111.1	(0.3)	(0.3%)	100.0
- Mobile	60.3	75.4	+15.1	25.0%	80.0
- ICT	26.7	31.9	+5.2	19.5%	50.0
- Civil engineering	37.4	46.6	+9.2	24.6%	50.0
Gross profit on sales	24.0	27.4	+3.3	14.0%	31.9
Gross profit margin	10.2%	10.4%	+0.2p	—	11.4%
SGA	18.7	19.1	+0.4	2.1%	19.8
SGA ratio	8.0%	7.2%	(0.8p)	—	7.1%
Operating income	5.2	8.3	+3.0	57.6%	12.0
Operating income ratio	2.2%	3.1%	+0.9p	—	4.2%

\* For orders received, ordinary income, net income and other details, please refer to page 33 "IV References 2. Financial Results".

## 1. Full-year plan

### Expansion of Sales

- Mobile ..... Increase due to expansion of carriers' investments in LTE, "platinum band", etc., legacy facilities removal work and expansion of peripheral domains
  - ICT/  
Civil Engineering ..... Grow due to expansion of new business domains and full-year contribution made by Nisetsu following acquisition of its shares (+6.2 billion yen)
  - NTT ..... Stop the fall in sales by developing relevant businesses such as facilities management services
- ➡ The Company plans to generate net sales of 265.0 billion yen, an increase of 28.9 billion yen from the previous year  
(carry-over construction in the previous year increased by 16.0 billion yen from the previous year)

### Cost Improvements and Profits

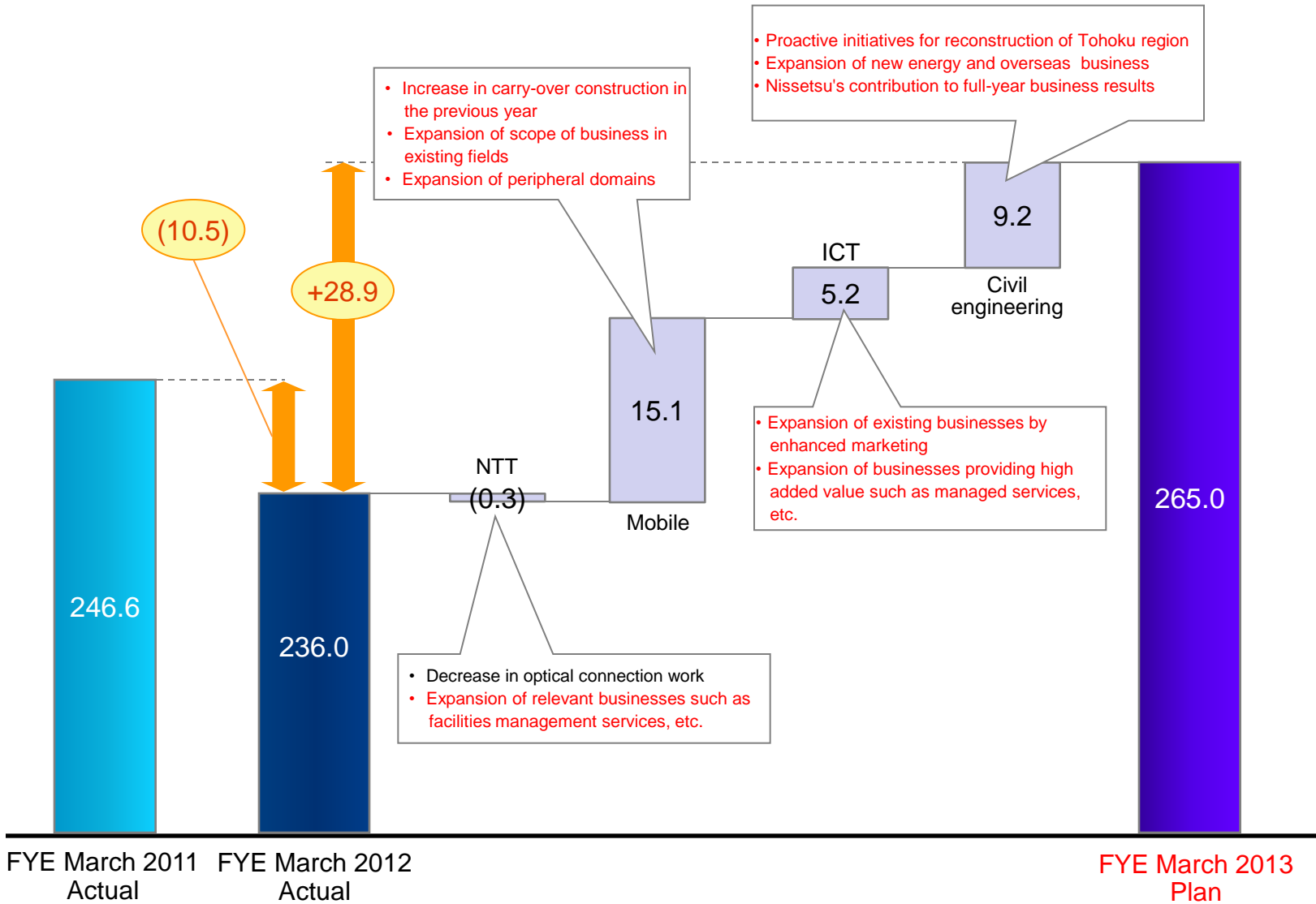
- Gross profit margin ..... Improve from 10.2% in the previous year to 10.4% (up 0.2%)  
Promote cost restructuring and integrated business management of the Group
  - SGA ratio ..... Improve from 8.0% in the previous year to 7.2% (down 0.8%)  
Further improve operational efficiency and reduce expenses
- ➡ The Company plans to generate operating income of 8.3 billion yen, an increase of 3.0 billion yen from the previous year

### Business Reorganization

- Business reorganization within the Group to be executed in October 2012  
➡ Transformation from three-company structure to two-company structure, and efforts will be made to optimize management resources and boost corporate value.
- Impact of business reorganization on business plan  
Extraordinary loss of 3.0 billion yen (system updating, relocation of offices, standardization of accounting systems, etc.)  
Integration effects due to business restructuring (integration of in-house systems, flexible staffing, reduction of rent by consolidation of business bases, etc.) are currently being scrutinized.

## 2. Details of Net Sales [Year-on-year comparison]

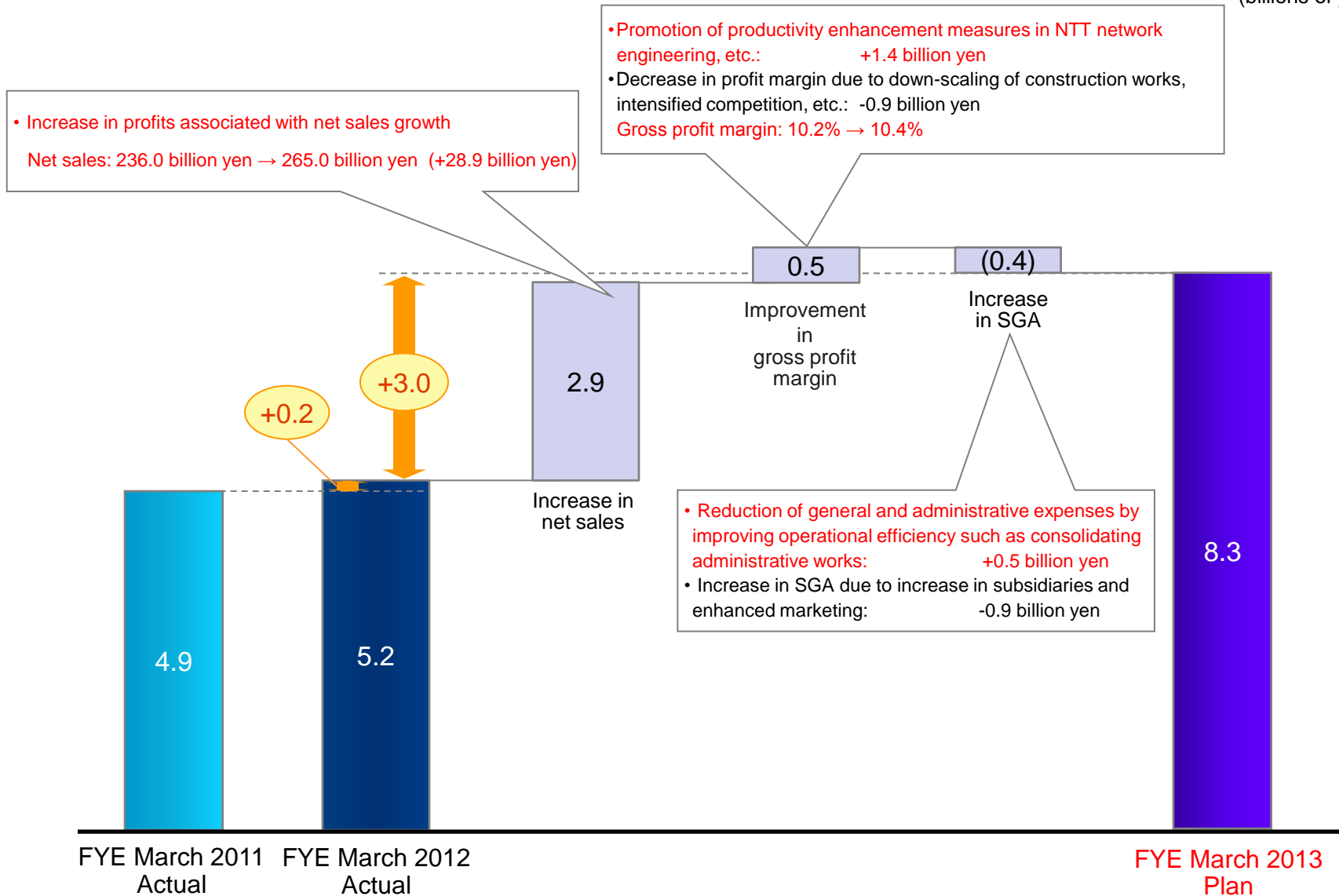
(billions of yen)



\* Figures for FYE March 2011 Actual are calculated by aggregating the full-year actual business results of DAIMEI TELECOM ENGINEERING CORP., Commutere Corp. and TODENTSU Corporation.

## 3. Details of Operating Income [Year-on-year comparison]

(billions of yen)



\* Figures for FYE March 2011 Actual are calculated by aggregating the full-year actual business results of DAIMEI TELECOM ENGINEERING CORP., Commutere Corp. and TODENTSU Corporation.



