Consolidated Financial Results
for the Fiscal Year Ended March 31, 2013
[Japanese GAAP]

May 10, 2013

Company name: MIRAIT Holdings Corporation
Stock exchange listing: Tokyo, Osaka
Code number: 1417
URL: http://mirait.co.jp/
Representative: Masatoshi Suzuki, Representative Director and President
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Scheduled date of Ordinary General Meeting of Shareholders: June 26, 2013
Scheduled date of commencing dividend payments: June 27, 2013
Scheduled date of filing annual securities report: June 27, 2013
Availability of supplementary briefing material on annual results: available
Schedule of annual 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 Fiscal Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(1) Consolidated Operating Results (% indicates changes from the previous period.)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal year ended March 31, 2013	271,018	14.8	10,842	105.8	11,765	90.3	4,200	29.2
Fiscal year ended March 31, 2012	236,038	26.8	5,267	28.7	6,183	29.2	3,251	△89.4

(Note) Comprehensive income: Fiscal year ended March 31, 2013: 5,204 million yen / 47.1%
Fiscal year ended March 31, 2012: 3,537 million yen / (-88.5%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	yen	yen	%	%	%
Fiscal year ended March 31, 2013	50.97	—	4.1	7.2	4.0
Fiscal year ended March 31, 2012	39.46	—	3.3	4.1	2.2

(Reference)
Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2013: 26 million yen
Fiscal year ended March 31, 2012: (53) million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
Fiscal year ended March 31, 2013	172,756	106,630	60.0	1,257.67
Fiscal year ended March 31, 2012	153,711	102,917	65.3	1,218.42

(Reference) Equity: As of March 31, 2013: 103,640 million yen
As of March 31, 2012: 100,403 million yen

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Fiscal year ended March 31, 2013	(1,683)	(1,511)	(2,487)	13,974
Fiscal year ended March 31, 2012	5,457	(2,394)	(2,124)	19,657

2. Dividends

	Annual dividends per share					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	yen	yen	yen	yen	yen	million yen	%	%
Fiscal year ended March 31, 2012	—	10.00	—	10.00	20.00	1,707	50.7	1.6
Fiscal year ended March 31, 2013	—	10.00	—	10.00	20.00	1,648	39.2	1.6
Fiscal year ending March 31, 2014 (Forecast)	—	10.00	—	10.00	20.00		22.0	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2014 (April 1, 2013 to March 31, 2014)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
First half	124,000	6.4	4,000	7.2	4,300	1.8	2,500	—	30.34
Full year	280,000	3.3	12,000	10.7	12,500	6.2	7,500	78.6	91.01

* Notes:
(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

1 company excluded: TODENTSU Corporation

(2) 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.: Yes
2) Any changes in accounting policies other than 1) above: No
3) Changes in accounting estimates: Yes
4) Corrections of errors: No

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

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

March 31, 2013	85,381,866 shares	March 31, 2012	85,381,866 shares

2) Total number of treasury stock at the end of the period:

March 31, 2013	2,975,014 shares	March 31, 2012	2,976,830 shares

3) Average number of shares outstanding during the period:

March 31, 2013	82,407,297 shares	March 31, 2012	82,393,481 shares

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

*Explanation for the appropriate use of financial forecasts and other special notes
- The Company plans to hold a briefing session for analysts and institutional investors on Tuesday, May 17, 2013. 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.
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 “Analysis of Operating Results” in the appendix.

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1. Analysis of Operating Results and Financial Position

(1) Analysis of Operating Results

The Japanese economy during the fiscal year ended March 31, 2013 took a path of moderate recovery backed by reconstruction demand, but the outlook remained uncertain due to factors such as declining exports and capital investment influenced by prolonged economic stagnation overseas. However, since the change in government last December, the market environment and sentiment have improved due to anticipation of the new government's economic policies, and there are signs of economic recovery backed by depreciation of the yen and rising share prices.

In the field of telecommunications, while the market for existing fixed broadband services is maturing, the diversification of consumer needs brought about by the rapid spread of smartphones and tablets is creating new ICT*1 markets. The Company's main clients, telecommunication operators, are entering a new phase of transition such as making full-scale investment in LTE*2, expanding Wi-Fi*3 access points, and increasing the capacity of servers, in order to meet such needs and improve telecommunication environment

Under such an environment, the MIRAIT Group is expanding its post-earthquake reconstruction work, facility management services and pole renewal in NTT network engineering, expanding LTE facilities and removing obsolete facilities, while actively building communications between subway stations in mobile network solutions. Furthermore, in ICT/civil engineering, the Group strived to expand business in a wide range of areas such as design and construction of corporate networks associated with building construction and relocation, nationwide Wi-Fi projects, and construction of solar power systems such as mega solar. Moreover, the scope of business was expanded in the fields of public works, private works, software and outsourcing by making Katakura Construction Co., Ltd., Okisokou Co., Ltd., ACTIS Corporation, and Libnet Co., Ltd. subsidiaries. In addition, efforts are being made to strengthen software sales capabilities and business in the fields of cloud computing and network security by investing in Acronet Co., Ltd. and forming an alliance with Next IT Inc.

Meanwhile, the Group has actively engaged in expanding business efficiency. The organization based on three operating companies was reshuffled in October last year to two operating companies, with MIRAIT Corporation headquartered in Tokyo and MIRAIT Technologies Corporation headquartered in Osaka.*4 Along with promoting more unified management of the group's business, efforts were made to strengthen our management base as a "Comprehensive Engineering & Service Company".

