



Presentation Materials

January 2015



MIRAIT Holdings Corporation

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I. Profile of the MIRAIT Group

1. Message from the President

In Japan today, new growing markets have been created along with the **social innovation** which has been accelerated by promoting a growth strategy with the government and the private sector working together and by developing and utilizing ICT technology.

At the same time, Japan is now facing the task of **rebuilding social infrastructure**, including communication networks, due to reconstruction after the Great East Japan Earthquake, measures to address aging infrastructure, environmental and energy issues, as well as the 2020 Olympics in Tokyo.

In such a period of transition, as its name "**MIRAI (Future) + IT**" suggests, the MIRAIT Group will actively face the challenge of expanding its business domains to resolve new issues for a new era with customers based on the reliable technology it has established in its ICT/Civil Engineering Business.

MIRAIT would also like to maximize shareholder value by contributing to the society of tomorrow as a "**Comprehensive Engineering and Services Company**" that lives up to customers' expectations.

Origin of the Company Name

Combining the words MIRAI, which means **future in Japanese, and IT (information technology)**, this corporate name is a simple expression of the resolve to become a comprehensive engineering & services company that continues growing with our customers.

<Two keywords>

"MIRAIT" "Future"

"MIRAIT" "Information Technology"

Logo

Three ideas are represented by the three thick lines. These are joined by a golden arc depicting high quality businesses spanning the globe to create an overall M image. It represents our aspiration to move into the future.



Three Ideas

1. Expand the **"breadth" of our business domains**
→ Expansion from upstream to downstream processes
(planning & designing, construction, maintenance & operation, etc.)
2. Increase the **"height" of our business domains**
→ Total solutions incorporating NI + upper layer + lower layer
3. Work to **expand into new business domains**
→ Contribute to the creation of integrated social infrastructure for the future in the fields of electric power, the environment and energy



President and Chief Executive Officer
Masatoshi Suzuki

2. Overview of MIRAIT Holdings

Established	October 1, 2010
Capital stock	7 bil. yen
President (CEO)	Masatoshi Suzuki
Shares	[Total outstanding shares] 85,381,866 shares
Listed securities exchanges	Tokyo Stock Exchange First Section (Code No.: 1417)
Ratings	Rating & Investment Information, Inc. (R&I) A- Japan Credit Rating Agency, Ltd. (JCR) A
Location	5-6-36 Toyosu, Koto-ku, Tokyo
Business locations	[Domestic] 25 locations *Total number of locations of MIRAIT and MIRAIT Technologies [Overseas] 6 locations (Singapore, Hong Kong, Sri Lanka, Australia, Philippines, Myanmar)
Number of consolidated subsidiaries (As of December 31, 2014)	35
Employees: (As of September 30, 2014)	[Consolidated] 7,538 (Mirait Holdings: 98) (Mirait : Consolidated 4,414, Non-consolidated 2,690) (Mirait Technologies: Consolidated 3,026, Non-consolidated 911)
Term-end	March 31, every year



II. Medium-term Management Plan

(FY2014-2016)

1. Medium-term Management Plan

Business Environment

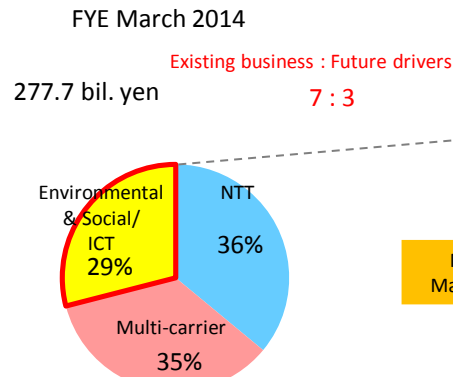
- Abenomics, rebuilding of social infrastructure
- 2020 Olympics and Paralympics in Tokyo
- Innovation of communication technology (higher speeds and capacity)
- Advancement of social innovation through the utilization of ICT

The environment is providing a tailwind

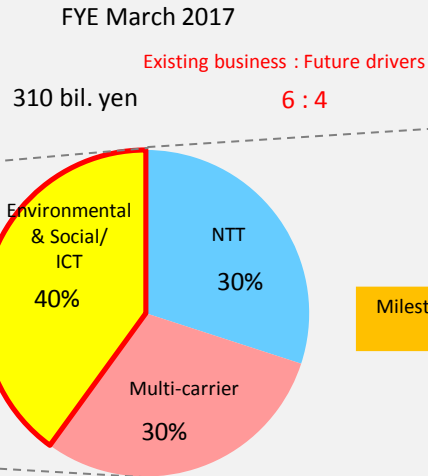
Basic Policy

- Active expansion of the environmental & social innovation and ICT solution businesses which include the drivers for future growth
 - Improvement of productivity through the efficient implementation of existing business (NTT, multi-carrier business)
 - Increase of engineers through a strategic shift of personnel and the training and securing of human resources
- Aiming to enhance corporate value and achieve sustained growth as a "Comprehensive Engineering & Service Company"

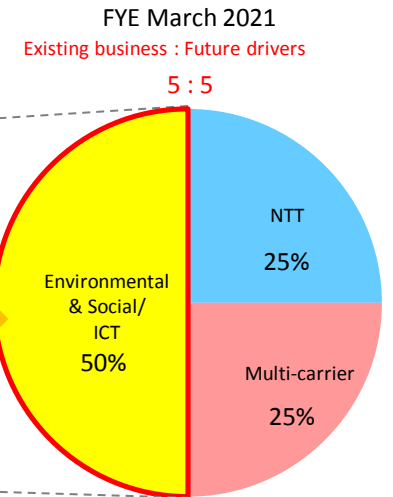
Sales Composition



Medium-term Management Plan

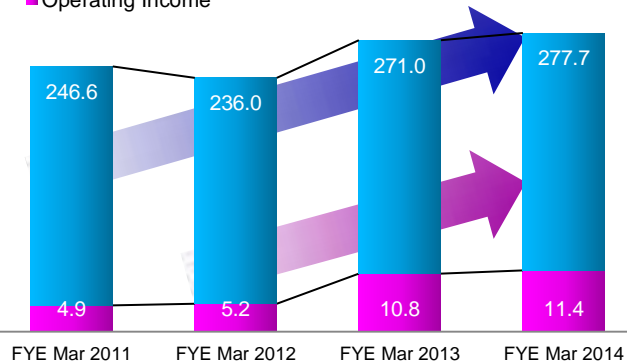


Milestones aimed at 2020



Net Sales and Operating Income

- Net Sales
 - Operating Income
- (Units: billions of yen)