## III Specific Measures to Achieve Business Plan

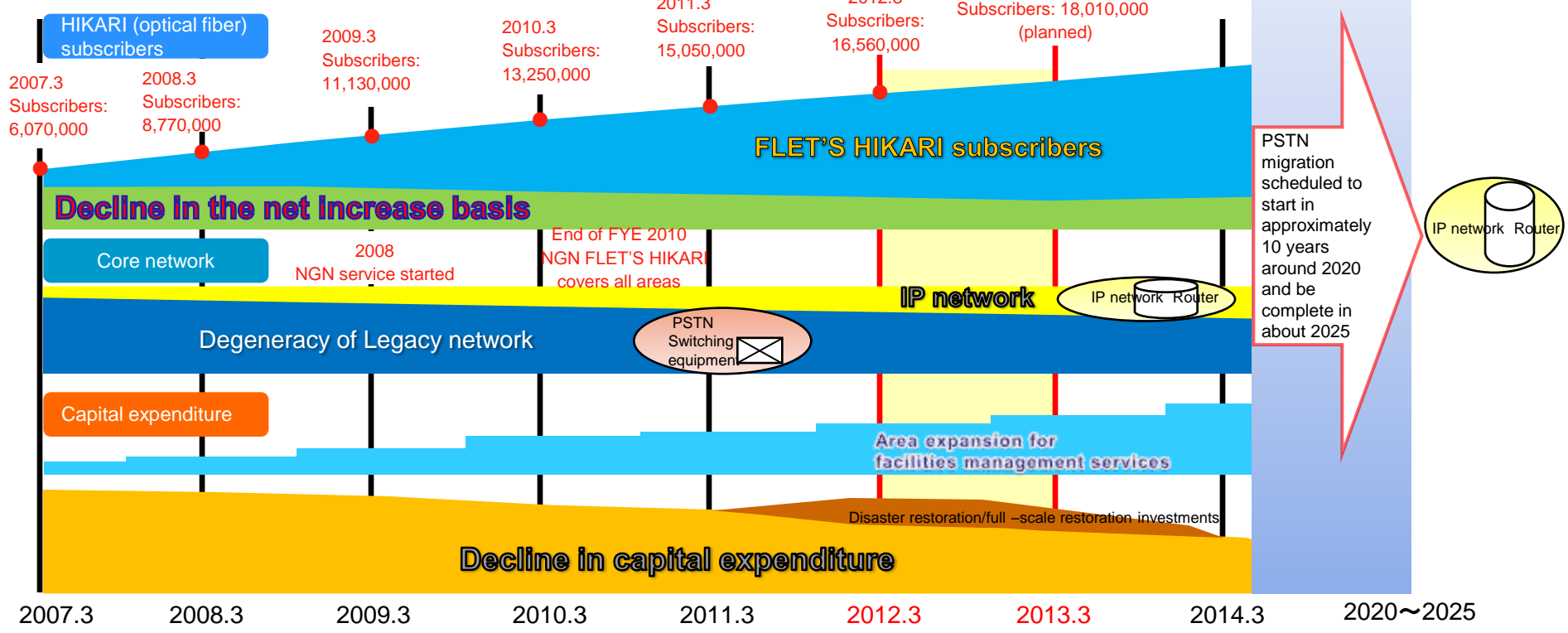
MIRAIT Holdings Corporation



## 1. NTT Network Engineering (1) Trends of NTT Network Engineering

- While conventional work is on a moderate downtrend, **post-earthquake reconstruction work is scheduled for the future**, resulting in small fluctuations.
- Net increase in NTT HIKARI (optical fiber) subscribers is diminishing, but **demand for optical lines is steady on the whole**, due in part to demand from other telecommunications carriers.
- Further expansion of areas for facilities management services** (repair failure, maintenance & facility management, etc.)
- Aggressive development of relevant businesses** by taking advantage of knowhow and channels of existing businesses

\*NTT East/West

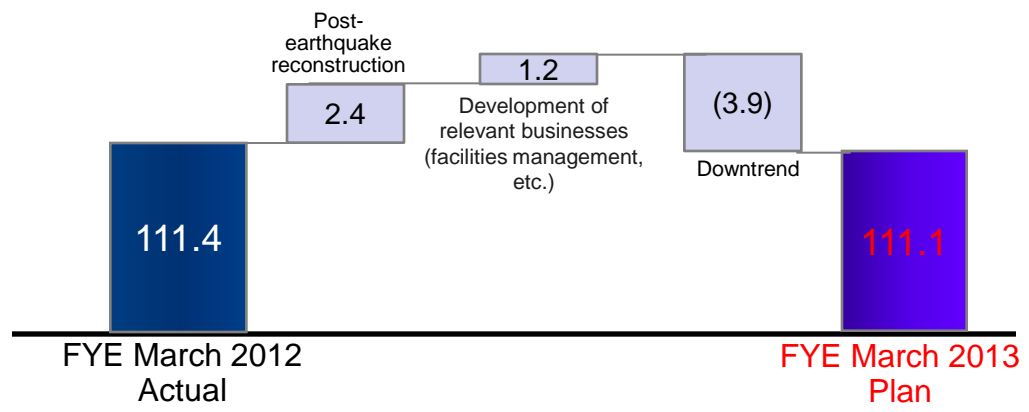




## 1. NTT Network Engineering (2) Specific Measures (Total image)

<Trends in Net Sales>

(billions of yen)



<Net sales>  
 FYE March 2012: 111.4 billion yen  
 ↓  
 FYE March 2013: **111.1 billion yen**

Maintain net sales by stopping downtrend through post-earthquake reconstruction, development of relevant businesses, etc.

Item	Main Initiatives
Maintain net sales	<ul style="list-style-type: none"> <li>• Develop relevant businesses, etc.                      → Make aggressive efforts to develop new businesses by taking advantage of knowhow and channels of NTT network engineering</li> <li>• Response to earthquake disaster                      → Enhance marketing and construction structure for full-fledged reconstruction work                      (Net sales for FYE March 2012: 2.7 billion yen → Net sales for FYE March 2013: 2.4 billion yen)</li> </ul>
Enhance productivity (synergy)	<ul style="list-style-type: none"> <li>• <b>Aim to make cost improvements amounting to 1.4 billion yen or more</b> by implementing various productivity enhancement measures                      → Optimize/integrate area services                      → Enhance concentration of operations by system integration                      → Enhance productivity by standardization of business processes and KAIZEN activities                      → Effectively use resources (assets), etc.</li> </ul>

## 1. NTT Network Engineering

### (3) Productivity enhancement measures (synergy effects)

Measures	FYE March 2012 (Actual)	FYE March 2013 (Plan)
Optimize/integrate area services	<ul style="list-style-type: none"> <li>Abolish and integrate construction offices</li> <li>* East: 102 ⇒ 93 centers (-9)</li> <li>* West: 54 ⇒ 49 centers (-5)</li> </ul>	<ul style="list-style-type: none"> <li>Abolish and integrate construction offices</li> <li>* East: 93 ⇒ 90 centers (-3)</li> <li>* West: 49 ⇒ 46 centers (-3)</li> </ul>
Enhance concentration of operations by system integration	<ul style="list-style-type: none"> <li>Enhance concentration of operations by completing access system integration</li> <li>* Consolidate bases for users: 46 ⇒ 20 (-26)</li> <li>* Consolidate OPTOS centers: 32 ⇒ 25 (-7)</li> </ul>	<ul style="list-style-type: none"> <li>Enhance concentration of operations by utilizing integrated access systems</li> <li>* Consolidate bases for users: 20 ⇒ 4 (-16)</li> <li>* Consolidate OPTOS centers: 25 ⇒ 10 (-15)</li> <li>* Consolidate photo inspection bases: 9 ⇒ 4 (-5)</li> <li>Improve efficiency of user operations</li> </ul>
Enhance productivity by standardization of business processes and KAIZEN activities	<ul style="list-style-type: none"> <li>Standardize business processes (3 companies)</li> <li>Enhance productivity of indirect/construction departments</li> <li>Secure net sales shortening lead time</li> <li>Visualize 3S activities</li> <li>Enhance productivity of pole renewal work</li> </ul>	<ul style="list-style-type: none"> <li>Standardize business processes (subsidiaries/sub constructors)</li> <li>Enhance productivity of indirect/construction departments</li> <li>Secure net sales shortening lead time</li> <li>Promote 3S activities</li> <li>Enhance productivity of pole renewal work</li> <li>Improve efficiency of design operations</li> <li>Reduce dispatch costs</li> </ul>
Effectively use resources (assets), etc.	<ul style="list-style-type: none"> <li>Standardize joint training/conduct them in-house</li> <li>Reduce fixed costs and leased item costs</li> <li>Reduce equipment costs/improve efficiency of materials management</li> <li>Reduce number of days of inventory</li> </ul>	<ul style="list-style-type: none"> <li>Standardize joint training/conduct them in-house</li> <li>Reduce fixed costs and leased item costs</li> <li>Reduce equipment costs/improve efficiency of materials management</li> <li>Reduce number of days of inventory</li> </ul>



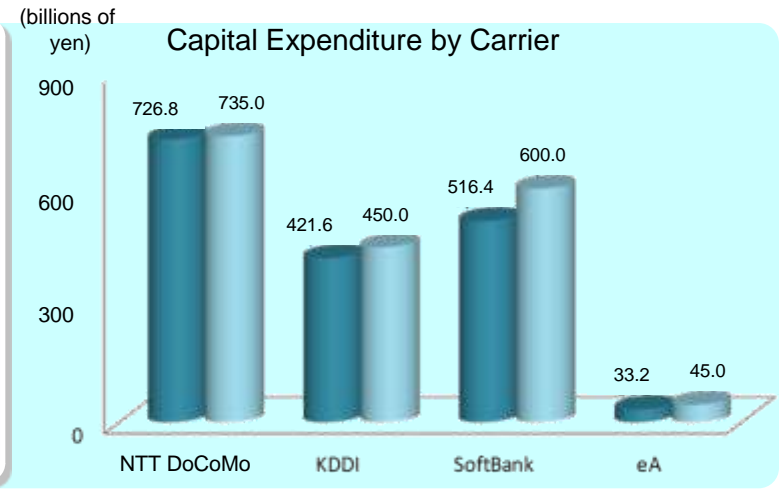
# Specific Measures to Achieve Business Plan



## 2. Mobile Network Solutions

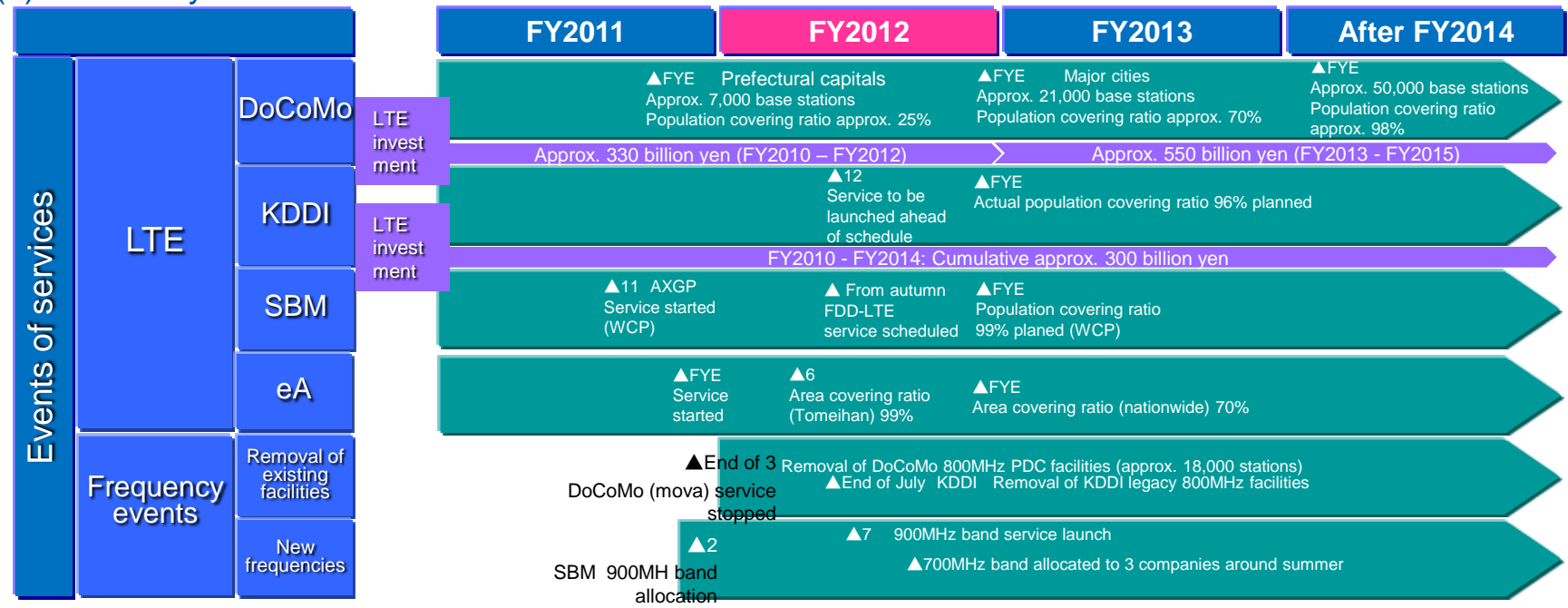
### (1) Market trends in Mobile Network Solutions

- Countermeasures against traffic increase due to growing popularity of smartphones, **deploy disaster-resistant network**
- Introduction of LTE and expansion of service area on a full scale, establishment of new network for “platinum band”
- 2G and legacy frequency facilities removal work on a full scale (DoCoMo PDC facilities, KDDI legacy 800MHz facilities)
- Work to resolve poor signal areas between subway stations on a full scale



