

Consolidated Financial Results
for the Six Months Ended September, 2012
[Japanese GAAP]

November 9, 2012

Company name: MIRAIT Holdings Corporation
 Stock exchange listing: Tokyo, Osaka
 Code number: 1417
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 Scheduled date of filing quarterly securities report: November 13, 2012
 Scheduled date of commencing dividend payments: December 7, 2012
 Availability of supplementary briefing material on quarterly results: available
 Schedule of quarterly results briefing session: scheduled (for analysts and institutional investors)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2012 (April 1, 2012 to September 30, 2012)

(1) Consolidated Operating Results (cumulative)

(% indicates changes from the previous period.)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Six Months Ended September 30, 2012	116,502	15.3	3,731	—	4,226	496.2	58	(90.1)
Six Months Ended September 30, 2011	101,033	—	204	—	708	—	585	—

(Note) Comprehensive income:

Six Months Ended September 30, 2012 15 million yen (-97.0%)

Six Months Ended September 30, 2011 529 million yen (—%)

	Net income per share	Diluted net income per share
	yen	yen
Six Months Ended September 30, 2012	0.70	—
Six Months Ended September 30, 2011	7.11	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
As of September 30, 2012	148,664	102,207	66.9
As of March 31, 2012	153,711	102,917	65.3

(Reference) Equity:

As of September 30, 2012 99,461 million yen

As of March 31, 2012 100,403 million yen

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2012	yen —	yen 10.00	yen —	yen 10.00	yen 20.00
Fiscal year ending March 31, 2013	—	10.00			
Fiscal year ending March 31, 2013 (Forecast)			—	10.00	20.00

(Note) Revision of dividend forecasts from recently announced figures: Not applicable

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2013 (April 1, 2012 to March 31, 2013)

(% indicates changes from the previous period.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	265,000	12.3	8,300	57.6	9,000	45.6	3,300	1.5	40.04

(Note) Revision of forecast of financial results from recently announced figures: Not applicable

* Notes:

- (1) Changes in significant subsidiaries during the period under review: No
 - (2) Application of specific accounting treatments for preparing of consolidated quarterly financial statements: Applicable
 - (3) Changes in accounting policies, changes in accounting estimates and corrections of errors
 - 1) Changes in accounting policies due to the revision of accounting standards, etc.: Applicable
 - 2) Any changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: Applicable
 - 4) Corrections of errors: No
- (Note) Article 10-5 of the Ordinance on Terminology, Forms and Preparation Methods of Quarterly Consolidated Financial Statements applies. For further details, see "2. Other Information (3) (3) Changes in Accounting Policies, Changes in Accounting Estimates and Corrections of Errors" on page 3 of the appendix.

(4) Total number of issued shares (common stock)

- 1) Total number of issued shares at the end of the period (including treasury stock):

September 30, 2012	85,381,866 shares	March 31, 2012	85,381,866 shares
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- 2) Total number of treasury stock at the end of the period:

September 30, 2012	2,973,840 shares	March 31, 2012	2,976,830 shares
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- 3) Average number of shares outstanding during the period:

September 30, 2012	82,407,063 shares	September 30, 2011	82,381,488 shares
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*Status of execution of the quarterly review of financial statements

This consolidated financial report is not subject to the quarterly review of the financial statements under the Financial Instruments and Exchange Act. The procedures for said quarterly review have been executed at the time of disclosing this report.

*Explanation for the appropriate use of financial forecasts and other special notes

1. The Company plans to hold a briefing session for analysts and institutional investors on Tuesday, November 13, 2012. The briefing material on earnings distributed at this briefing session will be promptly published on the Company's website after the briefing session is held.
2. While descriptions in this report regarding financial prospects and other future events are based on the information available at the time, this report was prepared, and based on certain assumptions considered to be reasonable. Accordingly our actual business performance may differ significantly from the prospects due to a number of factors. For the assumptions as the basis for the financial forecasts and notes regarding the effective use of the financial forecasts, please refer to "Qualitative Information on Consolidated Financial Results Forecast" on page 3 of the appendix.

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1. Qualitative Information on Consolidated Performance for the Period under Review

(1) Qualitative Information on Consolidated Operating Results

The Japanese economy during the six months ended September 30, 2012 saw a decline in production across a wide range of industries due to the increased slowdown of overseas economies and the impact of large-scale anti-Japanese demonstrations in China. Consumer spending was also weakened by poor weather this summer, and there are fears of negative growth due to factors such as marking the highest trade deficit in history.

In the telecommunications sector, users' needs became more advanced and diverse with the rapid expansion of smartphone use, leading to a phase in which telecommunications services need to provide new value.

There have been rapid advances in the creation of communication networks, such as NGN^{*1}, expansion of the coverage of LTE^{*2} services and communications between subway stations and the promotion of data offloading using Wi-Fi^{*3}.