Numerical Plan (March 2017)

Net sales	310.0 bil. Yen
Operating income	17.0 bil. yen
Operating margin	5.5%
ROE (Return on equity)	8% or more

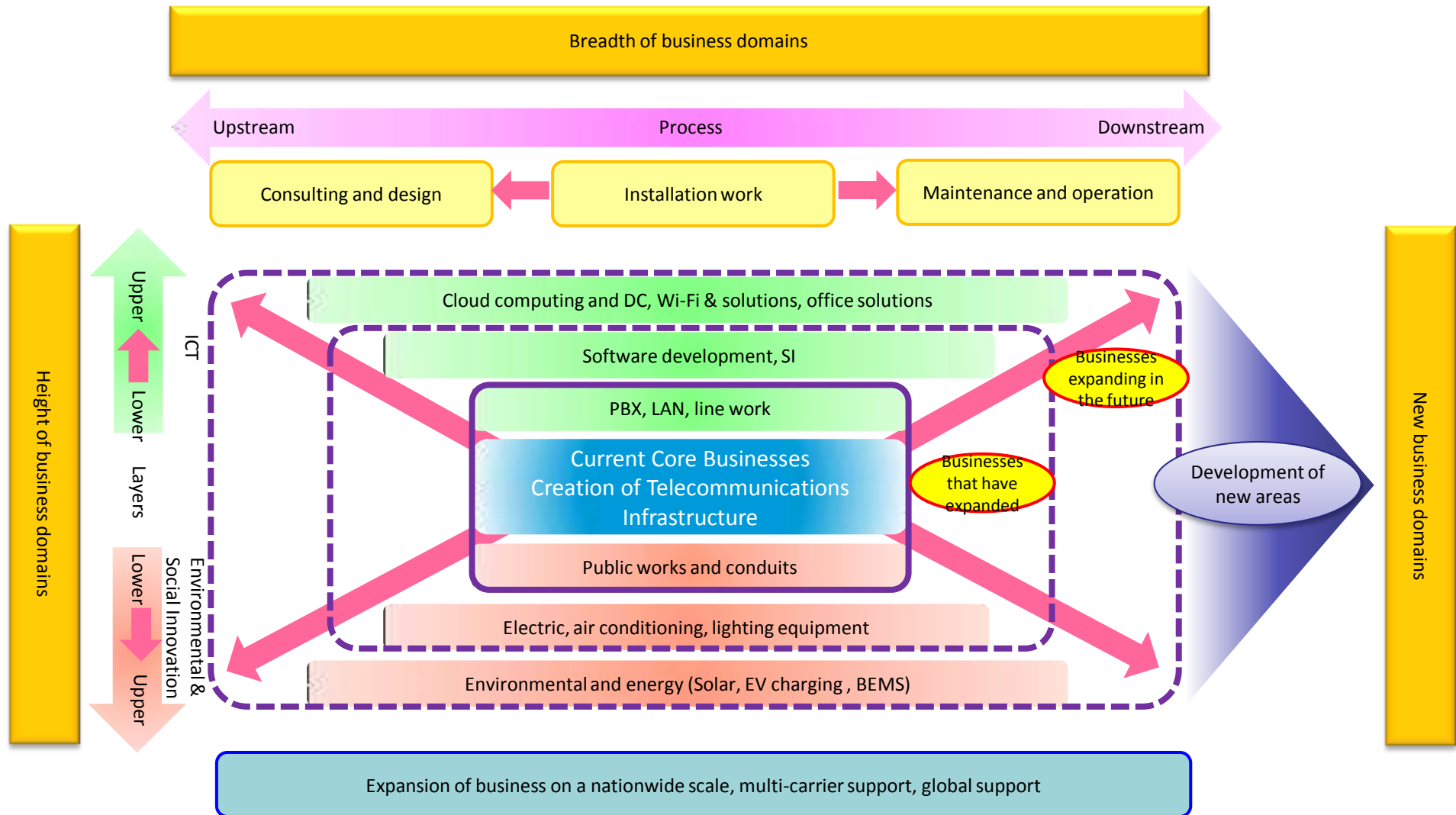
Image of Shift in Personnel and HR Development (March 2017)

In the next 3 years

- The number of people engaged in growth areas to be increased by 1.5 times (up 800 people). While the number of indirect personnel to be decreased by 10% (decrease of 100)
- Training and acquisition of qualified engineers required for growth of the business
 - Electrical management engineers (3 times or more)
 - Public works management engineers (2 times or more)
 - IT engineers (2 times or more)

2. Transformation into a "Comprehensive Engineering and Service Company" Matching Environmental Changes

- Expand the "breadth" of our business domains → Expansion from upstream to downstream processes (planning, design, construction, maintenance, operation, etc.)
- Increase the "height" of our business domains → Total proposals incorporating upper layer + lower layer
- Work to expand into new business domains
→ Contribute to the creation of social infrastructure for the future in the fields of Cloud computing and DC, Wi-Fi & solutions, the environment and energy
- Utilize the Group's comprehensive technology to contribute to "creation of social infrastructure and social innovation" as a "Comprehensive Engineering and Service Company"



3. Changes in the ICT Environment Looking Toward 2020

<Trends in the Establishment of Infrastructure>

- Telecommunications carriers' capital investment is decreasing recently, but due to innovation of ICT, **expansion of Area, Speed, Quality and communication infrastructure** will continue moving toward 2020 (Tokyo Olympics and Paralympics)

