

Consolidated Financial Results
for the Six Months Ended September 30, 2013
[Japanese GAAP]

November 7, 2013

Company name: MIRAIT Holdings Corporation
 Stock exchange listing: Tokyo
 Code number: 1417
 URL: <http://mirait.co.jp/>
 Representative: Masatoshi Suzuki, Representative Director and President
 Contact: Manabu Kiriya, Director and General Manager, Finance and Accounting Department
 Phone: +81-3-6807-3124
 Scheduled date of filing quarterly securities report: November 13, 2013
 Scheduled date of commencing dividend payments: December 6, 2013
 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, 2013 (April 1, 2013 to September 30, 2013)

(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, 2013 | 119,746 | 2.8 | 2,774 | (25.6) | 3,117 | (26.2) | 1,746 | — |
| Six Months Ended September 30, 2012 | 116,502 | 15.3 | 3,731 | — | 4,226 | 496.2 | 58 | (90.1) |

(Note) Comprehensive income:

Six Months Ended September 30, 2013 2,453million yen [—%]

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

| | Net income per share | Diluted net income per share |
|-------------------------------------|----------------------|------------------------------|
| | yen | yen |
| Six Months Ended September 30, 2013 | 21.19 | — |
| As of September 30, 2012 | 0.70 | — |

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity ratio |
|--------------------------|--------------|-------------|--------------|
| | million yen | million yen | % |
| As of September 30, 2013 | 157,751 | 107,996 | 66.5 |
| As of March 31, 2013 | 172,756 | 106,630 | 60.0 |

(Reference) Equity:

As of September 30, 2013 104,890 million yen

As of March 31, 2013 103,640 million yen

2. Dividends

| | Annual dividends per share | | | | |
|--|----------------------------|-----------------|-----------------|----------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
| | yen | yen | yen | yen | yen |
| Fiscal year ended March 31, 2013 | — | 10.00 | — | 10.00 | 20.00 |
| Fiscal year ending March 31, 2014 | — | 10.00 | | | |
| Fiscal year ending March 31, 2014 (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, 2014 (April 1, 2013 to March 31, 2014)

(% 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 | 285,000 | 5.2 | 12,000 | 10.7 | 12,500 | 6.2 | 7,500 | 78.6 | 91.01 |

(Note) Revision of forecast of financial results from recently announced figures: 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.: No
 - 2) Any changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Corrections of errors: No

(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, 2013 | 85,381,866 shares | March 31, 2013 | 85,381,866 shares |
|--------------------|-------------------|----------------|-------------------|

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

| | | | |
|--------------------|------------------|----------------|------------------|
| September 30, 2013 | 2,976,158 shares | March 31, 2013 | 2,975,014 shares |
|--------------------|------------------|----------------|------------------|

- 3) Average number of shares outstanding during the period:

| | | | |
|--------------------|-------------------|--------------------|-------------------|
| September 30, 2013 | 82,406,079 shares | September 30, 2012 | 82,407,063 shares |
|--------------------|-------------------|--------------------|-------------------|

*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 Wednesday, November 13, 2013. The materials 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

Despite some uncertainty about the future, the Japanese economy during the six months ended September 30, 2013 showed movements of economic recovery such as improved exports due to the depreciation of the yen, and increased consumer spending. Furthermore, the growth policy and financial policy of the Japanese government and the Bank of Japan, in addition to the Olympics being held in Tokyo in 2020 are expected to bolster the economy in the future.

In the field of telecommunications, while the market for fixed broadband services is maturing, the rapid spread of smartphones and tablets has led to the expansion of services such as new applications and content by telecommunications carriers that are the Company's main customers. Furthermore, high-speed, large-capacity mobile networks such as LTE^{*1} and Wi-Fi^{*2} access points are being further expanded to respond to rapidly increasing traffic.

In this business environment, although there has been a decrease in optical work in the NTT network engineering business, the Group is expanding facility management services and pole renewal work, in addition to commencing reforms of the business operation structure through reorganization of access subsidiaries. Furthermore, active efforts were made in the mobile business to expand LTE work and work to support new frequencies. In addition, as expectations for new energy and the reconstruction of social infrastructure, the Group is transforming into a "Comprehensive Engineering and Service Company" such as expanding businesses in a wide range of fields in the ICT^{*3}/Civil engineering business including the creation of enterprise and school networks, the creation and maintenance of solar power systems and the installation of EV chargers.