### (2) Carrier-by-Carrier Trends

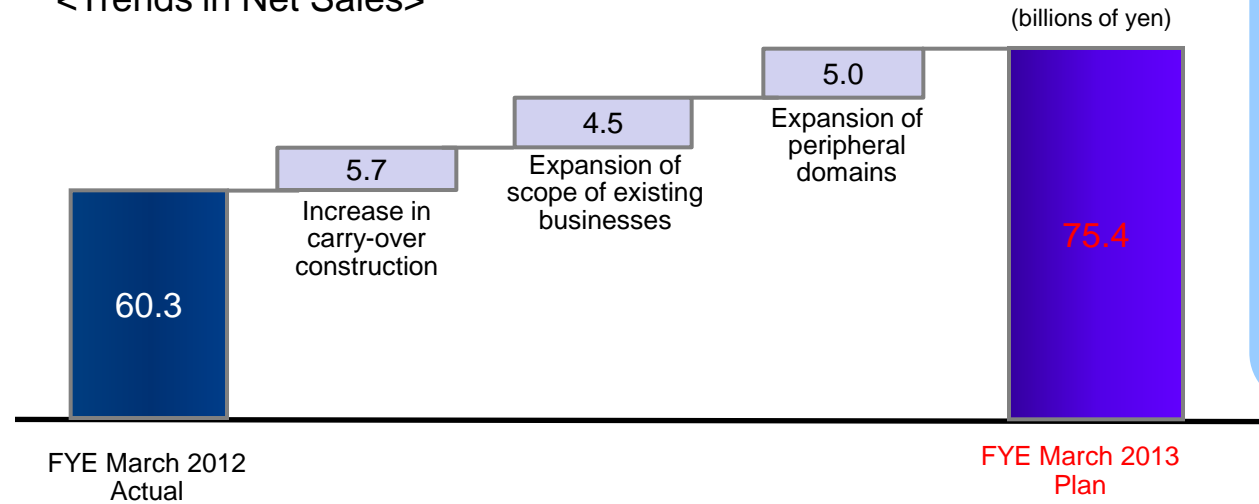
Source: Information published on carriers' websites excerpted and processed by the Company



## 2. Mobile Network Solutions

### (3) Specific Measures (Total image)

<Trends in Net Sales>



<Net sales>

FYE March 2012: 60.3 billion yen  
 ↓ +15.1 billion yen  
 FYE March 2013: 75.4 billion yen

Increase sales by expanding existing business and scope of business into peripheral domains

Item	Main Initiatives	
Expansion of net sales	<b>&lt;&lt;Expansion of existing business fields&gt;&gt;</b> <ul style="list-style-type: none"> <li>◆ Deal with introduction of LTE and its nationwide expansion</li> <li>◆ Proactively deal with new 900MHz area service</li> <li>◆ Deal with removal work for legacy 800MHz 2G facilities</li> </ul>	<b>&lt;&lt;Expansion of peripheral domains&gt;&gt;</b> <ul style="list-style-type: none"> <li>◆ Engage in Wi-Fi engineering work associated with data offloading</li> <li>◆ Engage in work to resolve poor signal areas between subway stations</li> <li>◆ Engage in facilities engineering work for service platforms by breaking away from "dumb pipe" *</li> </ul>
	<b>&lt;&lt;Efficient management of mobile network solutions&gt;&gt;</b> <ul style="list-style-type: none"> <li>◆ Consolidate marketing structures, share information and enhance productivity of each process (consulting, designing, construction, inspection, etc.)</li> <li>◆ Coordinate human resources activity nationwide according to customer's business</li> <li>◆ Foster ICT engineers to expand peripheral domains</li> </ul>	

\*When a telecommunications operator becomes unable to offer users with any value other than service on infrastructure



## 2. Mobile Network Solutions

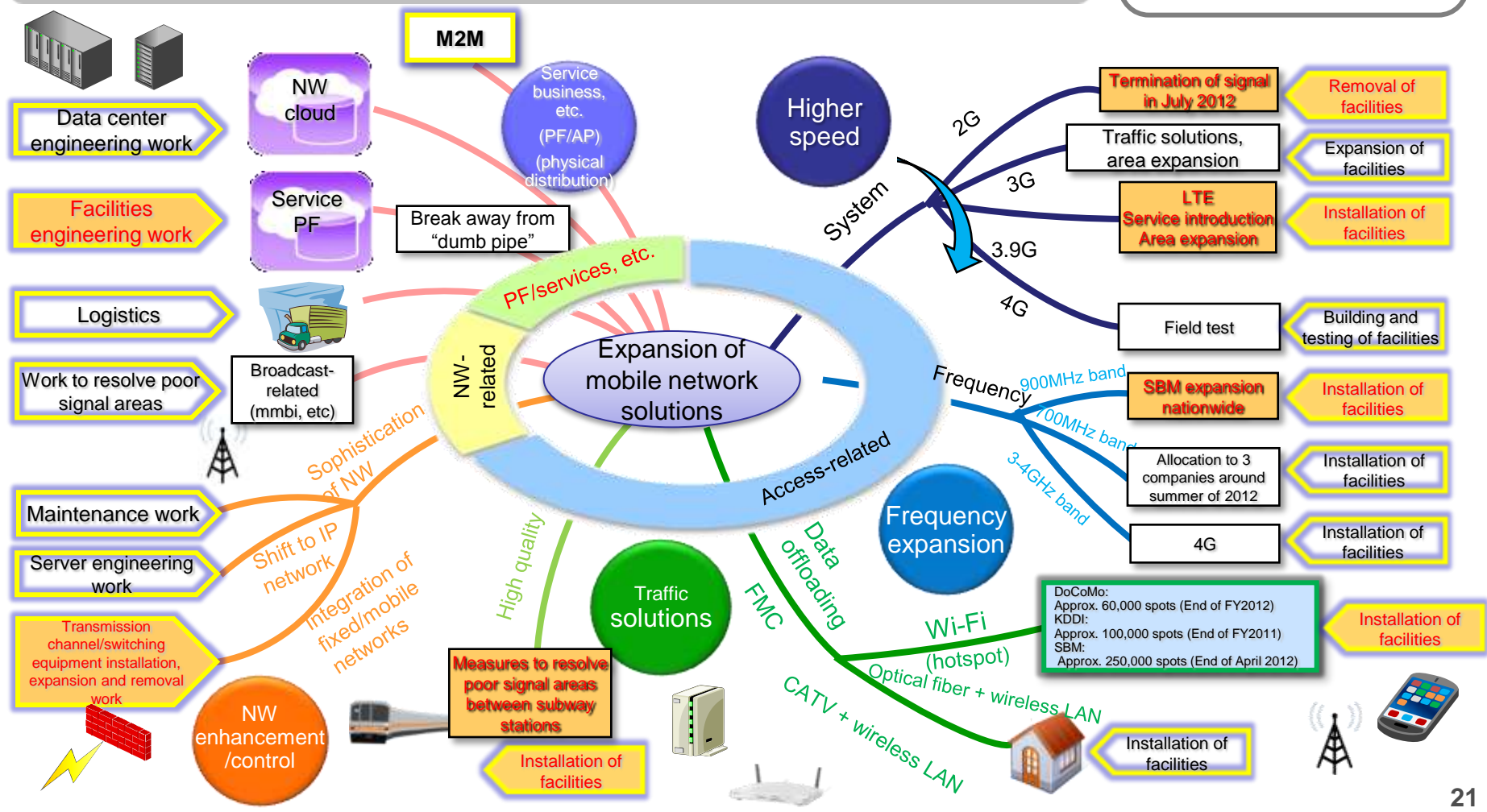
### (4) Market trends and expansion of mobile network solutions

<Main initiatives for this fiscal year>

- LTE-based facilities installation work and legacy 800MHz-band facilities removal work
- Enhancement of initiatives from infrastructure building (access, NW) to upper-layer service (PF, etc.) businesses

**Legend**

- Priority this year
- Existing measures

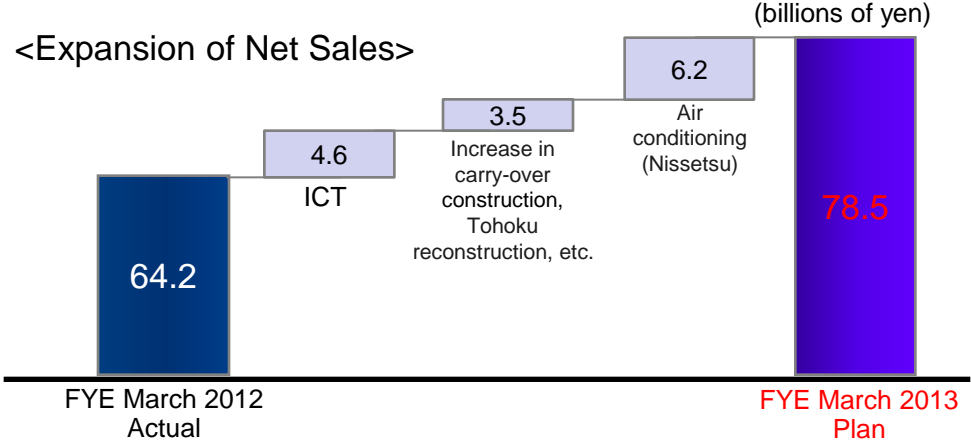






## 3. ICT/Civil Engineering and Others

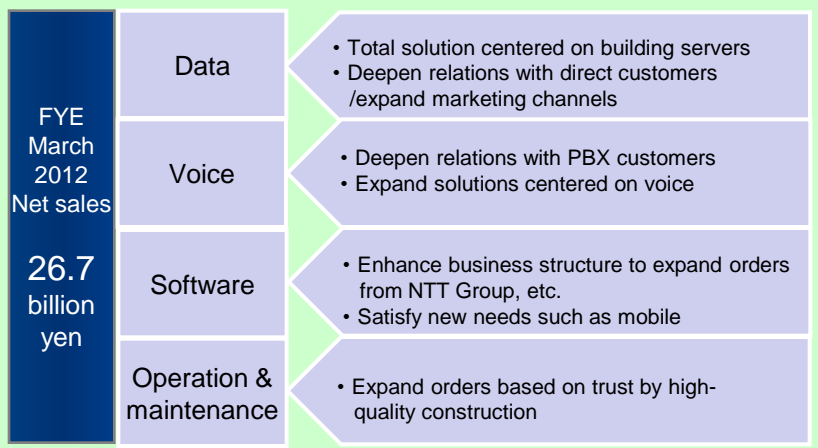
### (1) Increase in Scale of Business (Total image)



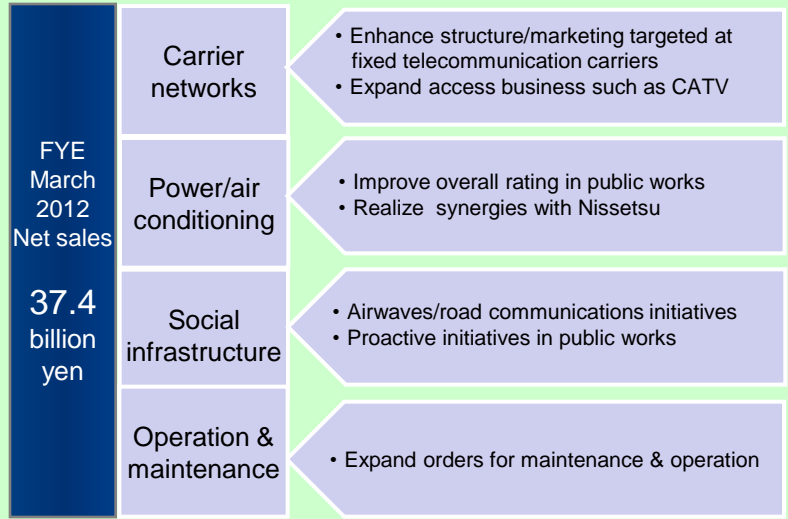
- Aggressively enhance marketing to expand growing domains
- Enhance initiatives in new fields with high added value
  - Maintenance and operation fields (managed services, etc)
  - Environment/new energy fields (proprietary products, etc)
- Enhance initiatives in regions where demand is strong
  - Post-earthquake reconstruction in Tohoku
  - Overseas business focusing on carriers
- **Net sales increase by 14.3 billion yen** including Nissetsu's contribution to full-year results
- Consider new M&A as well

### <Initiatives in Main Business Fields>

#### (1) ICT



#### (2) Civil Engineering and Others



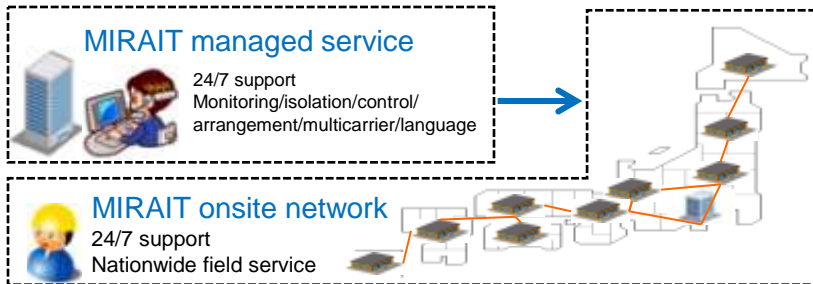
## 3. ICT/Civil Engineering and Others

### (2) Development of New Fields (ICT: Managed service)

- Meet outsourcing demand for design/construction/maintenance/operation of IT systems
- Expand managed services providing both upstream and downstream services and into businesses with high added value
- Make structural enhancements based on advance investments

#### □ Domain and Structure of Managed Service

	DC/server room	Inter-prefectural NW	Prefectural area NW	Access NW
Consulting				
Design				
Procurement				
Construction				
Maintenance & operation	NOC			
	Field			



#### □ Approach to Customers

Carriers such as NTT Group/vendors

- Sales proposals of core network design/construction/maintenance/operation
- Field maintenance of wireless access (WiFi), network equipment, servers, etc.
- Design/construction/maintenance/operation of cloud, data centers, etc.