Meanwhile, attention has been drawn to the importance of BCP^{*4} and diversity of telecommunications services through cloud computing since the Great East Japan Earthquake, and datacenter business, the creation of service platforms and related services became the driving forces behind new expansion of the ICT^{*5} market.

In such a business climate, the MIRAITS Group continued to strive to restore and rebuild communications facilities damaged by the earthquake, and worked to expand its business in a wide range of areas such as expanding the area covered by facility management services in the NTT Business, creation of LTE, service platforms and communications between subway stations in the Mobile Business, and nationwide Wi-Fi projects, server monitoring, design & construction of core networks, and construction of megasolar and other solar power systems in the ICT/Civil Engineering Business.

Furthermore, three business companies were reorganized on October 1 this year to two business companies; MIRAITS Corporation headquartered in Tokyo and MIRAITS Technologies Corporation headquartered in Osaka. In addition to promoting more unified management of the group's business, we will continue to strengthen our management base as a "Comprehensive Engineering & Service Company" while working to ensure sustained growth of our business.

Regarding consolidated results for the six months ending September 30, 2012, steady progress in businesses such as the Mobile Business and the Civil Engineering Business resulted in orders received of 134,184 million yen (a year-on-year increase of 14.6%) and net sales of 116,502 million yen (a year-on-year increase of 15.3%). In terms of profit, improvement in profitability due to the promotion of measures to increase sales and enhance efficiency resulted in operating income 3,731 million yen (a year-on-year increase of 1,724.1%) and ordinary income of 4,226 million yen (a year-on-year increase of 496.2%). Due to an extraordinary loss associated with business restructuring, net income for the quarter was 58 million yen (a year-on-year decrease of 90.1%)

*1 NGN: Next Generation Network

*2 LTE: Long Term Evolution A high-speed data communication standard that is an evolution of the currently widespread third generation mobile phone system. Also referred to as "3.9 generation mobile phone."

*3 Wi-Fi: Brand name for wireless LAN standard and wireless LAN related devices; registered trademark of Wi-Fi Alliance.

*4 BCP: Business Continuity Plan

*5 ICT: Information and Communication Technology

(2) Qualitative Information on Consolidated Financial Position

Total assets at the end of the second quarter decreased by 5,047 million yen compared to the end of the previous fiscal year to 148,664 million yen. This was due primarily to a decrease in accounts receivable-trade, including accounts receivable from completed construction contracts, despite an increase in liquid funds on hand and costs on uncompleted construction contracts and others.

Total liabilities at the end of the quarter decreased by 4,336 million yen compared to the end of the previous fiscal year to 46,456 million yen. This was due primarily to a decrease in notes payable-trade/accounts payable for construction contracts.

Net assets decreased by 710 million yen compared to the end of the previous fiscal year to 102,207 million yen despite posting a net profit during the second quarter.

As a result, the equity ratio was 66.9% (65.3% at the end of the previous fiscal year).

(3) Qualitative Information on Consolidated Financial Results Forecast

In terms of the consolidated financial results forecast for the fiscal year ending March 31, 2013, there are no changes to the forecast announced on May 10, 2012.

2. Other Information

(1) Changes in Significant Subsidiaries during the Period under Review

Not Applicable.

(2) Application of Specific Accounting Treatments for Preparing of Consolidated Quarterly Financial Statements

Calculation of Tax Expense

The Company calculates its tax expense by reasonably estimating its effective tax rate after application of tax effect accounting to income before income taxes for the current fiscal year, including the second quarter ended September 30, 2012 and multiplying the net income before income taxes by this estimated effective tax rate.

Also, the Company calculates its tax expense using the statutory tax rate if calculating it using the relevant estimated effective tax rate significantly lacks rationality.

(3) Changes in Accounting Policies, Changes in Accounting Estimates and Corrections of Errors

(Changes in accounting policies that are difficult to distinguish from changes in accounting estimates)

The Company and its domestic consolidated subsidiaries have changed the method of depreciation of property, plant and equipment acquired on April 1, 2012 or later based on the amended Corporation Tax Act from the first quarter ended June 30, 2012 due to the amendment to the Corporation Tax Act.

As a consequence, operating income, ordinary income and net income before taxes each increased 5 million yen respectively compared to the when the previous approach is used.

(4) Additional Information

(Restructuring expenses)

Consolidated subsidiaries DAIMEI TELECOM ENGINEERING CORP. and TODENTSU Corporation have adopted unified payment periods covered by the provision for bonuses from the first quarter ended June 30, 2012 as part of group restructuring. In addition to expenses related to this, 3,109 million yen including retirement expenses for noncurrent assets were posted as extraordinary loss (restructuring expenses).