➡ Tailwind for the MIRAIT Group

Speed

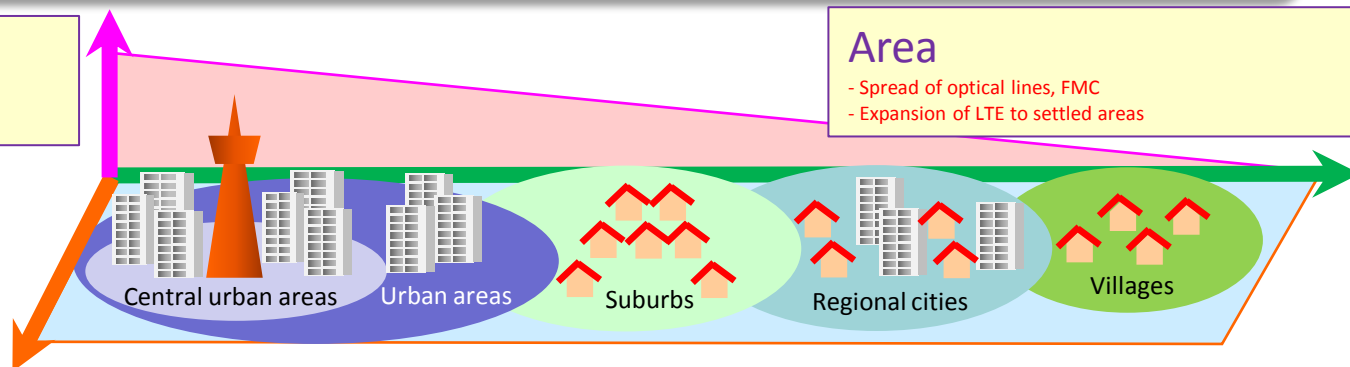
- Increased speed of optical lines
- Increased speed through carrier aggregation

Area

- Spread of optical lines, FMC
- Expansion of LTE to settled areas

Quality

- Expansion of Wi-Fi to areas with high population density
- Introduction of localized cells in areas with high population density
- Measures to resolve poor signal areas including indoors



<Technology Trends>

	2010	2014	2015	2016	2020
			Start of B to B to C of NTT optical lines	Liberalization of power industry	Tokyo Olympics and Paralympics
Data volume	1	2010 × 24 times			2010 × 1,000 times
Services	Telephone and e-mail	Data (Internet)		M2M HEMS	Merging communication and broadcasting
Devices	Feature phones	Smartphones, tablets		Wearable terminals	4K/8K broadcasting Big Data
Service platforms	Dedicated servers	Cloud	SDN(Software Defined Network)	Sensor networks	ITS (Intelligent Transport Systems)
Fixed	Core networks	ATM (circuit switching)	IP (packet exchange)	Migration to IP networks	
	Access and maintenance	Maturing of optical networks	Elimination of power poles and expansion of facility management services	FMC (Fixed Mobile Convergence) Diversification of optical services	
	Wi-Fi	Spread of wireless LAN	Data offloading measures	Expansion of Wi-Fi solutions	
Mobile	Frequency	2.5GHz	900MHz, 700MHz (TV reception)	3.4-3.6GHz	5GHz
	Format Speed <bps>	3G (IMT-2000) <14M>	3.9G(LTE) <150M>	4G(LTE-Advanced) <1G>	5G<10G>
	Communications technology		Carrier aggregation, VoLTE (Voice over LTE)		MIMO (Multiple-Input and Multiple-Output)