As a result of the above, consolidated results for the six months ended September 30, 2013 were as follows. Although orders received were 137,917 million yen (a year-on-year increase of 2.8%) and net sales were 119,746 million yen (a year-on-year increase of 2.8%), a decrease in optical work in the NTT network engineering business and a decrease in the unit price of some work in the mobile business resulted in operating income of 2,774 million yen (a year-on-year decrease of 25.6%), ordinary income of 3,117 million yen (a year-on-year decrease of 26.2%) and net income of 1,746 million yen.

*1 LTE: Long Term Evolution. A high-speed data communication standard that is an evolution of the third generation mobile phone system.

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

*3 ICT: Information and Communication Technology

(2) Qualitative Information on Consolidated Financial Position

Total assets at the end of the second quarter decreased by 15,004 million yen compared to the end of the previous fiscal year to 157,751 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 decreased by 16,370 million yen compared to the end of the previous fiscal year to 49,755 million yen. This was due primarily to a decrease in accounts payable for construction contracts.

Despite dividend payments, net income was recorded and net assets increased by 1,365 million yen compared to the end of the previous fiscal year to 107,996 million yen.

As a result, the equity ratio was 66.5% (60.0% at the end of the previous fiscal year).

(3) Qualitative Information on Consolidated Financial Results Forecast

With regard to the consolidated financial results forecast for the fiscal year ending March 31, 2014 the initial forecast for net sales has been upwardly revised by 5,000 million to 285,000 million yen due to solid orders received in the mobile business and the civil engineering business.

Operating income, ordinary income and net income are expected to be 12,000 million yen, 12,500 million yen and 7,500 million yen as initially forecast.

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, 2013 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. Consolidated Quarterly Financial Statements

(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

| | As of March 31, 2013 | As of September 30, 2013 |
|--|----------------------|--------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 14,850 | 19,334 |
| Notes receivable-trade / Accounts receivable from completed construction contracts | 87,540 | 57,724 |
| Costs on uncompleted construction contracts and | 19,063 | 28,839 |
| Deferred tax assets | 2,725 | 2,777 |
| Other | 2,412 | 2,368 |
| Allowance for doubtful accounts | (48) | (25) |
| Total current assets | 126,542 | 111,019 |
| Noncurrent assets | | |
| Property, plant and equipment | | |
| Buildings and structures (net) | 10,242 | 9,870 |
| Land | 17,508 | 17,544 |
| Construction in progress | 52 | 184 |
| Other (net) | 1,422 | 1,412 |
| Total property, plant and equipment | 29,225 | 29,012 |
| Intangible assets | | |
| Goodwill | 784 | 683 |
| Software | 2,496 | 2,613 |
| Other | 227 | 203 |
| Total intangible assets | 3,507 | 3,500 |
| Investments and other assets | | |
| Investment securities | 7,370 | 8,582 |
| Long-term loans receivable | 567 | 244 |
| Deferred tax assets | 2,696 | 2,495 |
| Lease and guarantee deposits | 1,120 | 1,122 |
| Other | 1,927 | 1,992 |
| Allowance for doubtful accounts | (201) | (217) |
| Total investments and other assets | 13,481 | 14,219 |
| Total noncurrent assets | 46,214 | 46,732 |
| Total assets | 172,756 | 157,751 |

(Millions of yen)