Consequently, in the consolidated business performance at the end of current fiscal year, orders received amounted to 278,168 million yen (10.3% increase year-on-year) and net sales were 271,018 million yen (14.8% increase year-on-year) due to expansion of mobile network solutions and ICT/civil engineering. In terms of profit, increased net sales and improvement in the gross profit ratio resulted in operating income of 10,842 million yen (105.8% increase year-on-year) and ordinary income of 11,765 million yen (90.3% increase year-on-year). Due to an extraordinary loss associated with business reorganization, net income was 4,200 million yen (29.2% increase year-on-year).

*1 ICT: Information and Communication Technology

*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 On October 1, 2012, Daimei Telecom Engineering Corporation and TODENTSU Corporation were merged to form MIRAIT Corporation, and the name of Commuture Corp. was changed to MIRAIT Technologies Corporation.

[Business Results of MIRAIT]

MIRAIT has proactively engaged in the creation and preparation of all types of networks aimed at the diversification and advancement of services, regardless of whether in fixed line communications or mobile communications. The Company is expanding its post-earthquake reconstruction work, facility management services and pole renewal in NTT network engineering, implementing LTE and removing obsolete facilities, while actively building communications between subway stations in mobile network solutions. In ICT/civil engineering, MIRAIT expanded its business in wide range of areas, such as providing WFM*5 cloud services for contact centers, designing and building corporate networks, the implementation of a "Stadium Wi-Fi Solution*6" in Seibu Dome, nationwide Wi-Fi projects, and construction of solar power systems such as mega solar. Furthermore, in order to expand mobile network solutions and ICT/civil engineering, efforts were made to strengthen the nationwide work organization and expand the scope of business by making Okisokou Co., Ltd. based in Okinawa prefecture, and Libnet Co., Ltd., a company that undertakes the library operations and administrations, subsidiaries.

As a result of the above, in the consolidated business performance at the end of current fiscal year, orders received amounted to 192,913 million yen. Due to an increase in the construction account brought forward from the previous period and the expansion of mobile network solutions, net sales totaled 189,450 million yen. In terms of profit, operating income was 9,343 million yen due to increased net sales and a reduction in selling, general and administrative expenses.

*5 Abbreviation of "Workforce Management." It is a method of balancing service quality and cost performance by analyzing the workload of employees and assigning appropriate personnel.

*6 A Wi-Fi solution optimized for stadiums by reducing the area covered by each access point to increase the installation density. This system is provided by Seibu Lions Co., Ltd., Seibu Railway Co., Ltd., NTT Broadband Platform, Inc., Cisco Systems G.K. and the Company.

[Business Results of MIRAIT Technologies]

MIRAIT Technologies, placing the highest priority on ensuring safety, improving quality and thorough compliance, worked together on reconstruction following the earthquake with a unified effort of the group, while actively attempted to develop and expand new business. In addition, the Company worked to strengthen its management base through moves such as reducing indirect expenses and general and administrative expenses.

In NTT network engineering, the Company responded to customers' needs by actively engaging in facility management, pole renewal and equipment upgrades, and worked to optimize business operations and improve productivity through steps such as consolidation of technology centers, creation of a wide-area support system and appropriate allocation of personnel. The company worked to expand its business in a broad range of areas such as creating facilities in conjunction with the expansion of the service areas of LTE and Wi-Fi in mobile network solutions, and server monitoring, design, construction maintenance and operation of core networks, and construction of solar power systems such as mega solar in ICT/civil engineering. The company also focused on the followings: strengthening the software business by making ACTIS Corporation a subsidiary and promoting offshore development; actively expanding global business; strengthening the management of overseas business; and training engineers.

As a result of the above, orders received amounted to 90,294 million yen and net sales amounted to 86,600 million yen in the consolidated fiscal year under review. In terms of profit, operating income amounted to 1,212 million yen.

[Business Results of the Company (Holding Company)]

As a holding company that serves planning functions including management of the Group, along with finance, IR and general affairs functions, the Company has been engaged in business management and promotion of business strategies for the whole Group in return for 1,775 million yen in management fees and 3,286 million yen in dividends from the two business companies within the Group. As a result, the Company’s operating income amounted to 3,334 million yen.

(Outlook for Next Fiscal Year)

Although there are concerns about stagnation of overseas economies such as the prolonged European sovereign debt crisis, the economy is expected to recover due to the effects of economic policies under the new government.

In the telecommunications sector, although new demand for optical services is expected to grow slowly due to the maturing of the fixed broadband market, smartphones and tablets are becoming increasingly popular. This situation leads to the expansion of a wide range of services through the amalgamation of fixed and mobile communications, and that of telecommunication and broadcasting. Especially in mobile communications, the environment is being prepared to provide higher quality services, such as the acceleration of investment in LTE, further expansion of Wi-Fi access points, and the commencement of services on new frequency bands as measures to address rapidly increasing communication traffic.

In the field of ICT, the demand is increasing for cloud computing, network security and outsourcing operations and the environment and energy sectors are expanding in the field of civil engineering.

Under such circumstances, the MIRAIT Group is committed to accelerating the structural shift into a "Comprehensive Engineering and Service Company" by expanding its scope of business by aggressively taking business opportunities in growth markets focusing on the fields of mobile communications, ICT and civil engineering, while further improving efficiency of management such as reviewing the group formation and strategically assigning personnel in NTT network engineering.

For the forecast of the consolidated business results in the next fiscal year, we are expecting increases in both sales and profits through the aforementioned efforts: 281,000 million yen in orders received (1.0% increase year on year), 280,000 million yen in net sales (3.3% increase year on year), 12,000 million yen in operating income (10.7% increase year on year), 12,500 million yen in ordinary income (6.2% increase year on year) and 7,500million yen in net income (78.6% increase year on year).