Ordinary companies/universities/Slr, etc.

- Remote monitoring of PBX/networks/servers, security measures and preventive maintenance

### (3) Development of New Fields (Civil engineering & others: Environment/new energy)

- Proactive initiatives for demand related energy saving
- Utilize MIRAIT's proprietary products (Econet, electricity monitoring, etc.)
- Build up knowhow based on in-house track record and clarify factors for differentiation
- Expand solutions based on collaboration with IT systems

#### □ Main Initiatives

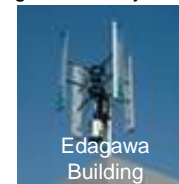
Domain	Field	Expansion Strategy
Energy generation	Solar power generation	Utilize experience in building 2MW facilities and the Company's own knowhow
Energy saving	Econet	Enhance merchantability of the Company's developments + sales channels
	LED	Enhance sales channels in anticipation of increase in demand
Energy management	BEMS/HEMS	Alliance with vendors/house manufacturers/trading companies

#### □ MIRAIT Group's Eco Initiatives

Solar power generation system and rooftop gardening

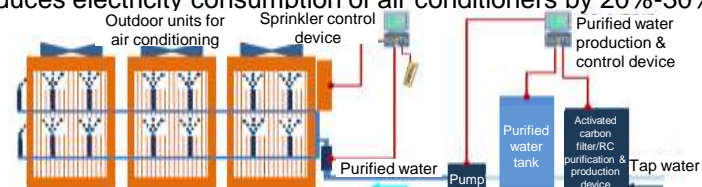


Wind power generation system



#### □ Econet System

(Reduces electricity consumption of air conditioners by 20%-30%)





## 3. ICT/Civil Engineering and Others

### (4) Expansion of Business Areas (Tohoku reconstruction)

### (5) Expansion of Business Areas (overseas business)

**Launch of Tohoku Reconstruction Promotion Office**

- Public agencies' projects: Establish a structure to facilitate the flow from marketing to design/quantity survey/construction based on collaboration between site and head office
- Private sector projects: Direct efforts at marketing of solutions incorporating energy-saving products

**Enhance structure according to characteristics of each country/project**

- Follow overseas expansion of major customers/partners, meet customers' expectations and seize our business opportunities
- Seize chances by utilizing overseas bases in response to joint public-private marketing actions by developed countries (Japan, USA and Europe) in Asia and other emerging countries

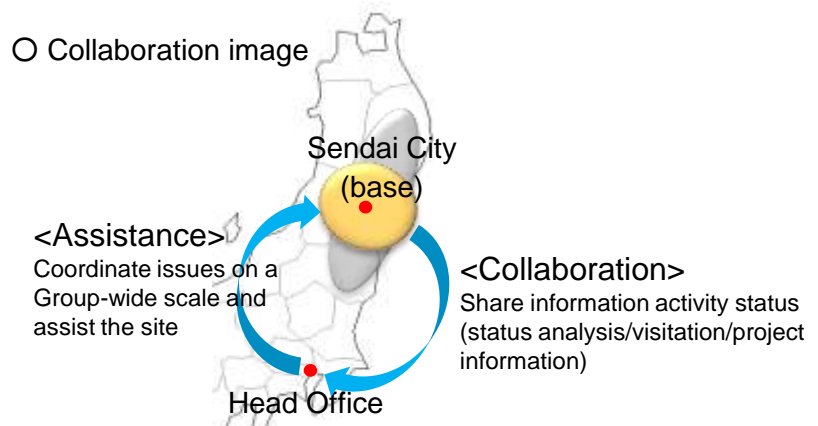
#### □ Main Initiatives

- Targets
  - Social infrastructure: Roads, hospitals, educational institutions, etc. Public facilities, housing, etc.
  - IT facilities: Data centers
  - Energy saving: Smart community
- Initiatives
  - Collect information on public projects
  - Collect information on reconstruction-related businesses involving NTT Group, etc.
  - Collect information on and collaborate with general contractors and manufacturers

#### □ Main Initiatives

- Target domains: Direct efforts at emerging countries such as Asia
  - ODA projects (building fixed/mobile facilities)
  - Australia (NBN project)
  - Sri Lanka (carriers)
  - Philippines (carriers)
  - Others in Asia-Pacific region

#### ○ Collaboration image



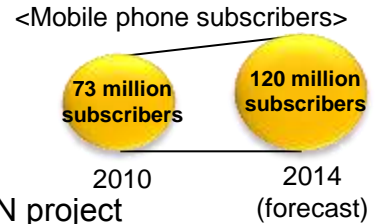
#### □ Size of Reconstruction Budget

(excerpt from budget declared collectively by Reconstruction Agency) (billions of yen)

	Iwate Prefecture	Miyagi Prefecture	Fukushima Prefecture	Remarks
Road-related development	84.6	36.4	15.0	Including lighting/communications related
Social capital development	9.1	7.9	4.9	

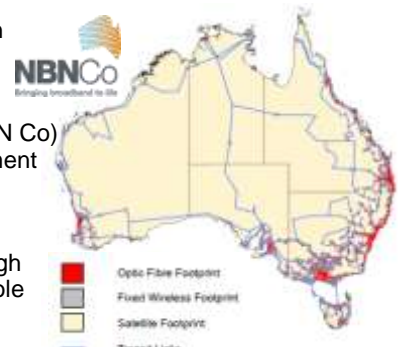
#### □ Making inroads into Philippines' mobile network solutions

- Make inroads into wireless business by taking advantage of track record in fixed communications in Philippines
- Enhance marketing activities based on strength as multivendor



#### □ Making inroads into Australia's NBN project

- NBN
  - Nationwide broadband plan focusing on optical access on the government's initiative
  - External facilities constructed and maintained by infrastructure owner (NBN Co)
  - 13 million lines, AU\$35.9 billion investment (=3.0 trillion yen) by 2020

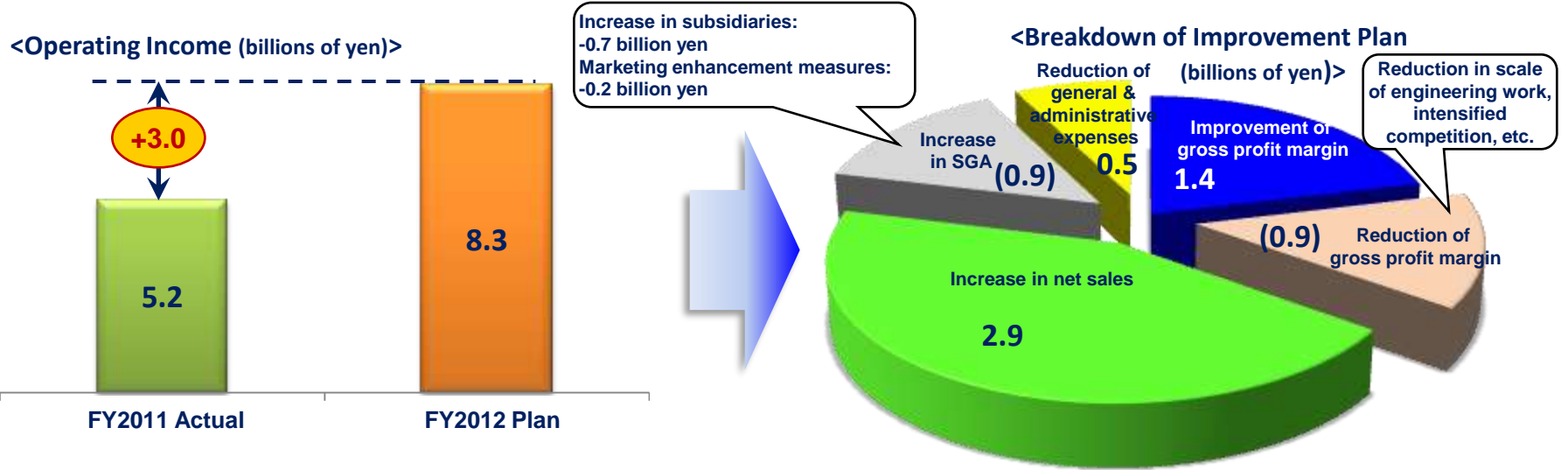


- Initiatives
  - Aggressively participate in project through local group company playing a central role



## 4. Synergy Measures and Cost Reduction

Achieve operating income of 8.3 billion yen through increased sales, synergy measures and cost reduction (total: 3 billion yen)



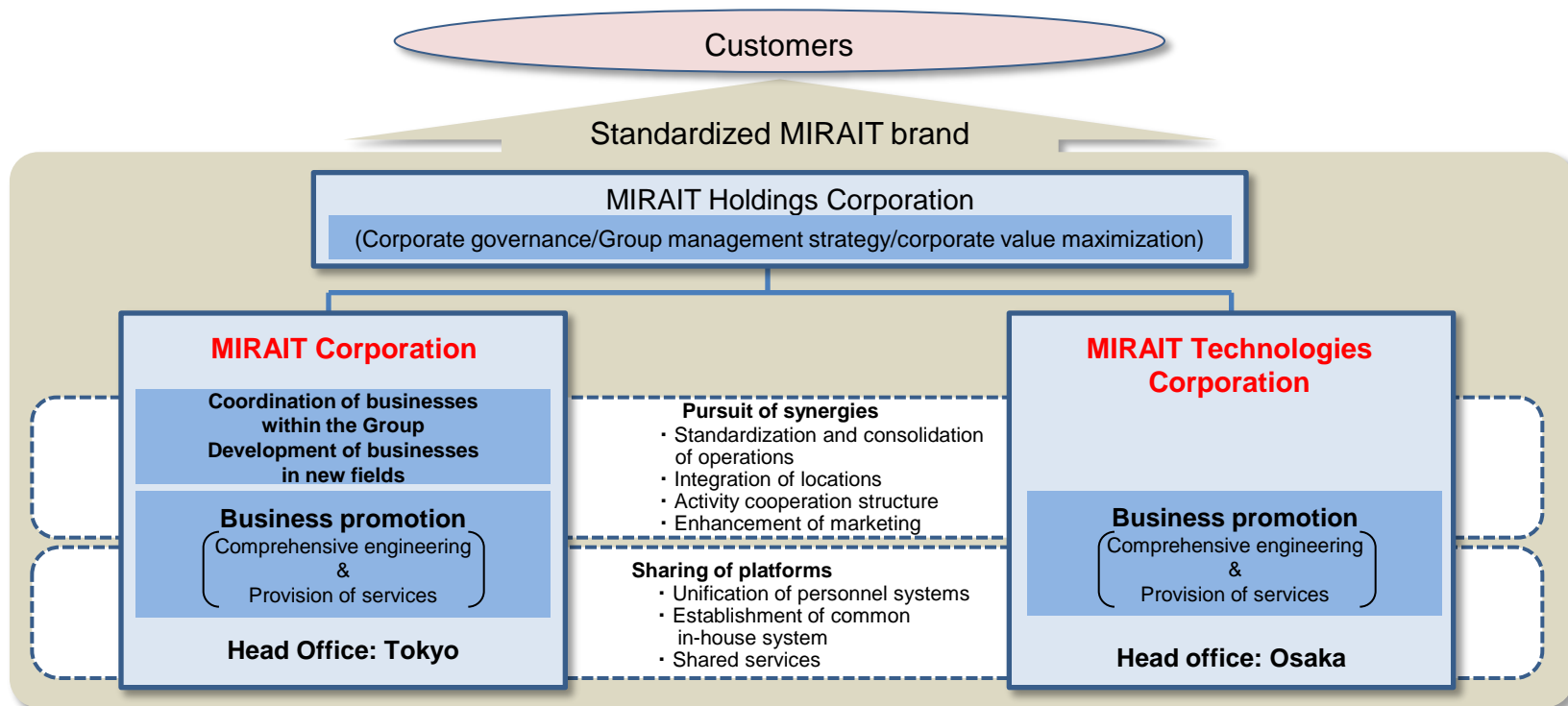
Main measures for which figures have been planned	Specific items
Improve profit of NTT network engineering, etc. (1.4 billion yen)	Improve efficiency by system integration, standardization of business processes, concentration of business bases and concentration of operations, etc. (Number of business bases: FY2010 → FY2011 → FY2012) User bases: 46 → 20 → 4, OPTOS operation bases: 32 → 25 → 10, photo inspection bases: 9 → 9 → 4
Reduction of general & administrative expenses (0.5 billion yen)	Flexible staffing through consolidation of administrative works (accounting, personnel affairs, general affairs, etc.), reduction of general expenses such as telecommunications costs Reduction of dispatched clerical staff costs, etc. based on flexible staffing