III. Performance and Financial Overview

1. Performance and the Business Plan for the Year Ended March 2015

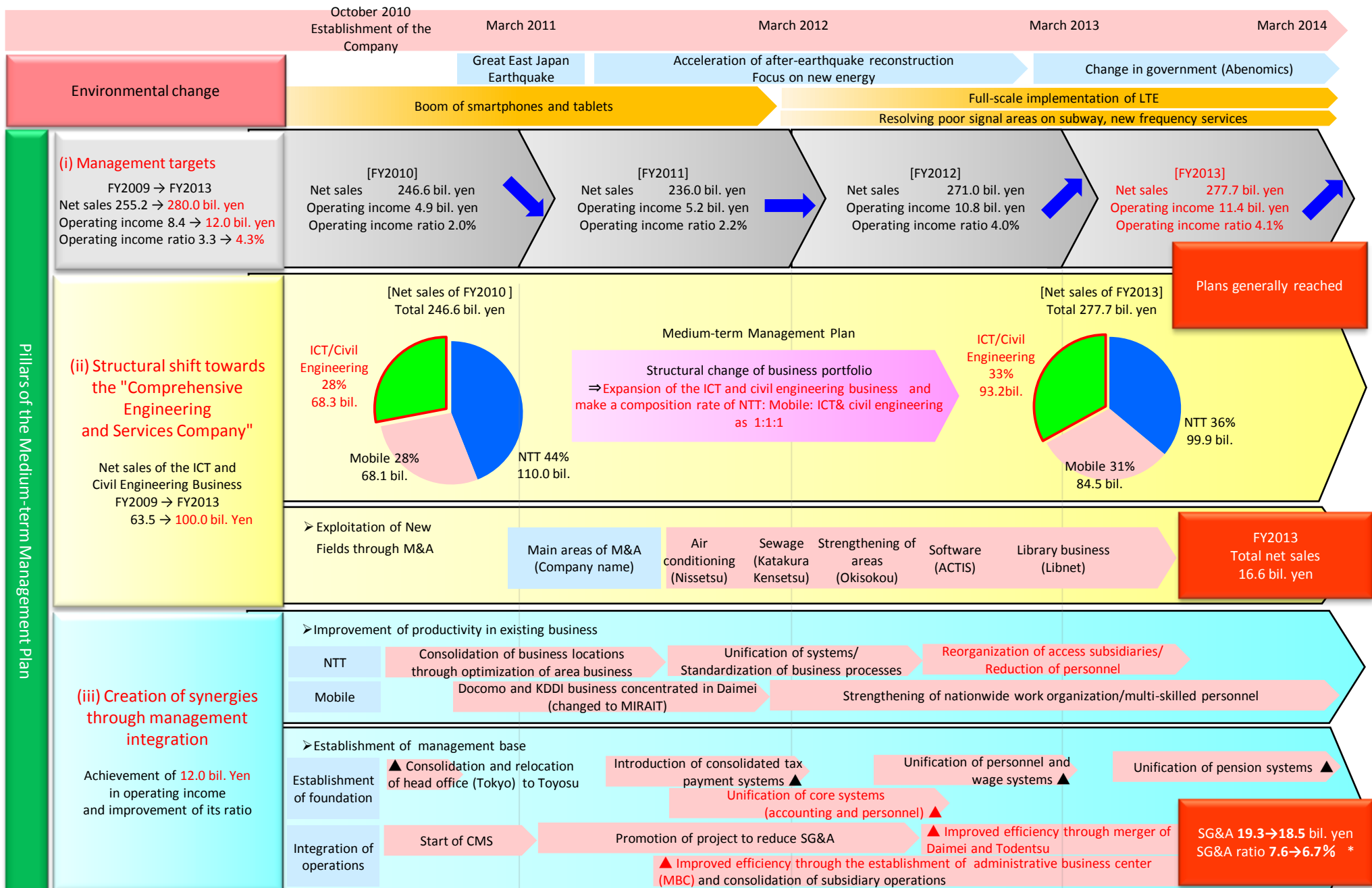
Units: billions of yen	FYE March 2011 (Note 1)	FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2015 (Plan)	Key Points of the FYE March 2015 Business Plan
Net sales	246.6	236.0	271.0	277.7	285.0	<ul style="list-style-type: none"> ● In the year ending March 2015, a new measure of Medium-term Management Plan will be implemented, targeting increased revenue and earnings with sales of 285 bil. yen, operating income of 13 bil. yen. ● In the NTT business, reforms of the business operation system are being implemented to enable the generation of profit even amid decreased sales ● In the multi-carrier business, we are proceeding to handle large quantities of small projects, and improved productivity ● In the environmental & social innovation business, we will significantly increase sales through the expansion of solar power work and EV charging equipment ● In the ICT solutions business, sales will be increased through the receipt of large-scale orders for software and PBX ● We are aiming to improve gross profit through efforts to improve the cost on sales ● SG&A ⇒ Through efforts to improve the effect of management integration and reduce indirect costs, we are promoting the reduction of general and administrative expenses ⇒ Increasing due to an increase in selling expenses and expansion of business in Australia ● Extraordinary profit and loss ⇒ With the review of the retirement system, the equities that were pension assets have been accumulated in surplus, and returning these to company assets is expected to there to extraordinary income
NTT	110.0	111.4	109.1	99.9	93.0	
Multi-carrier (Note 2)	68.1	60.3	81.3	(84.5) 98.4	93.0	
Environmental & Social (Note 2)	42.6	37.4	45.8	(52.9) 28.5	42.0	
ICT (Note 2)	25.6	26.7	34.6	(40.2) 50.8	57.0	
Gross profit (Gross profit ratio)	24.3 (9.9%)	24.0 (10.2%)	29.3 (10.8%)	29.9 (10.8%)	32.3 (11.3%)	
SG&A (SG&A ratio)	19.3 (7.8%)	18.7 (8.0%)	18.4 (6.8%)	18.5 (6.7%)	19.3 (6.8%)	
Operating income (Operating income ratio)	4.9 (2.0%)	5.2 (2.2%)	10.8 (4.0%)	11.4 (4.1%)	13.0 (4.6%)	
Ordinary income (Ordinary income ratio)	5.7 (2.0%)	6.1 (2.6%)	11.7 (4.3%)	12.2 (4.4%)	13.6 (4.8%)	
Extraordinary profit and loss (Note 3)	26.6	-0.5	-4.4	-0.0	2.0	
Net income (Net income ratio) (Note 3)	30.6 (12.4%)	32 (1.4%)	4.2 (1.5%)	7.1 (2.6%)	9.2 (3.2%)	

(Note 1) Accounting for business combinations (purchase method) associated with the establishment of the company was carried out during the year ended March 2011, and because a simple comparison is not possible, actual results are calculated by aggregating the actual business results of DAIMEI TELECOM ENGINEERING CORP., Commuture Corp. and TODENTSU Corporation.

(Note 2) The details on net sales before the year ended March 2013 and the figures in parentheses for sales of the year ended March 2014 indicate figures on former business category (Mobile, Civil Engineering, ICT).

(Note 3) Extraordinary income and net income for the year ended March 2011 include the “negative goodwill” (26.8 bil. yen) arising from the integration of management.

Reference (The Company's Efforts Since Establishment)



*SG&A for FYE Mar 2014 includes an increase of 1.4 bil. yen attributable to merged and acquired subsidiaries. 11

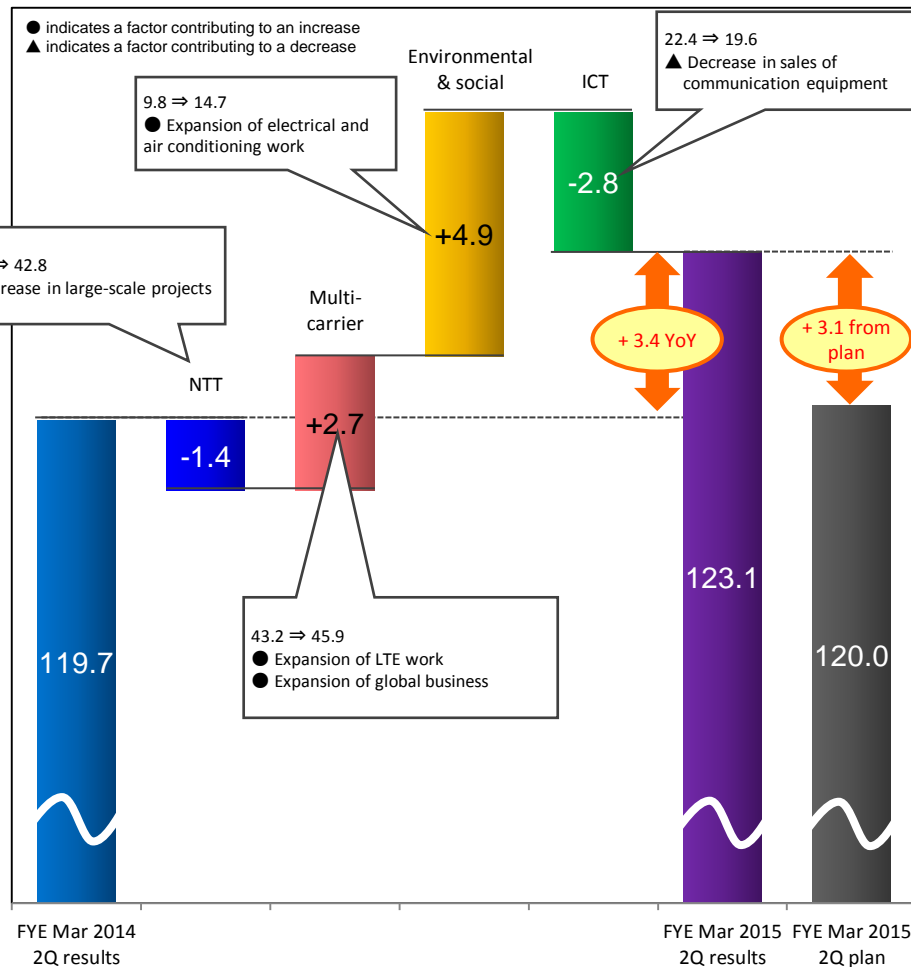
2. Financial Overview for the Six Months Ended September 30, 2014