(2) Analysis of Financial Position

(Assets, Liabilities and Net Assets)

Total assets at the end of the current fiscal year amounted to 172,756 million yen, an increase of 19,045 million yen from the previous fiscal year end. This consisted of an increase in current assets and noncurrent assets by 18,617 million yen and 427 million yen, respectively, from the previous fiscal year end. This was primarily due to an increase in accounts receivable-trade such as accounts receivable from completed construction contracts and an increase in investment securities due to the rise in share prices.

Total liabilities at the end of the current fiscal year increased from the previous fiscal year end by 15,332 million yen to 66,126 million yen. This consisted of an increase in current liabilities and noncurrent liabilities by 15,033 million yen and 299 million yen, respectively, from the previous fiscal year end. This was primarily due to increases in accounts payable for construction contracts and income taxes payable.

Net assets at the end of the current fiscal year increased from the previous fiscal year end by 3,712 million yen to 106,630 million yen. This was primarily due to the increase in retained earnings by 2,522 million yen resulting from posting net income in the amount of 420 million yen.

As a result, equity ratio was 60.0% and net assets per share was 1,257.67 yen.

(Cash Flows)

Cash and cash equivalents (hereinafter referred to as “funds”) in the current fiscal year decreased by 5,683 million yen from the previous fiscal year and become 13,974 million yen.

Cash flows in each area of activities and the circumstances behind them were as follows.

1) Net cash provided by (used in) operating activities

There was an increase in funds mainly due to accounts payable increasing by 6,683 million yen, while accounts receivable increased by 16,554 million yen, costs on uncompleted construction contracts increased by 4,901 million yen, and funds decreased by 1,371 million yen due to income taxes paid. As a result, net cash used in operating activities amounted to 1,683 million yen (5,457 million yen in the previous fiscal year).

2) Net cash provided by (used in) investing activities

The funds increased due to proceeds from sales of property, plant and equipment amounting to 407 million yen and proceeds from the share acquisition of subsidiaries amounting to 608 million yen, while funds decreased due to the purchase of property, plant and equipment in the amount of 1,115 million yen and purchase of intangible assets in the amount of 1,392 million yen. As a result, net cash used in investing activities amounted to 1,511 million yen (2,394 million yen in the previous fiscal year)

3) Net cash provided by (used in) financing activities

Net cash used in financing activities amounted to 2,487 million yen (2,124 million yen in the previous fiscal year), due to the combined effect of repayment of long-term loans payable and cash dividends paid in the amount of 694 million yen and 1,669 million yen, respectively.

(Reference) Trends in the Group's cash flow indicators

	Fiscal year ended March 31, 2011	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Equity ratio (%)	66.5	65.3	60.0
Marked-to-market equity ratio (%)	37.4	32.3	46.2
Ratio of cash flow to interest-bearing debt (%)	—	10.6	—
Interest coverage ratio (multiple)	—	772.8	—

(Notes) 1. Calculation methods for each indicator are as follows:

Equity ratio: Equity / Total assets

Marked-to-market equity ratio: Total market capitalization / Total assets

Ratio of cash flow to interest-bearing debt: Interest-bearing debt / Cash flows

Interest coverage ratio: Cash flows / Interest payment

2. All indicators have been calculated based on consolidated financial data.
3. Total market capitalization is calculated by multiplying the closing share price as at the end of the fiscal year by the number of issued shares as at the end of the fiscal year (after deducting treasury stock).
4. Cash flows refer to net cash provided by (used in) operating activities on the Consolidated Statement of Cash Flows.
5. Interest-bearing debt refers to all liabilities on the Consolidated Balance Sheets for which interest is paid. Interest payment refers to the amount of interest paid on the Consolidated Statement of Cash Flows.
6. Cash flow to interest-bearing debt ratio and interest coverage ratio for the fiscal year ended March 31, 2011 and March 31, 2013 are not presented here because cash flows in operating activities in said fiscal year turned out to be negative.

(3) Basic Policy of Appropriation of Profits and Dividend Payment for Current Fiscal Year and Next Fiscal Year

The Company makes it a basic policy to pay dividends consistently commensurate to its latest business performance and the trend of dividend payout ratio. Its internal reserve is used for reinforcing its financial position and for investing in the business development that can enhance its corporate value.

Dividends from surplus are basically paid out twice a year in the form of an interim dividend and a year-end dividend, and the organ determining the dividend is the Board of Directors for the interim dividend and the General Meeting of Shareholders for the year-end dividend. Payment of interim dividends has been specified by the Articles of Incorporation of the Company as stipulated under Article 454, Paragraph 5 of the Companies Act.

In line with the above policy, the Company is scheduled to pay 10 yen per share as year-end dividend for the fiscal year ended March 31, 2013. Accordingly, the annual dividend including the interim dividend of 10 yen per share is 20 yen per share.

As for the next fiscal year, 20 yen per share (10 yen each for interim dividend and year-end dividend) is scheduled.

(4) Business Risks

The MIRAIT Group is exposed to the following risks that could have impact on its operating results and financial position. Forward-looking statements contained herein are based on the Company judgment as at the end of the fiscal year ended March 31, 2013.

1) Risks associated with excessive dependence on particular clients

Principal clients of MIRAIT Group are telecommunications carriers such as the NTT Group, and owing to the fact that they account for a large portion of net sales, their capital expenditures or technological breakthroughs and other factors could have an impact on the Group's business performance.

2) Risks associated with safety and quality issues

The MIRAIT Group is wholly committed to the safety and quality control over its engineering works to deliver quality engineering and services that deserve customers' trust and appreciation by making use of the safety and quality management system operated by the two business companies.