Measures for which figures are to be prepared and verified in the future	Specific items
Effects of business restructuring	Reduction of maintenance costs, depreciation and amortization, etc. by standardizing in-house systems (infrastructure/core systems) Flexible staffing and in-house operations by consolidating operations of business departments → Reduction of outflowing costs, reduction of number employees hired Reduction of rent for buildings by reviewing and consolidating business bases

## 5. Measures for Business Restructuring

- Shift from a three-company structure to a two-company structure at October 1, 2012 in order to implement integrated management and enable the efficient expansion of businesses to flexibly adapt to changes in the market.
- Assign “MIRAIT Corporation” with functions to coordinate businesses within the Group to boost the value of MIRAIT brand and promote integrated businesses within the Group.
- Standardize brands, personnel systems, in-house information systems and other business foundations to promote integrated business operations within the Group.
- Concentrate administrative works (accounting, general affairs, personnel affairs, etc.) at the shared service center to improve the efficiency. Accounting operations have already been consolidated. Consolidation of general affairs, materials, etc. will commence in the coming months.

### <Restructuring Scheme>



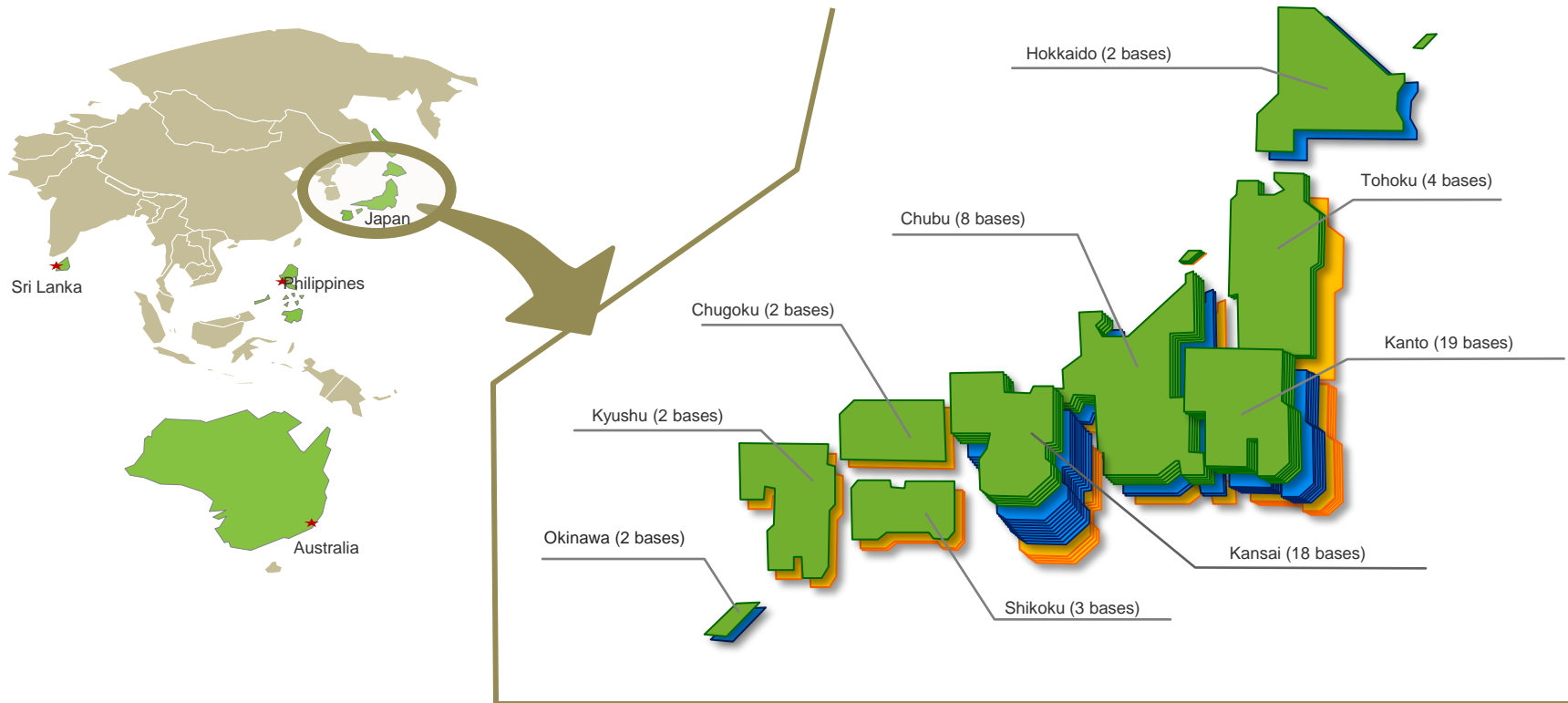


## IV References

MIRAIT Holdings Corporation

## 1. Business Summary of MIRAIT Group 1) [Business Summary]

- Have a history of more than **60 years** as a partner of communications carriers, mainly focused on facility construction of telecommunications infrastructure
- On the scale of **236 billion yen in total net sales and approx. 7,200 employees in group total**
- Enhanced nationwide construction structure by integration. Especially strong in **Kanto and Kansai regions** with larger markets.
- As for the Group's overseas activities, businesses have been deployed in Philippines, Australia and Sri Lanka, and considering of expanding in the future
- Due to the integration, each business has been enhanced and strengthened, and has been promoting a **structural shift towards a "comprehensive engineering & service company"**



## 1. Business Summary of MIRAIT Group 1) [Business Summary]

### NTT network engineering

FYE March 2012  
Net sales 111.4 billion yen

- ◆ Installation, maintenance and operation of communications facilities in the field of NTT Group's fixed-line communications
- ◆ Business deployment throughout all fields from external to internal networks mainly in the Tokyo metropolitan area and Kansai area

### Mobile network solutions

FYE March 2012  
Net sales 60.3 billion yen

- ◆ Installation, maintenance and operation of communication facilities for mobile carriers
- ◆ Nationwide deployment by multi-carrier solution



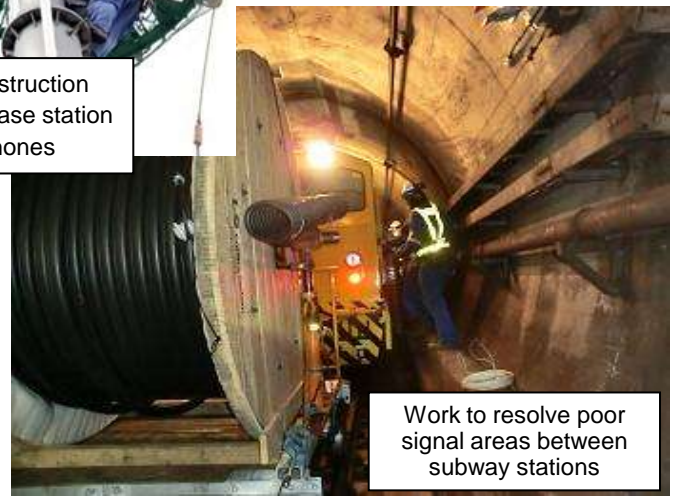
Cabling work



Attachment construction work of wireless base station for mobile phones



Power pole reconstruction works



Work to resolve poor signal areas between subway stations



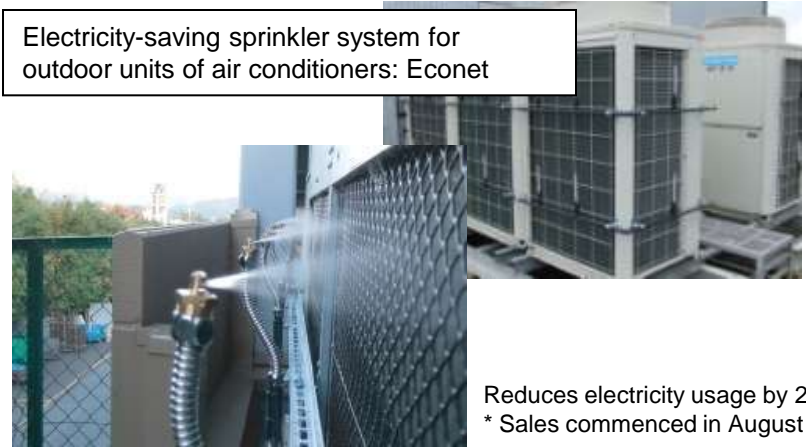
## 1. Business Summary of MIRAIT Group 1) [Business Summary]

<b>ICT</b>	FYE March 2012	◆ Installation, maintenance and operation of information communications systems for private companies and government offices
	Net sales 26.7 billion yen	◆ Business deployment in upper layers (applications/contents) based on networks (LAN/WAN)

<b>Civil engineering and others</b>	FYE March 2012	◆ Installation, maintenance and operation of IT infrastructure for private companies and government offices
	Net sales 37.4 billion yen	◆ Business deployment towards environmental/new energy-related businesses and overseas businesses



Data broadcast content development



Electricity-saving sprinkler system for outdoor units of air conditioners: Econet