Units: billions of yen	FYE March 2014 2Q actual results (Ratio)	FYE March 2015 2Q actual results (Ratio)	YoY Change (Percentage change)	FYE March 2014 Full-year Results (2Q progress rate)	FYE March 2015 Full-year Plan (2Q progress rate)	Key Points
	(a)	(b)	(b)-(a)			
Orders received	137.9	148.1	+ 10.2 (+ 7.4%)	282.0 (48.9%)	290.0 (51.1%)	<ul style="list-style-type: none"> ● Orders received ⇒ Increased significantly (up 10.2 bil. yen YoY) to 148.1 bil. yen due to expansion of the multi-carrier business and the environmental & social innovation business ● Net sales ⇒ Increased slightly (up 3.4 bil. yen YoY) to 123.1 bil. yen due to decreases in the NTT business and the ICT solution business despite the expansion of the multi-carrier business and environmental & social innovation business ● Gross profit ⇒ Increased significantly (up 3.4 bil. yen YoY) to 15.4 bil. yen due to the profit ratio improving from 10.1% to 12.5% ● Operating income ⇒ Increased 2.1 times YoY, up 3.2 bil. yen to 5.9 bil. yen ⇒ 2Q Progress rate has been steady at 45.7% ● Net income ⇒ Increased 2.3 times YoY, up 2.2 bil. yen to 3.9 bil. yen, due to extraordinary income (0.5 bil. yen) associated with the revision of the retirement system ● Construction account carried forward ⇒ A high level at 98.7 bil. yen, up 11.1 bil. yen YoY
Net sales	119.7 (100%)	123.1 (100%)	+ 3.4 (+ 2.8%)	277.7 (43.1%)	285.0 (43.2%)	
NTT	44.2	42.8	- 1.4 (- 3.3%)	99.9 (44.3%)	93.0 (46.0%)	
Multi-carrier	43.2	45.9	+ 2.7 (+ 6.1%)	98.4 (44.0%)	93.0 (49.4%)	
Environmental & social innovation	9.8	14.7	+ 4.9 (+ 50.7%)	28.5 (34.4%)	42.0 (35.2%)	
ICT solutions	22.4	19.6	- 2.8 (- 12.4%)	50.8 (44.2%)	57.0 (34.5%)	
Gross profit	12.0 (10.1%)	15.4 (12.5%)	+ 3.4 (+ 27.8%)	29.9 (40.3%)	32.3 (47.7%)	
SG&A	9.2 (7.8%)	9.4 (7.7%)	+ 0.2 (+ 2.0%)	18.5 (50.2%)	19.3 (49.1%)	
Operating income	2.7 (2.3%)	5.9 (4.8%)	+ 3.2 (+ 114.2%)	11.4 (24.2%)	13.0 (45.7%)	
Ordinary income	3.1 (2.6%)	6.2 (5.1%)	+ 3.1 (+ 100.7%)	12.2 (25.4%)	13.6 (46.0%)	
Net income	1.7 (1.5%)	3.9 (3.2%)	+ 2.2 (+ 125.6%)	7.1 (24.3%)	9.2 (42.8%)	
Construction account carried forward	87.6	98.7	+ 11.1			

3. Details of Net Sales [YoY Change]

- There was a decrease in large-scale projects and everyday work in the NTT business
- LTE work and WIMAX work is performing well in the multi-carrier business
- The environmental & social innovation business grew due to the expansion of electrical and air conditioning work
- Sales of mobile-related communication equipment decreased in the ICT solutions business

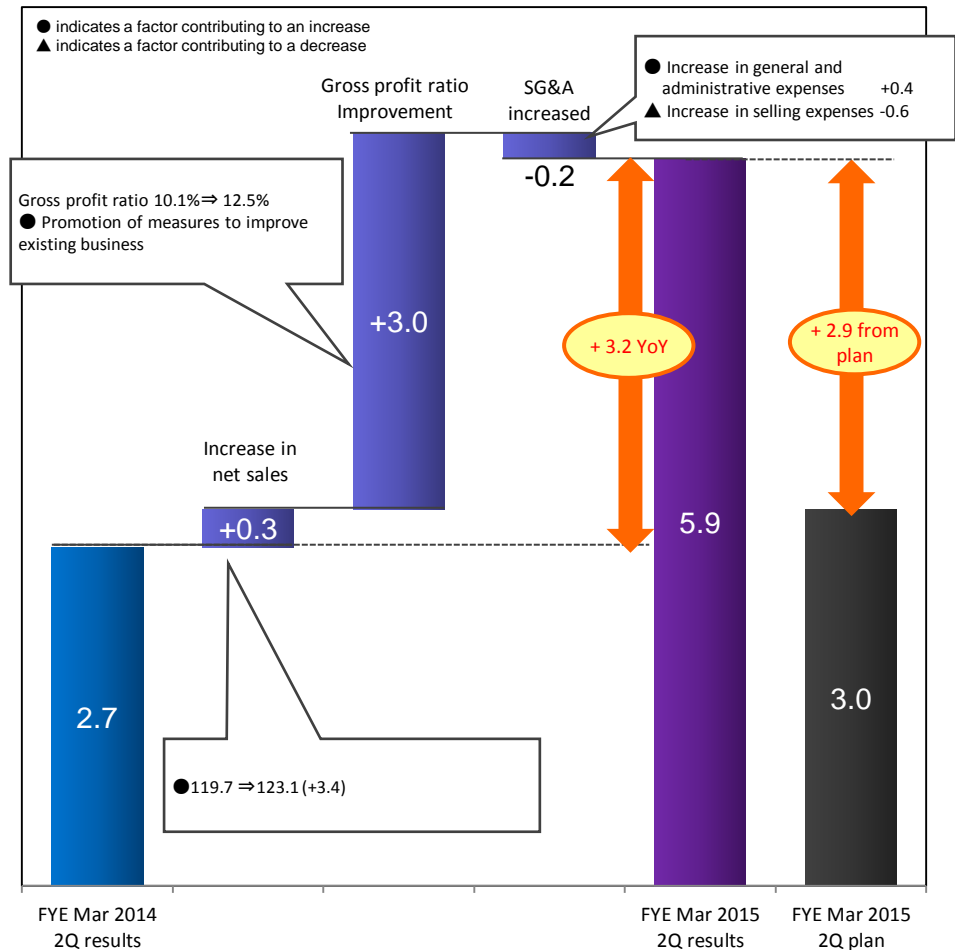
Net sales (Units: bil. yen)