However, in the event serious accidents or other contingencies occur, this could have serious social consequences and result in the loss of clients' confidence and restriction on its operating activities, and have an impact on the Group's business results.

3) Risks associated with the management of critical information

In handling the critical information such as technical data and personal information from the clients, MIRAIT Group is wholly committed to the prevention of leakage of classified information through the use of ISMS (information security management system) operated by the two business companies.

In the event of unforeseen information leakage, however, the Group may suffer liability for damages with potential impact on its financial results, let alone loss of the clients' confidence, which could have an impact on the Group's business results.

4) Risks associated with the clients' credit uncertainty

The MIRAIT Group is adopting measures to avoid credit risks by using external credit agencies for credit management regarding clients and the contract review by the legal section.

However, in the event the credit of clients is uncertain, the Group might not be able to collect fees for engineering works or may be forced to delay works, which could have an impact on the Group's business results.

5) Risks associated with assets held by the Group

The MIRAIT Group holds assets such as real estate and securities due to operational requirements, and significant fluctuation of the fair values thereof could have an impact on the Group's business results.

6) Risks associated with natural disasters

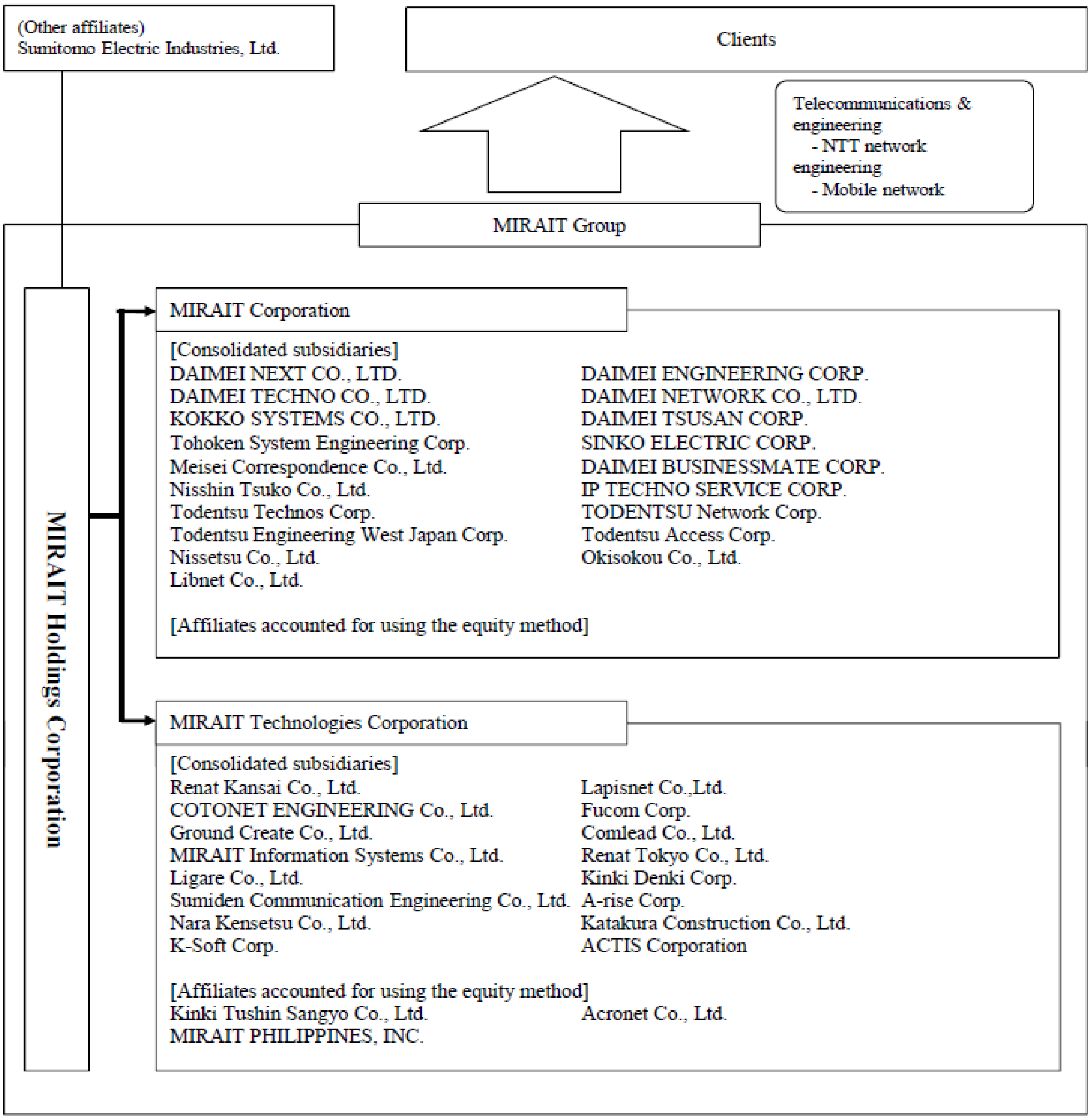
The MIRAIT Group has adopted countermeasures against events such as natural disasters including earthquakes, but the occurrence of contingencies such as shortages of electricity, fuel or materials resulting from such events could have an impact on the Group's business results.

2. Overview of the Corporate Group

The MIRAIT Group comprising the Company as a holding company, two business companies, namely, MIRAIT Corporation and MIRAIT Technologies Corporation, and 37 consolidated subsidiaries operates the four main businesses namely NTT network engineering, mobile network solutions, ICT, and civil engineering.

The Group's operational structure is as follows.