Reduces electricity usage by 20%-30%  
\* Sales commenced in August 2011



Server setup work

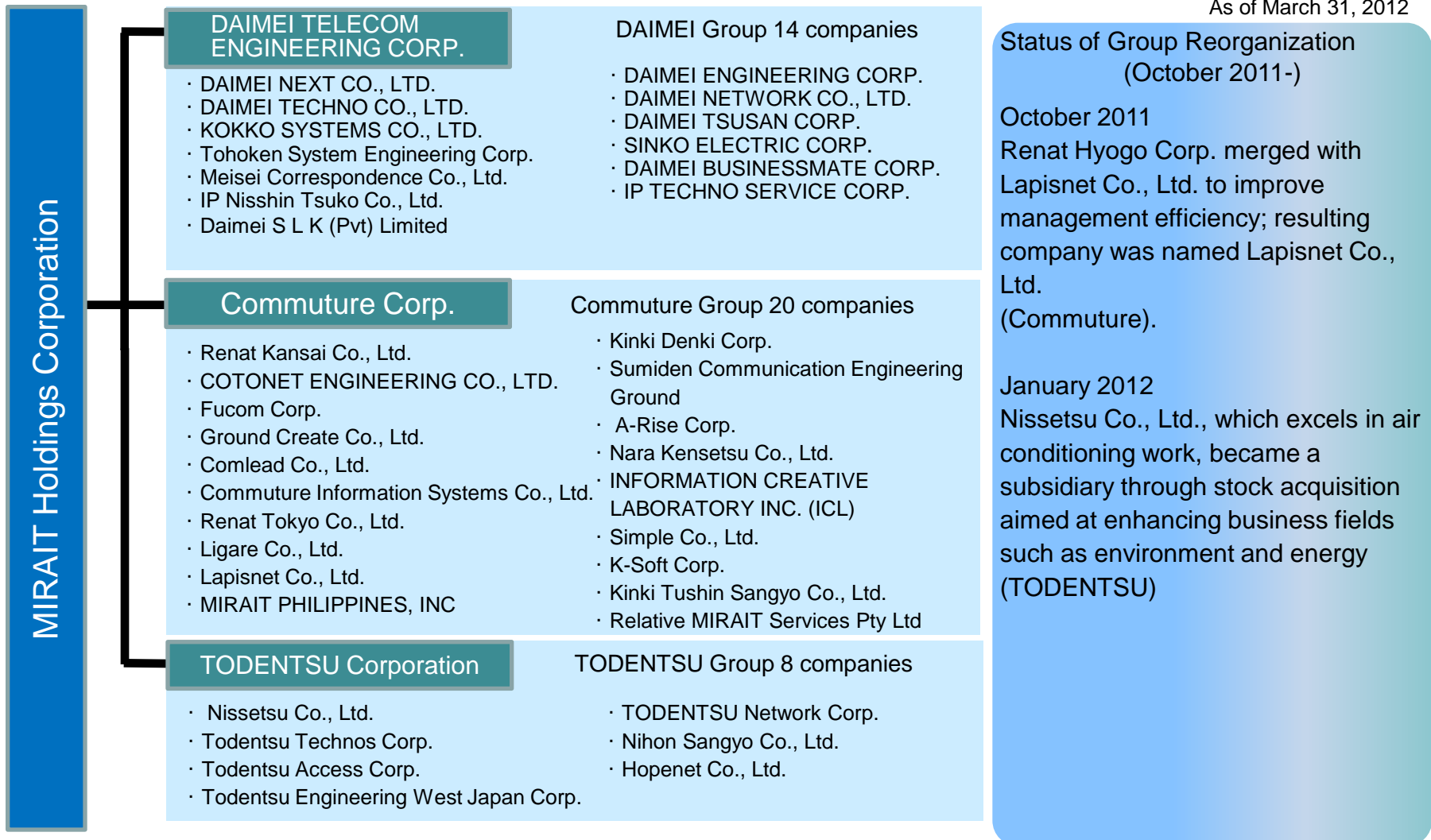


Lighting equipment renovation works at Metropolitan Expressway route No. 6 and 7 (Tokyo)

## 1. Business Summary of MIRAIT Group 2)[Summary of Group Companies]


- Group's 39 companies are collaborating with 3 business companies, and deploying various businesses

As of March 31, 2012



\* The above shows consolidated subsidiaries, associates accounted for using the equity method and overseas subsidiaries

## 2. Outlines for Recovery/Restoration Work after the Great East Japan Earthquake

	FY2011 Initiatives	FY2012 Initiatives
<p>NTT network engineering</p> 	<ul style="list-style-type: none"> <li>➢ Installation of special public phones</li> <li>➢ Inspection/survey of facilities, designing of transmission channels (relay-type optical lines), restoration work, etc.</li> <li>➢ Recovery and restoration work for access and relay optic fibers, installation of access lines to stations, under-river cable installation, etc.</li> <li>➢ Amount of orders received in FY2011: 5.1 billion yen</li> <li>➢ Completed construction contracts in FY2011: 2.7 billion yen</li> </ul>	<ul style="list-style-type: none"> <li>➢ Enhancement of marketing structure for full-fledged reconstruction work</li> <li>➢ Reconstruction work for access and relay optic fibers, installation of access lines to stations, under-river cable installation, etc.</li> <li>➢ Amount of orders received in FY2012: 0.5 billion yen</li> <li>➢ Completed construction contracts in FY2012: 2.4 billion yen</li> </ul>
<p>Mobile network solutions</p> 	<ul style="list-style-type: none"> <li>➢ Temporary restoration of base stations with emergency power generators and others, and implementation of inspection/survey of base station facilities</li> <li>➢ Full restoration/reconstruction <ul style="list-style-type: none"> <li>• Installation of temporary base stations at shelters</li> <li>• Securing telecommunications areas in temporary housing areas</li> </ul> </li> <li>➢ Amount of orders received in FY2011: 2.1 billion yen</li> <li>➢ Completed construction contracts in FY2011: 2.1 billion yen</li> </ul>	<ul style="list-style-type: none"> <li>➢ Recovery of communication facilities and countermeasures against disasters such as securing electricity in the event of power outage have more or less been completed</li> <li>➢ Further improvements in reliability, full-fledged reconstruction initiatives, etc. are planned for FY2012; size of orders to be received remains undetermined at this stage</li> </ul>
<p>ICT/Civil engineering and others</p> 	<ul style="list-style-type: none"> <li>➢ Implementation of electrical works for temporary housing and temporary schools</li> <li>➢ Facility operation work such as street lighting maintenance</li> <li>➢ Cooperation in design related to earthquake-resistant buildings, etc.</li> <li>➢ Amount of orders received in FY2011: 0.8 billion yen</li> <li>➢ Completed construction contracts in FY2011: 0.8 billion yen</li> </ul>	<ul style="list-style-type: none"> <li>➢ Launch Tohoku Reconstruction Promotion Office and promote activities on a full scale</li> <li>➢ Promote activities targeted at national and local governments</li> <li>➢ Promote collaboration with general contractors/manufacturers (civil engineering, electrical, communications, etc.)</li> <li>➢ Amount of orders received in FY2012: 2.1 billion yen</li> <li>➢ Completed construction contracts in FY2012: 2.1 billion yen</li> </ul>



## 3. Financial Results [MIRAIT HD consolidated]

(billions of yen)

	FYE March 2011		FYE March 2012							FYE March 2013 (forecast)			
	Full year actual		Full year actual (b)	Composition ratio	Full year plan (c)	Changes against previous FY (b)-(a)	Rate of changes against previous FY (b)-(a)/(a)	Changes against plan (b)-(c)	Rate of changes against plan (b)-(c)/(c)	Full year plan (d)	Composition ratio	Changes against previous FY (d)-(b)	Rate of changes against previous FY (d)-(b)/(b)
	Full-year total (a)	<Reference> Purchase method (disclosure-based)											
Orders received	241.3	175.5	252.0	—	257.2	10.7	4.5%	(5.1)	(2.0%)	261.3	—	9.2	3.7%
Net sales	246.6	186.1	236.0	100%	251.6	(10.5)	(4.3%)	(15.5)	(6.2%)	265.0	100%	28.9	12.3%
Gross profit on sales	24.3	18.6	24.0	10.2%	26.5	(0.3)	(1.2%)	(2.4)	(9.3%)	27.4	10.4%	3.3	14.0%
SGA	19.3	14.5	18.7	8.0%	18.9	(0.5)	(3.0%)	(0.1)	(0.7%)	19.1	7.2%	0.4	2.1%
Operating income	4.9	4.0	5.2	2.2%	7.6	0.2	5.6%	(2.3)	(30.7%)	8.3	3.1%	3.0	57.6%
Ordinary income	5.7	4.7	6.1	2.6%	8.0	0.4	7.0%	(1.8)	(22.7%)	9.0	3.4%	2.8	45.6%
Net income	30.6	30.5	3.2	1.4%	4.7	(27.3)	(89.4%)	(1.4)	(30.8%)	3.3	1.3%	0.0	1.5%

\* "Changes against previous FY" for FYE March 2012 Actual are based on a comparison with figures calculated by aggregating the actual business results of DAIMEI TELECOM ENGINEERING CORP., Commutere Corp. and TODENTSU Corporation. For reference, FYE March 2011 Actual based on business combination accounting upon the establishment of the Company is presented according to "Purchase method (disclosure-based)".

\* The impact of "negative goodwill" in the amount of 26.8 billion yen is included in net income under "Full year actual" for FYE March 2011.

## 4. Net Sales and Orders Received by Business Sector [MIRAIT HD Consolidated]

(billions of yen)

<Orders received>	FYE March 2011	FYE March 2012						FYE March 2013 (forecast)		
	Full year actual (a)	Full year actual (b)	Full year plan (c)	Changes against previous FY (b)-(a)	Rate of changes against previous FY (b)-(a)/(a)	Changes against plan (b)-(c)	Rate of changes against plan (b)-(c)/(c)	Full year plan (d)	Changes against previous FY (d)-(b)	Rate of changes against previous FY (d)-(b)/(b)
NTT network engineering	111.6	113.7	113.0	2.1	1.9%	0.7	0.7%	109.8	(3.9)	(3.5%)
Mobile network solutions	65.0	66.0	71.2	1.0	1.6%	(5.1)	(7.2%)	71.5	5.4	8.2%
ICT	25.3	27.3	32.7	1.9	7.6%	(5.3)	(16.5%)	33.2	5.8	21.6%
Civil engineering and others	39.2	44.9	40.3	5.6	14.4%	4.6	11.4%	46.8	1.8	4.2%
<b>Total</b>	<b>241.3</b>	<b>252.0</b>	<b>257.2</b>	<b>10.7</b>	<b>4.4%</b>	<b>(5.1)</b>	<b>(2.0%)</b>	<b>261.3</b>	<b>9.2</b>	<b>3.7%</b>

<Net sales>	FYE March 2011	FYE March 2012						FYE March 2013 (forecast)		
	Full year actual (a)	Full year actual (b)	Full year plan (c)	Changes against previous FY (b)-(a)	Rate of changes against previous FY (b)-(a)/(a)	Changes against plan (b)-(c)	Rate of changes against plan (b)-(c)/(c)	Full year plan (d)	Changes against previous FY (d)-(b)	Rate of changes against previous FY (d)-(b)/(b)
NTT network engineering	110.0	111.4	112.8	1.3	1.3%	(1.3)	(1.2%)	111.1	(0.3)	(0.3%)
Mobile network solutions	68.1	60.3	70.0	(7.8)	(11.5%)	(9.6)	(13.8%)	75.4	15.1	25.0%
ICT	25.6	26.7	30.8	1.1	4.3%	(4.0)	(13.0%)	31.9	5.2	19.5%
Civil engineering and others	42.6	37.4	38.0	(5.2)	(12.2%)	(0.5)	(1.4%)	46.6	9.2	24.6%
<b>Total</b>	<b>246.6</b>	<b>236.0</b>	<b>251.6</b>	<b>(10.5)</b>	<b>(4.3%)</b>	<b>(15.5)</b>	<b>(6.2%)</b>	<b>265.0</b>	<b>28.9</b>	<b>12.3%</b>

\* Figures for "Full year actual" for FYE March 2011 are calculated by aggregating the full-year actual business results of DAIMEI TELECOM ENGINEERING CORP., Commutere Corp. and TODENTSU Corporation.

## 5. Financial Results by Segment

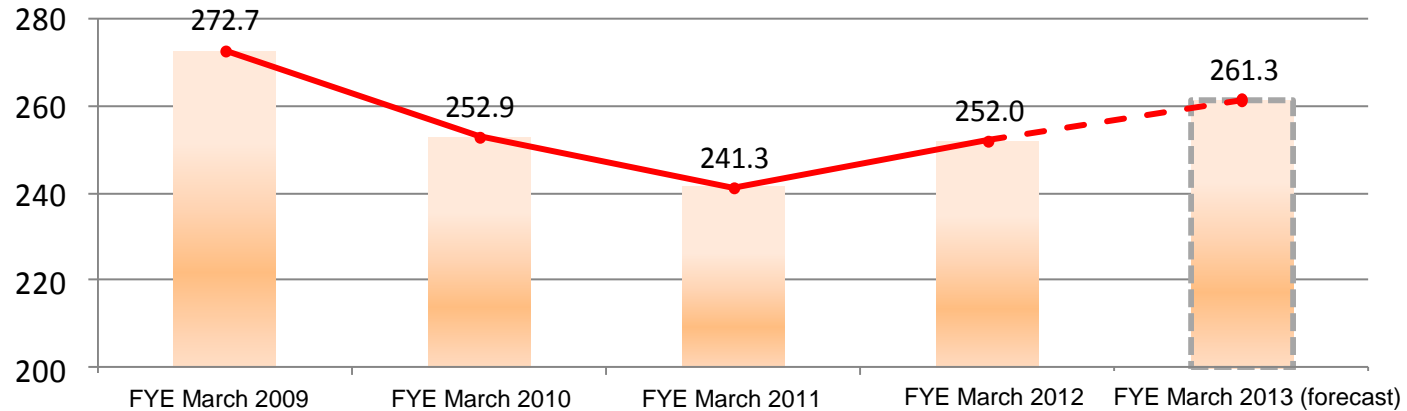
(billions of yen)