4. Details of Operating Income [YoY Change]

- Earnings increased by 0.3 bil. yen YoY due to increased sales
- The gross profit ratio improved as a result of the promotion of measures to improve existing business, which was a factor leading to earnings increasing by 3 bil. yen YoY
- Although general and administrative expenses were reduced, SG&A expenses were affected by the increase in M&A and selling expenses, contributing to a 0.2 bil. yen decrease in earnings

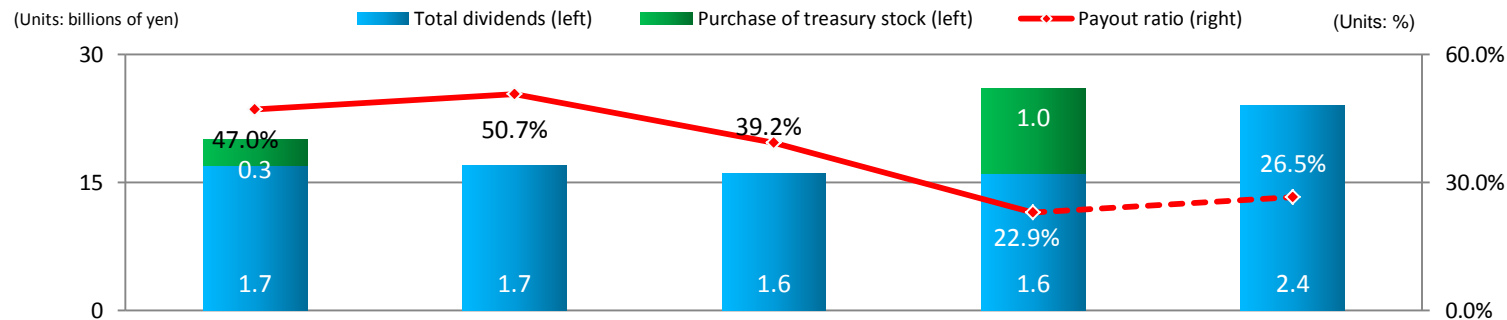
Operating income (Units: bil. yen)



5. Shareholder Returns

- Our basic dividend policy is to pay steadily and consistently in consideration of our business performance and the dividend payout ratio
- FYE March 2015, dividends will be increased as a result of general consideration of factors such as the business performance forecast and payout ratio, **with the interim dividend being increased by 5 yen to 15 yen and the year-end dividend being increased by 5 yen to 15 yen. As a result, the annual dividend is scheduled to be 30 yen**
- The increased dividend **is expected to result in the payout ratio increasing from the previous year 22.9% to the current fiscal year 26.5%**

Shareholder Returns



		FYE March 2011 (Note)	FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2015 (Plan)
Total dividends		1.7 bil. yen	1.7 bil. yen	1.6 bil. yen	1.6 bil. yen	2.4 bil. yen
Net income		3.7 bil. yen	3.2 bil. yen	4.2 bil. yen	7.1 bil. yen	9.2 bil. yen
Annual dividends per share	Interim	10 yen	10 yen	10 yen	10 yen	15 yen
	Year-end	10 yen	10 yen	10 yen	10 yen	15 yen
	Total	20 yen	20 yen	20 yen	20 yen	30 yen
Purchase of treasury stock		0.3 bil. yen	—	—	1.0 bil. yen	—
Consolidated payout ratio		47.0%	50.7%	39.2%	22.9%	26.5%
Consolidated overall returns		54.7%	50.7%	39.2%	36.7%	26.5%
ROE		3.8%	3.3%	4.1%	6.7%	8.0%

(Notes) - Because the company was established in October 2010, the annual dividend payment per share for the year ended March 2011 is stated as being 20 yen made up of the 10 yen year-end dividend and the 10 yen interim dividend of Daimei.
 - Accounting for business combinations (purchase method) associated with the establishment of the company was carried out during the year ended March 2011, and because a simple comparison is not possible, the consolidated payout ratio, consolidated overall returns and ROE are calculated by excluding the impact of negative goodwill arising from management integration from the simple aggregate of the three merged companies (26.8 bil. yen).



IV. Specific Measures in Each Business

1. Efforts in the NTT Business

- Due to the maturing of the fixed broadband market, capital investment by NTT East/West is decreasing, **and there has been a decline in large-scale projects and everyday work**
- We are reforming our business operation structure and **building an organization able to create profit even when faced with shrinking revenue**
- We will make an effort to **further improve efficiency such as the integration of construction offices**