(As of March 31, 2013)



(Notes) 1. MIRAIT Corporation (DAIMEI TELECOM ENGINEERING CORP. and TODENTSU Corporation merged on October 1, 2012 to form MIRAIT Corporation) acquired shares of Okisokou Co., Ltd. on July 2, 2012 and Libnet Co., Ltd., on February 1, 2013 to make the companies into subsidiaries.

2. MIRAIT Technologies Corporation (name changed from Commuture Corp. on October 1, 2012) received third party allotment of shares of Katakura Construction Co., Ltd. on June 28, 2012 and acquired shares of ACTIS Corporation on November 1, 2012 to make the companies into subsidiaries. In addition, it acquired shares of Acronet Co., Ltd. on November 8, 2012 to make it an equity-method affiliate.

3. MIRAIT Information Systems Co., Ltd. is a company formed through the merger of Commuture Information Systems Co., Ltd., ICL INC. and SIMPLE Co., Ltd. on July 1, 2012.

3. Management Policies

(1) Basic Management Policies

With the purpose of accelerating structural transformation into a "Comprehensive Engineering & Services Company," the MIRAIT Group will be pursuing the following strategies to maximize its corporate value:

1) Expansion of businesses by fulfilling growth strategies;

2) Increasing earnings by improving efficiency and reducing costs of existing businesses; and

3) Developing the corporate brand by ensuring safety, quality and compliance.

(2) Targeted Management Benchmarks

The MIRAIT Group has established a medium-term management plan (targeting net sales of 280,000 million yen and operating income of 12,000 million yen in the fiscal year ending March 31, 2014) developed from a medium-term perspective and aims to attain these targets.

(3) Medium- to Long-term Management Strategies

The MIRAIT Group is seeking to bring about synergies such as productivity improvements through management integration, enhancement of its growth strategies including expansion of new businesses, and restructure itself into a "Comprehensive Engineering & Services Company."

(4) Issues to be Addressed

The MIRAIT Group has experienced some significant changes in the surrounding business environment in recent years. New communications services and new ICT markets are quickly expanding with the rapid spread of smartphones and tablets. Moreover, there are also growing expectations in growth strategies and rebuilding social infrastructure associated with the change in government. Under such an environment, the Group is faced with the challenge of actively engaging in many growing areas such as cloud computing, network security, outsourcing, environment and energy in ICT and civil engineering, and it is necessary to strengthen technological capabilities and proposal capabilities.

Meanwhile, in NTT network engineering, demand for optical related work is expected to decline due to the fixed broadband market maturing, and it is necessary to work to further improve productivity and operational efficiency. In mobile network solutions, intensifying competition among telecommunications carriers and reduction of the size of projects have led to a need for further cost reduction and improvement of work efficiency.

Under these circumstances, the MIRAIT Group will bring together the combined strength of the group to take on the following challenges.

1) Attainment of targets in the Medium-term Management Plan
- Net sales of 280,000 million yen and operating income of 12,000 million yen
- Strengthening of work capabilities in mobile network solutions
- Development of surrounding businesses linked to customer trends
- Expansion of ICT and civil engineering

2) Improvement of efficiency through reorganization
- Promotion of unified management through the two business companies
- Improvement of efficiency such as reviewing the group formation in NTT network engineering
- Strategically assigning personnel
- Establishment of business foundations (unification of personnel system, strengthening of MBC functions, etc.)

3) Efforts aimed at the future
- Establishment of the "MIRAIT brand" by implementing the "MIRAIT WAY"
- Strengthening of sales force
- Enhancement of ICT and civil engineering, and transforming the business structure
- Fostering of a corporate culture and strategic training of personnel being able to actively adapt to changes in the environment

Precautionary statement:

This document contains forward-looking statements based on the plans, outlooks, management strategies and policies of the Company as of the time of its issuance. Such forward-looking statements describe management judgments and assumptions based on information available at this point in time.

As such, actual business results could be significantly different from which stated in this document due to changes in conditions. Thus, please be advised that we will not be able to guarantee the accuracy of the forward-looking statements in this document in the future.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Previous fiscal Year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Assets		
Current assets		
Cash and deposits	20,485	14,850
Notes receivable-trade	685	711
Accounts receivable from completed construction	66,154	82,708
Accounts receivable-trade	2,706	4,120
Costs on uncompleted construction contractsand	13,766	19,063
Deferred tax assets	1,504	2,725
Prepaid expenses	414	484
Accounts receivable-other	835	1,280
Other	1,390	647
Allowance for doubtful accounts	-19	-48
Total current assets	107,924	126,542
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	21,570	20,770
Machinery, vehicles, tools, furniture and	9,458	9,320
Land	17,524	17,508
Lease assets	609	603
Construction in progress	24	52
Accumulated depreciation	-19,095	-19,030
Total property, plant and equipment	30,092	29,225
Intangible assets		
Goodwill	596	784
Software	2,482	2,496
Other	219	227
Total intangible assets	3,297	3,507
Investments and other assets		
Investment securities	6,225	7,370
Long-term loans receivable	154	567
Deferred tax assets	2,905	2,696
Lease and guarantee deposits	1,022	1,120
Other	2,302	1,927
Allowance for doubtful accounts	-214	-201
Total investments and other assets	12,396	13,481
Total noncurrent assets	45,787	46,214
Total assets	153,711	172,756
Liabilities		
Current liabilities		
Notes payable-trade	1,284	586
Construction in progress	29,307	38,109
Short-term loans payable	181	262
Current portion of long-term loans payable	―	226
Accounts payable-other	1,231	1,554
Income taxes payable	799	2,881
Advances received on uncompletedconstruction	753	1,341
Provision for loss on construction contracts	135	380
Provision for bonuses	2,257	4,136
Provision for directors' bonuses	77	62
Provision for warranties for completed	11	7
Other	2,739	4,263
Total current liabilities	38,781	53,814
Noncurrent liabilities		
Long-term loans payable	44	321
Deferred tax liabilities	245	453
Deferred tax liabilities for land revaluation	44	44
Provision for retirement benefits	9,966	9,811
Provision for directors' retirement benefits	406	473
Asset retirement obligations	70	62
Negative goodwill	806	540
Long-term accounts payable-other	188	146
Other	241	458
Total noncurrent liabilities	12,012	12,312
Total liabilities	50,793	66,126
Net assets		
Shareholders' equity		
Capital stock	7,000	7,000
Capital surplus	25,947	25,947
Retained earnings	68,905	71,457
Treasury stock	-1,622	-1,622
Total shareholders' equity	100,230	102,783
Accumulated other comprehensive income		
Valuation difference on available-for-sale	286	946
Revaluation reserve for land	-101	-101
Foreign currency translation adjustment	-11	12
Total accumulated other comprehensive income	173	857
Minority interests	2,513	2,989
Total net assets	102,917	106,630
Total liabilities and net assets	153,711	172,756