As of March 31, 2013

As of September 30, 2013

| | As of March 31, 2013 | As of September 30, 2013 |
|---|----------------------|--------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes payable-trade / Accounts payable | 38,696 | 26,007 |
| for construction contracts | | |
| Short-term loans payable | 262 | 0 |
| Current portion of long-term loans payable | 226 | 103 |
| Income taxes payable | 2,881 | 1,018 |
| Advances received on uncompleted construction contracts | 1,341 | 2,395 |
| Provision for loss on construction contracts | 380 | 453 |
| Provision for bonuses | 4,136 | 3,990 |
| Provision for directors' bonuses | 62 | 17 |
| Provision for warranties for completed construction | 7 | 9 |
| Other | 5,818 | 3,876 |
| Total current liabilities | 53,814 | 37,873 |
| Noncurrent liabilities | | |
| Long-term loans payable | 321 | 84 |
| Deferred tax liabilities | 453 | 572 |
| Deferred tax liabilities for land revaluation | 44 | 44 |
| Provision for retirement benefits | 9,811 | 9,794 |
| Provision for directors' retirement benefits | 473 | 217 |
| Asset retirement obligations | 62 | 59 |
| Negative goodwill | 540 | 404 |
| Long-term accounts payable-other | 146 | 279 |
| Other | 458 | 424 |
| Total noncurrent liabilities | 12,312 | 11,882 |
| Total liabilities | 66,126 | 49,755 |
| Net assets | | |
| Shareholders' equity | | |
| Capital stock | 7,000 | 7,000 |
| Capital surplus | 25,947 | 25,947 |
| Retained earnings | 71,457 | 72,159 |
| Treasury stock | (1,622) | (1,623) |
| Total shareholders' equity | 102,783 | 103,483 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale | 946 | 1,480 |
| Revaluation reserve for land | (101) | (101) |
| Foreign currency translation adjustment | 12 | 27 |
| Total accumulated other comprehensive income | 857 | 1,406 |
| Minority interests | 2,989 | 3,105 |
| Total net assets | 106,630 | 107,996 |
| Total liabilities and net assets | 172,756 | 157,751 |

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

(Millions of yen)

| | Six Months Ended September 30, 2012 (from April 1, 2012 to September 30, 2012) | Six Months Ended September 30, 2013 (from April 1, 2013 to September 30, 2013) |
|---|--|--|
| Net sales of completed construction contracts | 116,502 | 119,746 |
| Cost of sales of completed construction contracts | 103,622 | 107,679 |
| Gross profit on completed construction contracts | 12,880 | 12,067 |
| Selling, general and administrative expenses | 9,148 | 9,292 |
| Operating income | 3,731 | 2,774 |
| Non-operating income | | |
| Interest income | 17 | 9 |
| Dividends income | 108 | 97 |
| Amortization of negative goodwill | 137 | 134 |
| Real estate rent | 22 | 13 |
| Surrender value of insurance | 66 | 74 |
| Equity in earnings of affiliates | 29 | 15 |
| Other | 164 | 64 |
| Total non-operating income | 546 | 410 |
| Non-operating expenses | | |
| Interest expenses | 6 | 7 |
| Foreign exchange losses | 15 | 33 |
| Other | 29 | 26 |
| Total non-operating expenses | 51 | 67 |
| Ordinary income | 4,226 | 3,117 |
| Extraordinary income | | |
| Gain on sales of noncurrent assets | 6 | 0 |
| Gain on sales of investment securities | 3 | 2 |
| Gain on negative goodwill | 5 | — |
| Gain on liquidation of investment securities | 22 | — |
| Total extraordinary income | 37 | 2 |
| Extraordinary loss | | |
| Loss on retirement of noncurrent assets | 18 | 41 |
| Loss on valuation of investment securities | 16 | — |
| Impairment loss | 302 | — |
| Litigation expenses | 38 | 2 |
| Restructuring expenses | 3,109 | — |
| Other | 296 | 32 |
| Total extraordinary loss | 3,782 | 76 |
| Income before income taxes | 481 | 3,044 |
| Income taxes | 288 | 1,143 |
| Income before minority interests | 192 | 1,901 |
| Minority interests in income | 134 | 154 |
| Net income | 58 | 1,746 |
| Minority interests in income | 134 | 154 |
| Income before minority interests | 192 | 1,901 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (182) | 536 |
| Share of other comprehensive income of associates accounted for using equity method | 5 | 15 |
| Total other comprehensive income | (176) | 552 |
| Comprehensive income | 15 | 2,453 |
| (Breakdown) | | |
| Comprehensive income attributable to owners of the parent | (119) | 2,295 |
| Comprehensive income attributable to minority interests | 135 | 157 |

(3) Notes on Going Concern Assumption
Not Applicable.

(4) Notes on Significant Changes in the Amount of Shareholders' Equity

Six Months Ended September 30, 2013 (from April 1, 2013 to September 30, 2013)

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