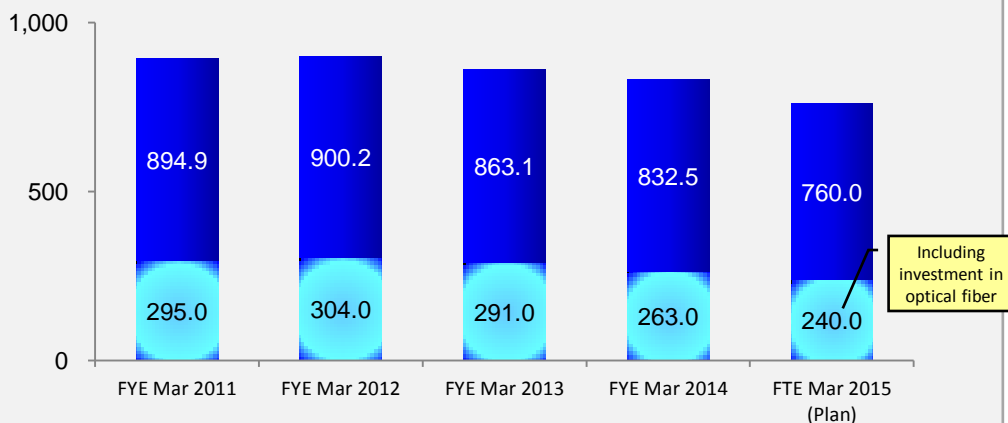
Net Sales

(Units: billions of yen)



(Reference) Capital Investment by NTT East/West and NTT Communications

(Units: billions of yen)



Source: Created by MIRAIT based on materials published by NTT

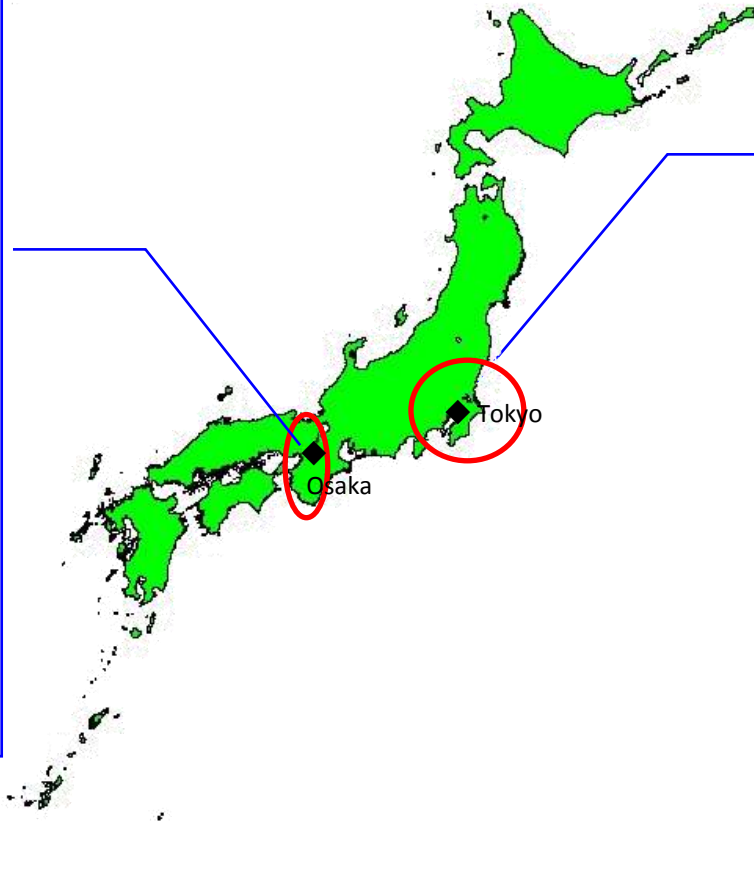
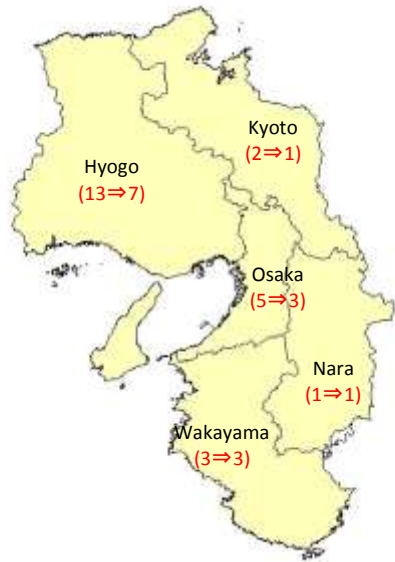
Efforts in FYE Mar 2015

		Content
Increased sales	Optical work, etc.	<ul style="list-style-type: none"> • Promoting the assimilation of stagnant projects • Efforts aimed at optical work for wholesaling of fiber service by NTT
	Facility management services	<ul style="list-style-type: none"> • Orders received increased not only repairing faults, but for the entire area including facility maintenance • The establishment of a framework including orders for the entire area
	Strengthening of sales	<ul style="list-style-type: none"> • Efforts to expand work across a wide area ⇒ Expansion of orders received in the Shikoku and Tohoku areas (0.7 bil. yen)
	Tohoku reconstruction	<ul style="list-style-type: none"> • Scheduled to be increased from next fiscal year, strengthening efforts aimed at acquiring orders received
Improvement of efficiency	Personnel shift	<ul style="list-style-type: none"> • Improvement of profit by promoting a shift to other divisions ⇒ The shift in personnel and non-replenishment of retirements, personnel was reduced by 50 in the first half (a reduction of 80 personnel is planned for the entire year)
	Consolidation of offices	<ul style="list-style-type: none"> • Improvement of efficiency through consolidation of offices in each region ⇒ Scheduled for next year
	Centralization of support operations	<ul style="list-style-type: none"> • Operations such as design, construction and checking processes and construction fees will be concentrated for the Tokyo area • Cost reduction through the promotion of business consignment
	Core company operating structure	<ul style="list-style-type: none"> • Reorganization of subsidiaries last year (12→8 companies) ⇒ Reduction of costs by improving efficiency and standardizing operations

- **Improvement of efficiency through consolidation of offices in each region**
 - ⇒ Reduction of direct operation and construction vehicles by consolidating construction crews
 - ⇒ Reduction of indirect operation through the consolidation of administrative works
 - ⇒ Reduction of rent by moving from rented buildings to owned buildings
- Combined with the offices already consolidated in the Kansai region, **the number is expected to be reduced by 30-40% (71→47 locations)**
- **Consolidation of support operations (design, order creation, photo inspection, etc.)**
 - ⇒ Scheduled to be consolidated in the Tokyo area this fiscal year. Other areas will be considered in the future.