(2) Consolidated Statements of Income and Comprehensive

(Millions of yen)

	Previous fiscal year (From April 1, 2011 to March 31, 2012)	Current fiscal year (From April 1, 2012 to March 31, 2013)
Net sales of completed construction contracts	236,038	271,018
Cost of sales of completed construction contracts	211,994	241,678
Gross profit on completed construction contracts	24,044	29,340
Selling, general and administrative expenses	18,776	18,497
Operating income	5,267	10,842
Non-operating income		
Interest income	19	25
Dividends income	165	181
Amortization of negative goodwill	274	271
Real estate rent	23	55
Surrender value of insurance	339	138
Equity in earnings of affiliates	―	26
Foreign exchange gains	―	45
Miscellaneous income	188	257
Total non-operating income	1,012	1,002
Non-operating expenses		
Interest expenses	7	10
Equity in losses of affiliates	53	―
Miscellaneous expenses	34	68
Total non-operating expenses	95	79
Ordinary income	6,183	11,765
Extraordinary income		
Gain on sales of noncurrent assets	127	257
Gain on sales of investment securities	51	12
Gain on liquidation of investment securities	―	26
Gain on negative goodwill	109	5
Other	19	21
Total extraordinary income	308	323
Extraordinary loss		
Loss on sales of noncurrent assets	63	17
Loss on retirement of noncurrent assets	55	68
Impairment loss	5	302
Loss on sales of investment securities	0	4
Loss on valuation of investment securities	203	14
Restructuring expenses	―	3,878
Loss on specific construction contracts	261	248
Litigation expenses	141	40
Loss on step acquisitions	―	16
Other	115	162
Total extraordinary loss	847	4,755
Income before income taxes	5,645	7,333
Income taxes-current	1,988	3,412
Income taxes-deferred	243	-598
Total income taxes	2,232	2,814
Income before minority interests	3,412	4,519
Minority interests in income	161	319
Net income	3,251	4,200
Minority interests in income	161	319
Income before minority interests	3,412	4,519
Other comprehensive income		
Valuation difference on available-for-sale securities	105	659
Revaluation reserve for land	6	-
Share of other comprehensive income of associates accounted	12	24
Total other comprehensive income	124	684
Comprehensive income:	3,537	5,204
Comprehensive income attributable to		
Comprehensive income attributable to owners ofthe parent	3,376	4,884
Comprehensive income attributable to minority interests	160	319

(3) Consolidated Statement of Changes in Net Assets

(Millions of yen)

	Previous fiscal year (From April 1, 2011 to March 31, 2012)	Current fiscal year (From April 1, 2012 to March 31, 2013)
Shareholders' equity		
Capital stock		
Balance at start of the period	7,000	7,000
Change during the period		
Total changes of items during the period	―	―
Balance at end of the period	7,000	7,000
Capital surplus		
Balance at start of the period	26,766	25,947
Change during the period		
Dividends from surplus	-823	―
Disposal of treasury stock	4	0
Total changes of items during the period	-819	0
Balance at end of the period	25,947	25,947
Retained earnings		
Balance at start of the period	66,478	68,905
Change during the period		
Dividends from surplus	-824	-1,648
Net income	3,251	4,200
Total changes of items during the period	2,427	2,552
Balance at end of the period	68,905	71,457
Treasury stock		
Balance at start of the period	-1,648	-1,622
Change during the period		
Purchase of treasury stock	-1	-1
Disposal of treasury stock	27	1
Total changes of items during the period	25	0
Balance at end of the period	-1,622	-1,622
Total shareholders' equity		
Balance at start of the period	98,596	100,230
Change during the period		
Dividends from surplus	-1,647	-1,648
Net income	3,251	4,200
Purchase of treasury stock	-1	-1
Disposal of treasury stock	31	1
Total changes of items during the period	1,633	2,553
Balance at end of the period	100,230	102,783
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at start of the period	179	286
Change during the period		
Net changes in items other than shareholders' equity	107	659
Total changes of items during the period	107	659
Balance at end of the period	286	946
Revaluation reserve for land		
Balance at start of the period	-107	-101
Change during the period		
Net changes in items other than shareholders' equity	6	―
Total changes of items during the period	6	―
Balance at end of the period	-101	-101
Foreign currency translation adjustment		
Balance at start of the period	-23	-11
Change during the period		
Net changes in items other than shareholders' equity	12	24
Total changes of items during the period	12	24
Balance at end of the period	-11	12
Total accumulated other comprehensive income		
Balance at start of the period	48	173
Change during the period		
Net changes in items other than shareholders' equity	125	684
Total changes of items during the period	125	684
Balance at end of the period	173	857
Minority interests		
Balance at start of the period	2,119	2,513
Change during the period		
Net changes in items other than shareholders' equity	394	475
Total changes of items during the period	394	475
Balance at end of the period	2,513	2,989
Total net assets		
Balance at start of the period	100,764	102,917
Change during the period		
Dividends from surplus	-1,647	-1,648
Net income	3,251	4,200
Purchase of treasury stock	-1	-1
Disposal of treasury stock	31	1
Net changes in items other than shareholders' equity	520	1,159
Total changes of items during the period	2,153	3,712
Balance at end of the period	102,917	106,630