	DAIMEI Group					Commuture Group					TODENTSU Group				
	FYE March 2011		FYE March 2012		Change	FYE March 2011		FYE March 2012		Change	FYE March 2011		FYE March 2012		Change
	Full year actual	Composition ratio	Full year actual	Composition ratio		Full year actual	Composition ratio	Full year actual	Composition ratio		Full year actual	Composition ratio	Full year actual	Composition ratio	
Net sales	110.7	100%	109.9	100%	(0.7)	92.7	100%	87.3	100%	(5.4)	44.2	100%	44.1	100%	(0.0)
Gross profit on sales	12.2	11.0%	12.6	11.5%	0.4	8.5	9.2%	8.0	9.2%	(0.4)	3.5	8.1%	3.2	7.5%	(0.2)
SGA	9.7	8.8%	9.2	8.4%	(0.5)	6.7	7.2%	7.3	8.5%	0.6	3.1	7.2%	2.5	5.8%	(0.5)
Operating income	2.4	2.2%	3.4	3.1%	0.9	1.7	1.9%	0.6	0.7%	(1.1)	0.4	0.9%	0.7	1.6%	0.3

## 6. Indices 1) [Orders Received and Net Sales]

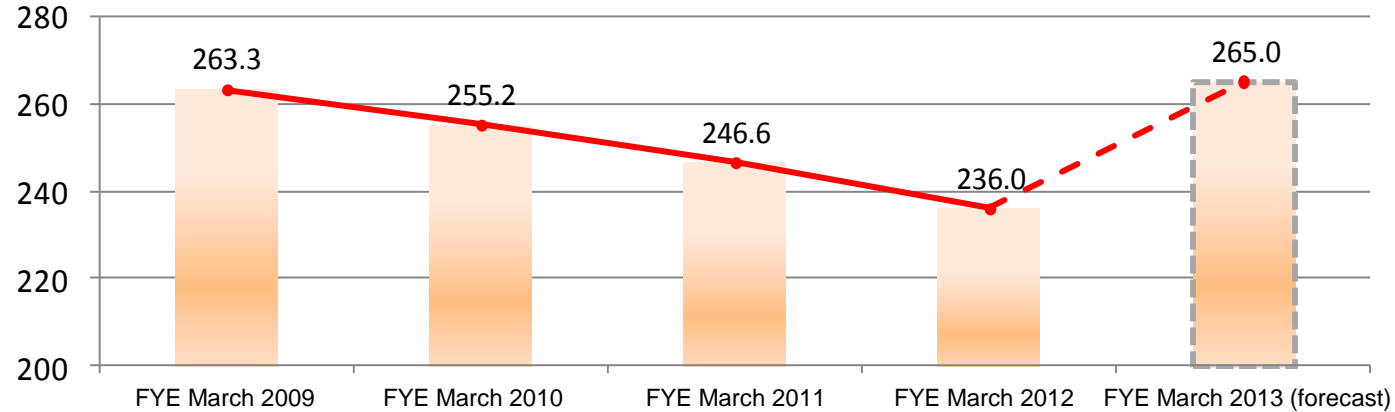
### Orders Received

(billions of yen)



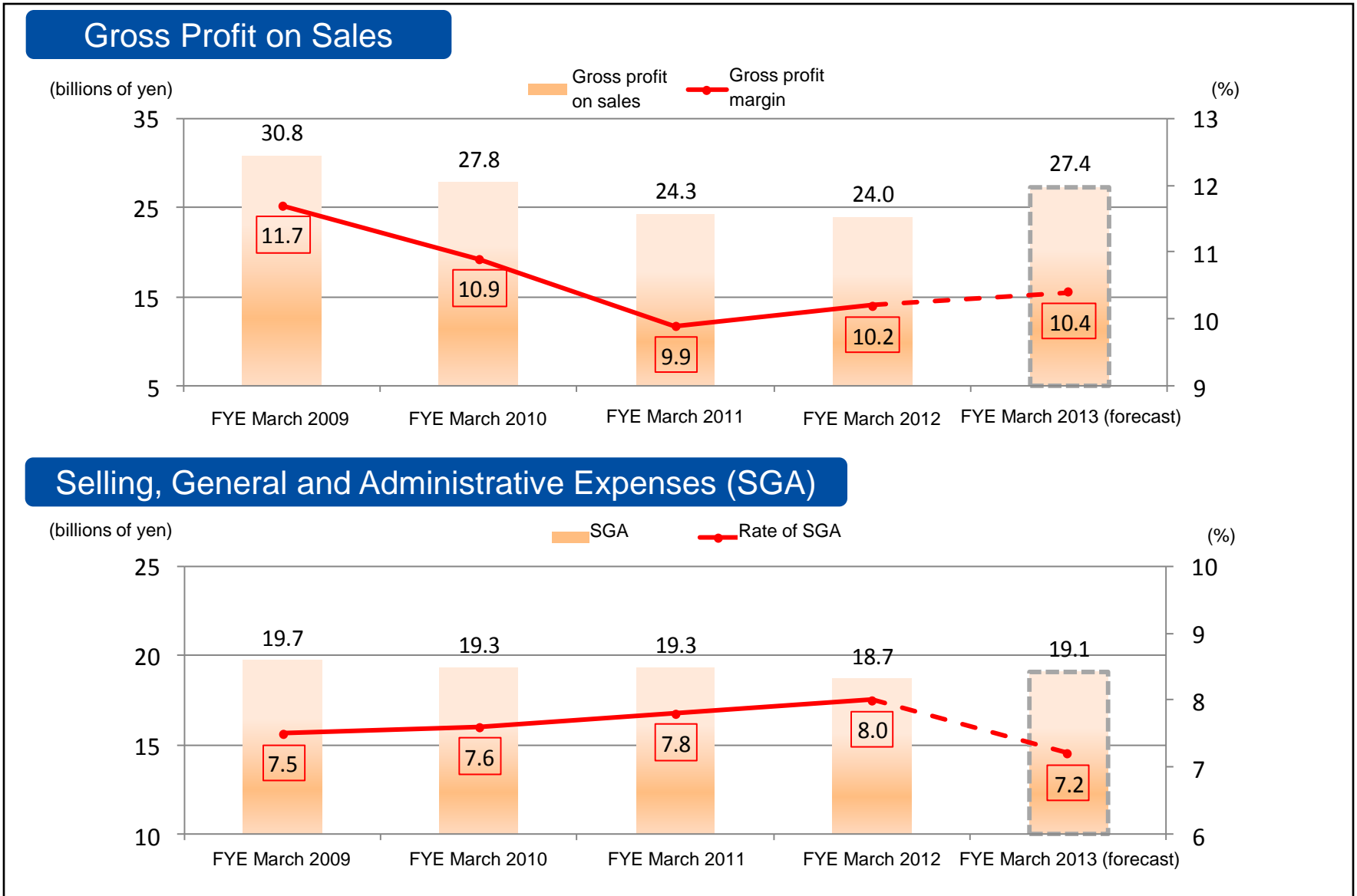
### Net Sales

(billions of yen)



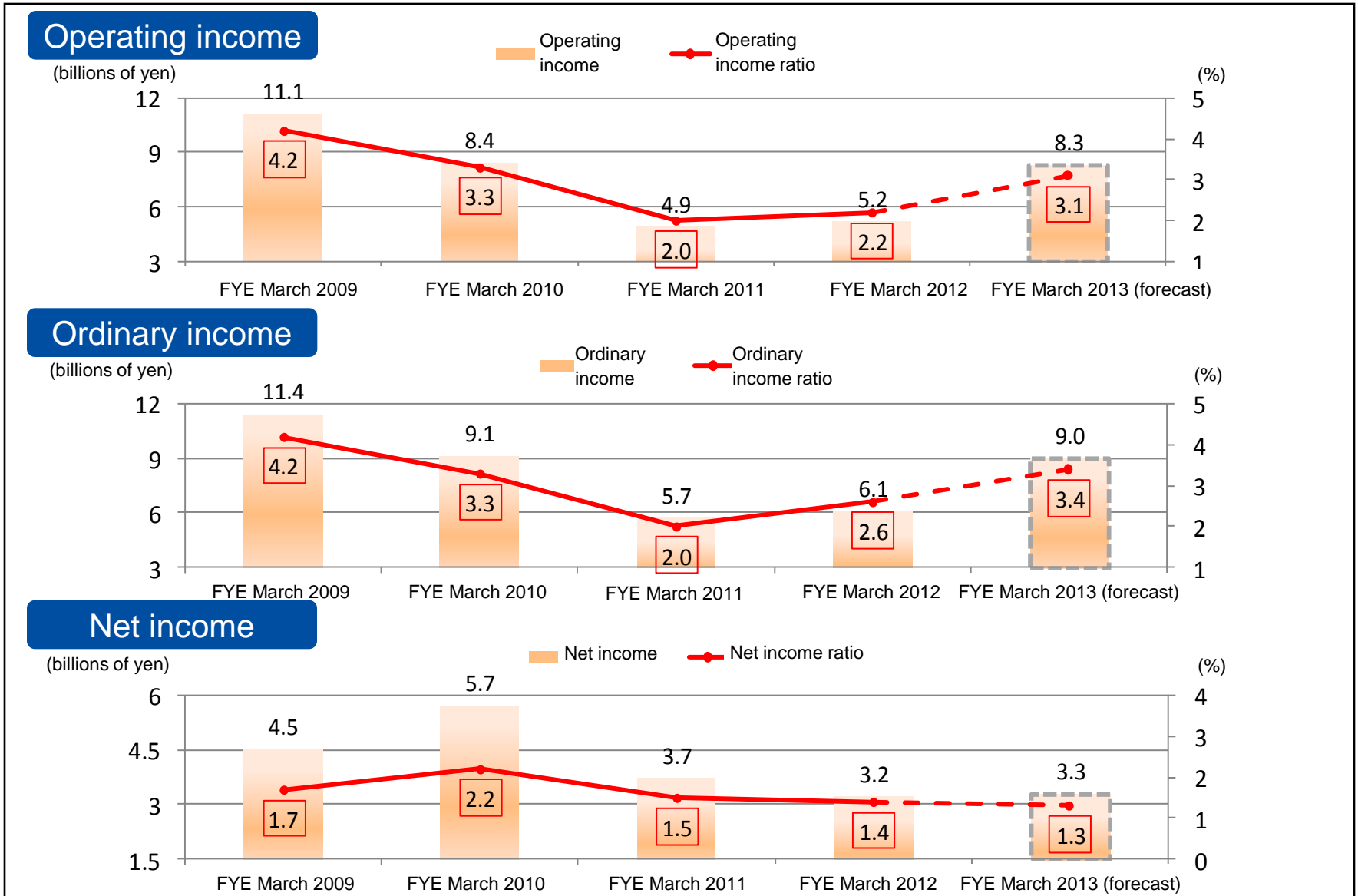
(Note) Figures up to FYE March 2010 are simple added value of 3 integrated companies in various indices.

## 6. Indices 2) [Profit]



(Note) Figures up to FYE March 2010 are simple added value of 3 integrated companies in various indices.

## 6. Indices 3) [Profit]



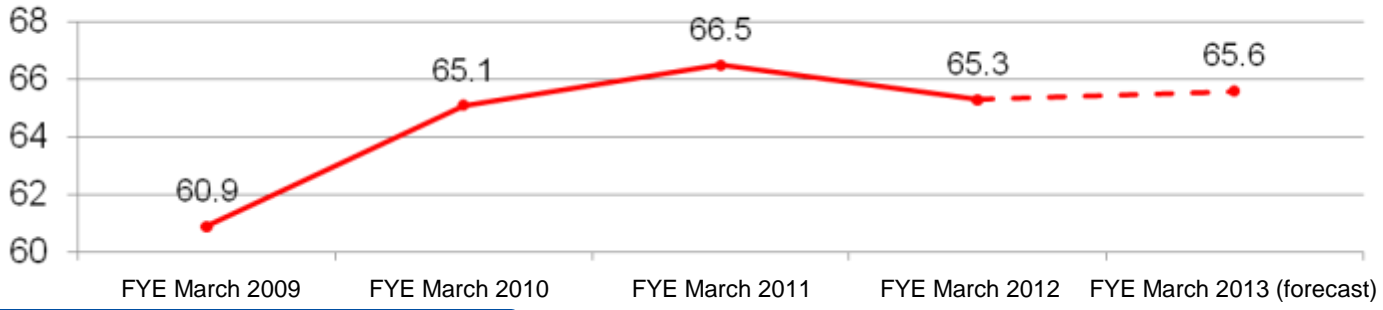
(Notes)1. Figures up to FYE March 2010 are simple added value of 3 integrated companies in various indices.