3. Consolidated Quarterly Financial Statements

(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	As of March 31, 2012	As of September 30, 2012
Assets		
Current assets		
Cash and deposits	20,485	22,492
Notes receivable-trade / Accounts	69,546	53,059
Costs on uncompleted construction contracts and	13,766	22,995
Deferred tax assets	1,504	1,905
Other	2,640	2,641
Allowance for doubtful accounts	(19)	(30)
Total current assets	<u>107,924</u>	<u>103,063</u>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures (net)	10,879	10,613
Land	17,524	17,543
Construction in progress	24	155
Other (net)	1,663	1,478
Total property, plant and equipment	<u>30,092</u>	<u>29,791</u>
Intangible assets		
Goodwill	596	641
Software	2,482	2,610
Other	219	250
Total intangible assets	<u>3,297</u>	<u>3,502</u>
Investments and other assets		
Investment securities	6,225	5,906
Long-term loans receivable	154	492
Deferred tax assets	2,905	3,073
Lease and guarantee deposits	1,022	1,065
Other	2,302	1,978
Allowance for doubtful accounts	(214)	(207)
Total investments and other assets	<u>12,396</u>	<u>12,307</u>
Total noncurrent assets	<u>45,787</u>	<u>45,601</u>
Total assets	<u>153,711</u>	<u>148,664</u>
Liabilities		
Current liabilities		
Notes payable-trade / Accounts payable	30,592	24,793
Short-term loans payable	181	0
Current portion of long-term loans payable	-	17
Income taxes payable	799	559
Advances received on uncompleted construction	753	1,331
Provision for loss on construction contracts	135	262
Provision for bonuses	2,257	3,742
Provision for directors' bonuses	77	16
Provision for warranties for completed	11	15
Other	3,971	3,799
Total current liabilities	<u>38,781</u>	<u>34,538</u>
Noncurrent liabilities		
Long-term loans payable	44	74
Deferred tax liabilities	245	268
Deferred tax liabilities for land revaluation	44	44
Provision for retirement benefits	9,966	9,646
Provision for directors' retirement benefits	406	444
Asset retirement obligations	70	77
Negative goodwill	806	668
Long-term accounts payable-other	188	155
Other	241	537
Total noncurrent liabilities	<u>12,012</u>	<u>11,918</u>
Total liabilities	<u>50,793</u>	<u>46,456</u>
Net assets		
Shareholders' equity		
Capital stock	7,000	7,000
Capital surplus	25,947	25,947
Retained earnings	68,905	68,139
Treasury stock	(1,622)	(1,621)
Total shareholders' equity	<u>100,230</u>	<u>99,465</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale	286	103
Revaluation reserve for land	(101)	(101)
Foreign currency translation adjustment	(11)	(6)
Total accumulated other comprehensive income	<u>173</u>	<u>(3)</u>
Minority interests	2,513	2,745
Total net assets	<u>102,917</u>	<u>102,207</u>
Total liabilities and net assets	<u>153,711</u>	<u>148,664</u>

(2) Consolidated Quarterly Statements of Income and Comprehensive Income
Six Months Ended September 30, 2012

(Millions of yen)

	Six Months Ended September 30, 2011 (from April 1, 2011 to September 30, 2011)	Six Months Ended September 30, 2012 (from April 1, 2012 to September 30, 2012)
Net sales of completed construction contracts	101,033	116,502
Cost of sales of completed construction contracts	91,274	103,622
Gross profit on completed construction contracts	9,759	12,880
Selling, general and administrative expenses	9,555	9,148
Operating income	204	3,731
Non-operating income		
Interest income	9	17
Dividends income	93	108
Amortization of negative goodwill	137	137
Real estate rent	11	22
Surrender value of insurance	148	66
Equity in earnings of affiliates	21	29
Other	99	164
Total non-operating income	520	546
Non-operating expenses		
Interest expenses	4	6
Foreign exchange losses	1	15
Other	10	29
Total non-operating expenses	16	51
Ordinary income	708	4,226
Extraordinary income		
Gain on sales of noncurrent assets	90	6
Gain on sales of investment securities	7	3
Gain on negative goodwill	66	5
Gain on liquidation of investment securities	-	22
Other	18	-
Total extraordinary income	182	37
Extraordinary loss		
Loss on valuation of investment securities	225	16
Impairment loss	-	302
Litigation expenses	140	38
Restructuring expenses	-	3,109
Other	75	315
Total extraordinary loss	441	3,782
Income before income taxes	450	481
Income taxes	(160)	288
Income before minority interests	610	192
Minority interests in income	24	134
Net income	585	58
Minority interests in income	24	134
Income before minority interests	610	192
Other comprehensive income		
Valuation difference on available-for-sale	(101)	(182)
Share of other comprehensive income of	20	5
Total other comprehensive income	(81)	(176)
Comprehensive income	529	15
Comprehensive income attributable to		
Comprehensive income attributable to owners	505	(119)
Comprehensive income attributable to minority	23	135

(3) Notes on Going Concern Assumption
Not Applicable.

(4) Notes to Significant Changes in the Amount of Shareholders' Equity
Six Months Ended September 30, 2012 (from April 1, 2012 to September 30, 2012)

There were no significant changes to shareholders' equity compared to the end of the previous fiscal year.