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	Previous fiscal year (From April 1, 2011 to March 31, 2012)	Current fiscal year (From April 1, 2012 to March 31, 2013)
Net cash provided by (used in) operating activities		
Income before income taxes	5,645	7,333
Depreciation and amortization	2,740	2,511
Amortization of goodwill and negative goodwill	-203	-116
Impairment loss	5	302
Gain on negative goodwill	-109	-5
Equity in (earnings) losses of affiliates	53	-26
Increase (decrease) in allowance for doubtful accounts	-180	-7
Increase (decrease) in provision for bonuses	21	1,863
Increase (decrease) in provision for retirement benefits	-56	-301
Increase (decrease) in provision for loss on construction contracts	-129	244
Increase (decrease) in other provision	-17	-9
Interest and dividends income	-185	-207
Interest expenses	7	10
Foreign exchange losses (gains)	1	-44
Loss (gain) on sales of investment securities	-50	-7
Loss (gain) on valuation of investment securities	203	14
Loss (gain) on sales and retirement of property, plant and	-34	-170
Decrease (increase) in notes and accounts receivable-trade	-4,281	-16,554
Decrease (increase) in costs on uncompleted construction contracts	460	-4,901
Increase (decrease) in notes and accounts payable-trade	1,716	6,683
Increase (decrease) in advances received on uncompleted	125	496
Increase/decrease in other assets/liabilities	2,384	1,428
Increase (decrease) in accrued consumption taxes	—	181
Decrease (increase) in consumption taxes refund receivable	-99	109
Other	10	701
Subtotal	8,028	-470
Interest and dividends income received	196	208
Interest expenses paid	-7	-10
Litigation expenses	-141	-40
Income taxes paid	-2,618	-1,371
Net cash provided by (used in) operating activities	5,457	-1,683
Net cash provided by (used in) investing activities		
Payments into time deposits	-665	-703
Proceeds from withdrawal of time deposits	540	656
Purchase of property, plant and equipment	-2,126	-1,115
Proceeds from sales of property, plant and equipment	1,346	407
Purchase of intangible assets	-984	-1,392
Purchase of investment securities	-241	-257
Proceeds from sales of investment securities	131	114
Purchase of investments in subsidiaries resulting in change in	-938	-87
Proceeds from purchase of investments in subsidiaries resulting in	—	608
Net decrease (increase) in short-term loans receivable	-96	281
Payments of loans receivable	-70	-362
Collection of loans receivable	103	65
Proceeds from cancellation of insurance funds	469	138
Other	135	134
Net cash provided by (used in) investing activities	-2,394	-1,511
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	-29	-466
Repayment of long-term loans payable	-212	-227
Purchase of treasury stock	(0)	-1
Proceeds from sales of treasury stock	0	0
Cash dividends paid	-1,641	-1,649
Cash dividends paid to minority shareholders	-32	-19
Repayments of finance lease obligations	-208	-123
Net cash provided by (used in) financing activities	-2,124	-2,487
Effect of exchange rate change on cash and cash equivalents	-1	(0)
Net increase (decrease) in cash and cash equivalents	936	-5,683
Cash and cash equivalents at beginning of period	18,336	19,657
Net increase in cash and cash equivalents resulting from change in	383	—
Cash and cash equivalents at end of period	19,657	13,974

(5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not Applicable.

(Changes in Accounting Policies)

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 current consolidated fiscal year ended March 31, 2013 due to the amendment to the Corporation Tax Act.

As a consequence, operating income, ordinary income and net income before taxes each increased 31 million yen respectively compared to the when the previous approach is used.

(Unapplied Accounting Standards)

- Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012)
- Guidance on Accounting Standard for Retirement Benefits. (ASBJ Guidance No. 25, May 17, 2012)

(1) Overview

This accounting standard was revised centered on actuarial gains and losses and past service costs should be accounted for, howretirement benefit obligations and current service costs should be determined, and enhancement of disclosures based upon improvements to financial reporting and international convergence.

(2) Scheduled date of application

The standard is scheduled to be applied from the end of the year ending March 31, 2014. However, the revision to how retirement benefit obligations and current service costs are determined is scheduled to apply from the start of the year ending March 31, 2015.

(3) Impact of application of the accounting standard, etc.

The value of the impact is being calculated as of the time of preparation of these Consolidated Financial Statements.

(Additional Information)

Restructuring expenses

The MIRAIT Group adopted unified payment periods covered by the provision for bonuses from the current consolidated fiscal year ended March 31, 2013 as part of group restructuring. In addition to expenses related to this, the Group recorded other expenses including retirement expenses for noncurrent assets. In total, 3,878 million yen was posted as extraordinary loss (restructuring expenses).

(Segment Information, etc.)

(Segment Information)

1. Segment overview

(1) Method of determining reporting segments

The reportable segments of the Company refer to the components of the Company whose separate financial information is available, and which are regularly reviewed by the Board of Directors in order to determine allocation of management resources and evaluate performance.