2. Figures for FYE March 2011 is calculated by excluding the influenced amount of negative goodwill.

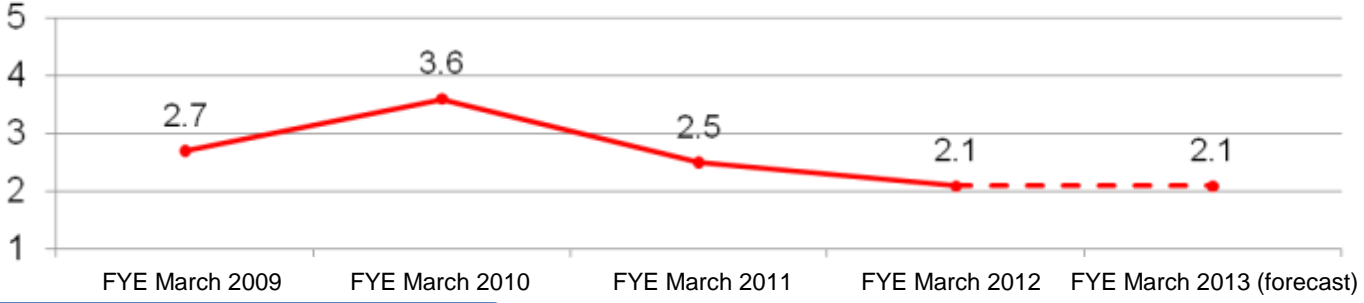
## 6. Indices 4) [Equity Ratio and ROA/ROE]

### Equity ratio

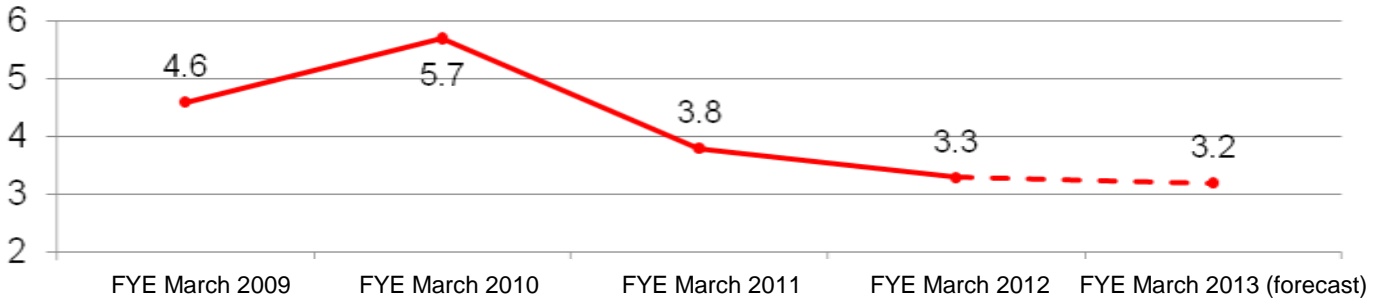
(unit: %)



### Return on assets (ROA)

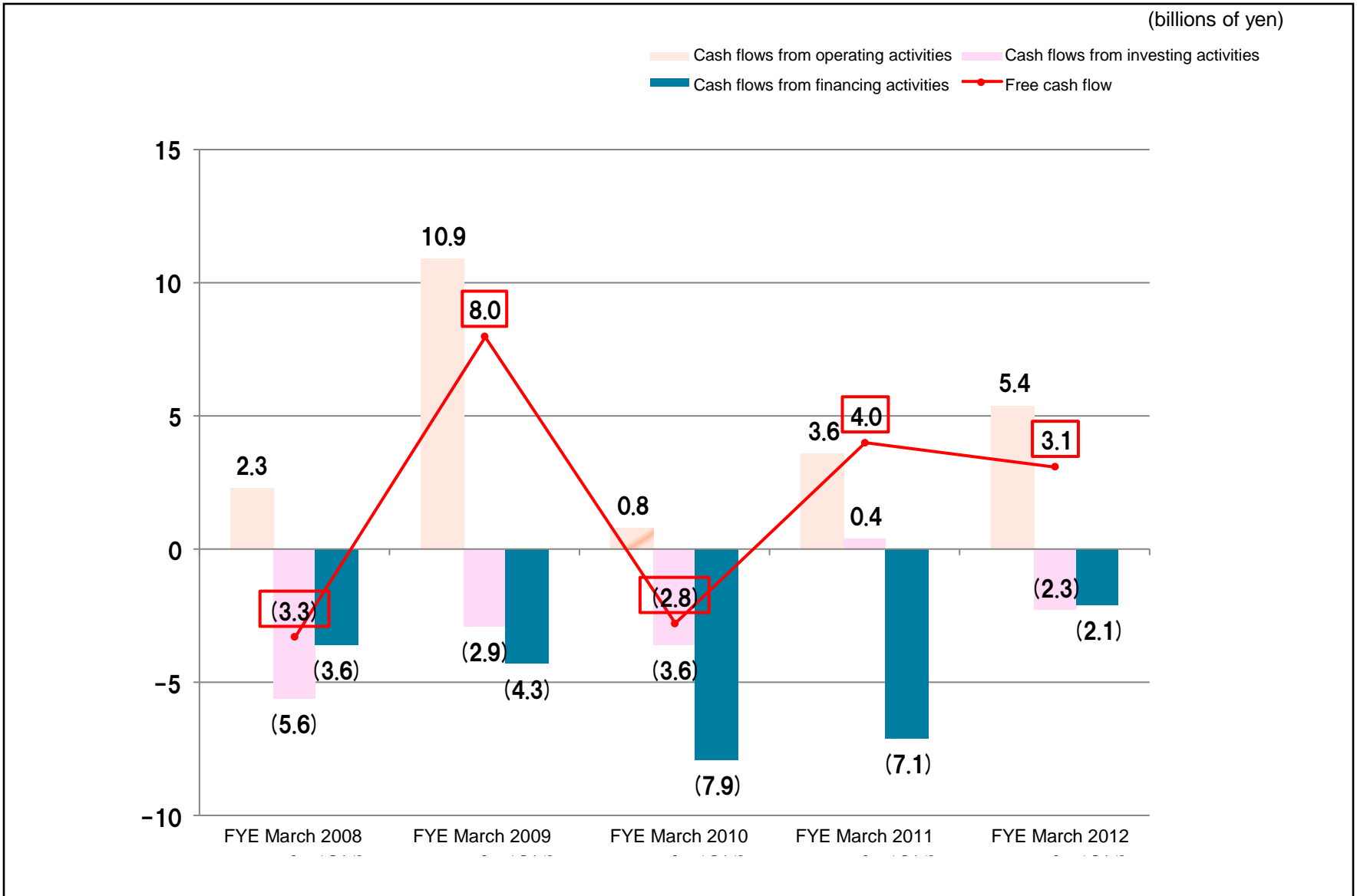


### Return on equity (ROE)



(Notes) 1. Figures up to FYE March 2010 are simple added value of 3 integrated companies in various indices.  
 2. Figures for FYE March 2011 is calculated by excluding the influenced amount of negative goodwill.  
 3. Figures forecasted for FYE March 2013 take performance and dividend forecasts into account. For total assets, figures as at the end of the previous fiscal year were used.

## 6. Indices 5) [Cash Flows]



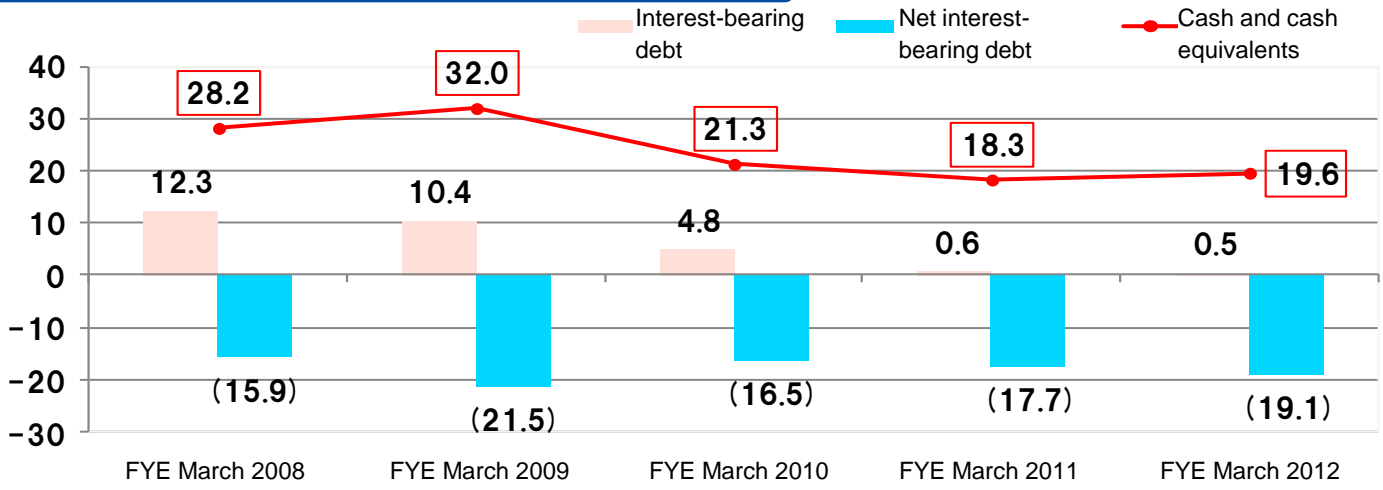
(Note) Figures up to FYE March 2010 are simple added value of 3 integrated companies in various indices.



## 6. Indices 6) [Interest-bearing debt, capital expenditure, and depreciation & amortization]

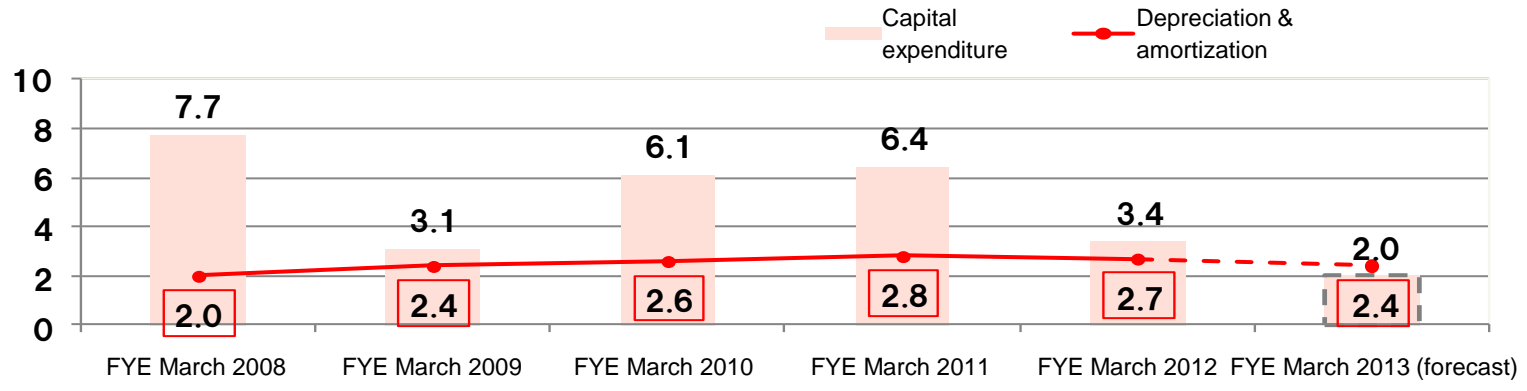
### Cash & deposits, etc. and interest-bearing debt

(billions of yen)



(Notes) 1. Net interest-bearing debt is calculated by subtracting cash and cash equivalents from interest-bearing debt.  
 2. Cash and cash equivalents exclude deposits whose term exceeds 3 months and securities.

### Capital expenditure and depreciation & amortization



(Note) Figures up to FYE March 2010 are simple added value of 3 integrated companies in various indices.

Statements and quotes relevant to the forecasted values in this handout and the session are the future prospects based on the plans and prospects of the Company at this point in time.

The actual business results could be significantly different from those stated in this handout and briefing due to changes in conditions.

As such, please be advised that we will not be able to guarantee the accuracy of the forecasted values, in this handout and the session, over the period of time to come in the future.

MIRAIT Holdings Corporation