Under the guidance of the Company, which is the MIRAIT Group's holding company, groups centered on two business companies draw up comprehensive strategies and engage in activities relating to the businesses for which each group is responsible.

Therefore the business segments (consolidated basis) of the Company consists of two reportable segments, namely, the "MIRAIT" and "MIRAIT Technologies."

(2) Types of products and services attributable to each reportable segment

MIRAIT and MIRAIT Technologies mainly conduct telecommunication engineering, electrical facility work and air conditioning and sanitation work.

(3) Matters concerning changes in reportable segments

From the current consolidated fiscal year ended March 31, 2013, the Group's main business companies Daimei Telecom Engineering Corporation, Commuture Corporation and TODENTSU Corporation were reorganized into two business companies, by merging Daimei Telecom Engineering Corporation and TODENTSU Corporation into MIRAIT Corporation, and changing the name of Commuture Corporation to MIRAIT Technologies Corporation as of October 1, 2012.

Accordingly, the segments concerning the businesses thereof were changed from the DAIMEI Group, Commuture Group and TODENTSU Group to MIRAIT and MIRAIT Technologies.

Segment information for the previous fiscal year has been prepared using the new categorization of segments, and is shown in the previous fiscal year under "3. Information regarding the amounts of sales and income, assets and other items by reportable segment."

2. Method of calculation of amounts of sales, income, assets and other items by reportable segment

The methods of accounting for reportable business segments are the same as those shown in "Significant Matters Forming the Basis for Preparation of Consolidated Financial Statements."

Income for the reportable segments are figures based on operating income.

Internal revenue and transfers between segments are based on actual market prices.

3. Information regarding the amounts of sales and income, assets and other items by reportable segment

Previous fiscal year (From April 1, 2011 to March 31, 2012)

(Millions of yen)

	Reportable Segment			Other (Note 1)	Total	Adjustments (Note 2)	Consolidated Financial Statements Amount (Note 3)
	MIRAIT	MIRAIT Technologies	Total				
Net sales							
Net sales to external customers	150,651	85,387	236,038	—	236,038	—	236,038
Inter-segment sales or transfers	1,804	1,925	3,729	2,857	6,586	(6,586)	—
Total	152,455	87,312	239,767	2,857	242,625	(6,586)	236,038
Segment income	4,120	649	4,770	1,926	6,697	(1,429)	5,267
Segment assets	101,357	62,027	163,385	78,692	242,078	(88,366)	153,711
Other items							
Depreciation and amortization	1,712	993	2,706	33	2,740	—	2,740
Increase in property, plant and equipment and intangible assets	1,166	2,256	3,423	11	3,434	—	3,434

(Notes) 1. The "Other" segment refers to the Company (pure holding company) which is not part of any business segment.

2. The amounts in adjustments are as follows.

(1) Adjustments for segment income in the amount of (1,429) million yen include adjustments for dividends, retirement benefits and goodwill in the amount of (1,707) million yen, 165 million yen and 96 million yen, respectively.

(2) Adjustments for segment assets in the amount of (88,366) million yen include the netting of investments and capital and the netting of receivables and payables in the amount of (64,955) million yen and (18,173) million yen, respectively.

3. Segment income is adjusted to the operating income in the Consolidated Statement of Income and Comprehensive Income.

Current fiscal year (From April 1, 2012 to March 31, 2013)

(Millions of yen)

	Reportable Segment			Other (Note 1)	Total	Adjustments (Note 2)	Consolidated Financial Statements Amount (Note 3)
	MIRAIT	MIRAIT Technologies	Total				
Net sales							
Net sales to external customers	188,379	82,639	271,018	—	271,018	—	271,018
Inter-segment sales or transfers	1,071	3,961	5,032	5,061	10,094	(10,094)	—
Total	189,450	86,600	276,051	5,061	281,112	(10,094)	271,018
Segment income	9,343	1,212	10,556	3,334	13,891	(3,048)	10,842
Segment assets	115,118	64,700	179,819	77,387	257,206	(84,450)	172,756
Other items							
Depreciation and amortization	1,518	964	2,482	29	2,511	—	2,511
Increase in property, plant and equipment and intangible assets	2,233	683	2,917	35	2,953	—	2,953

(Notes) 1. The "Other" segment refers to the Company (pure holding company) which is not part of any business segment.

2. The amounts in adjustments are as follows.

(1) Adjustments for segment income in the amount of (3,048) million yen include adjustments for dividends, retirement benefits and goodwill in the amount of (3,286) million yen, 201 million yen and 73 million yen, respectively.

(2) Adjustments for segment assets in the amount of (84,450) million yen include the netting of investments and capital in the amount of (64,955) million yen, the netting of receivables in the amount of (16,111) million yen, and adjustments for tax effect accounting in the amount of (2,755) million yen.

3. Segment income is adjusted to the operating income in the Consolidated Statement of Income and Comprehensive Income.

(Per Share Information)

Net assets per share, net income per share and the basis for calculation are as follows.

Item	Previous fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
(1) Net assets per share	1,218.42 yen	1,257.67 yen

Item	Previous fiscal year (From April 1, 2011 to March 31, 2012)	Current fiscal year (From April 1, 2012 to March 31, 2013)
(2) Net income per share	39.46 yen	50.97 yen
(Basis for calculation)		
Net income stated in the Consolidated Statement of Income and Comprehensive Income (million yen)	3,251	4,200
Net income not attributable to common shareholders (million yen)	—	—
Net income related to common stocks (million yen)	3,251	4,200
Average number of common stocks during the fiscal year (thousand shares)	82,393	82,407

(Note) Diluted net income per share is not stated since there are no dilutive shares.

(Significant Subsequent Events)

Not Applicable.