Kansai Area (24→15 locations)

Offices consolidated in the Kansai region (Osaka, Hyogo, Kyoto, Wakayama, Nara) until the previous fiscal year (ended March 2014)



Kanto Area (47→32 locations)

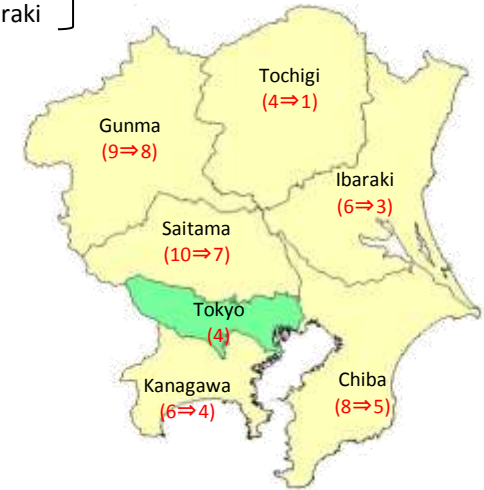
Offices are being consolidated moving toward next fiscal year (ending March 2016)

<Schedule>

Tokyo: This fiscal year
(Consolidation of support operations)

Kanagawa: December 2014

Gunma }
Saitama } Scheduled for next year
Chiba }
Tochigi }
Ibaraki }



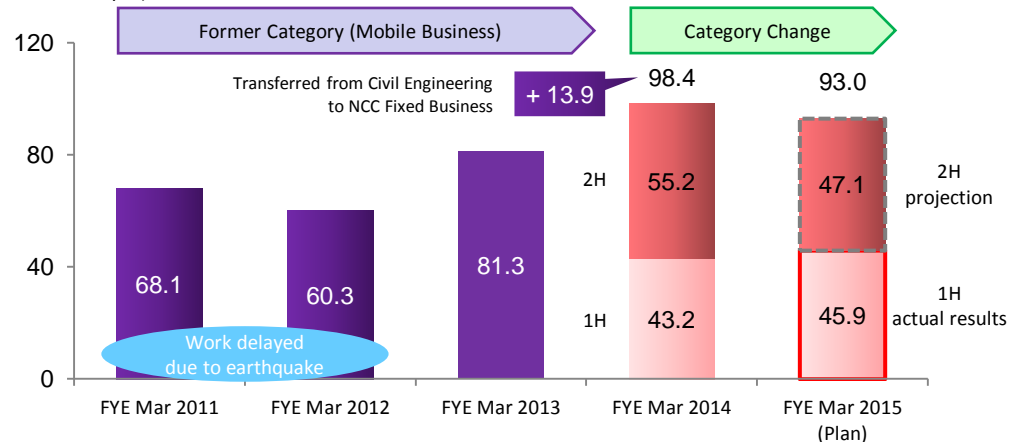
Yellow indicates consolidation of construction offices
Green indicates consolidation of support operations

2. Efforts in the Multi-carrier Business

- Capital investment by mobile carriers is slowing, but with the increase in traffic caused by the spread of smartphones, **LTE work and NW work are increasing**
- As large numbers of small-scale projects increase, profits have increased through measures aimed at improving productivity (**use of IT tools, internalization, integration of contractors and subsidiaries**)
- Business targeting overseas carriers will also be expanded (Australian subsidiary to be included in the scope of consolidation from Q2)

Net Sales

(Units: billions of yen)

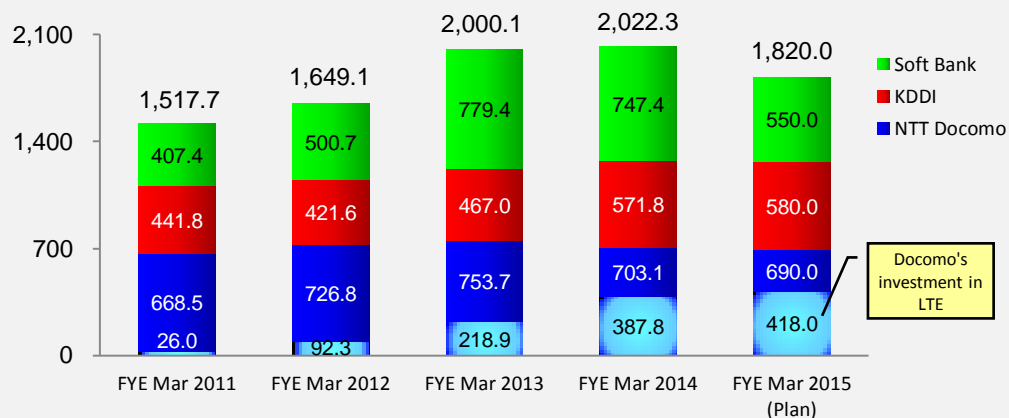


Efforts in FYE Mar 2015

	Content	
Increased sales	LTE work WiMAX work	<ul style="list-style-type: none"> • Promotion of progress through improved efficiency and averaging the volume of LTE work • Strengthening of WiMAX work and associated efforts
	Work to resolve poor signal areas	<ul style="list-style-type: none"> • Indoor work (redeveloped facilities, buildings, underground, etc.) • Strengthening of subway (JMCI) efforts
	Stock business Surrounding businesses	<ul style="list-style-type: none"> • Base station maintenance and facility center operations • Fixed line and network-related work
	Global business	<ul style="list-style-type: none"> • MIRAIT Technologies Australia established in July. Expansion of business as a Tier 1 company in Australia ⇒ Consolidated from second quarter
Improvement of efficiency	Strengthening of management	<ul style="list-style-type: none"> • Improvement of progress rate by strengthening SCM* ⇒ Measures to address bottleneck processes
	Resource Optimization	<ul style="list-style-type: none"> • Optimization of resource allocation through internalization and strengthening of ties with subsidiaries
	Use of IT tools	<ul style="list-style-type: none"> • Sharing of information using business support tools and averaging the work volume and pursuing visibility through the use of mobile devices

(Reference) Capital investment by the three major mobile carriers

(Units: billions of yen)



Source: Created by MIRAIT based on materials published by (Notes) 1. The amount of capital investment including fixed communications is shown for KDDI and SoftBank.

2. The actual amount of capital investment by SoftBank excludes Sprint and SoftBank Telecom's corporate mobile rental terminals

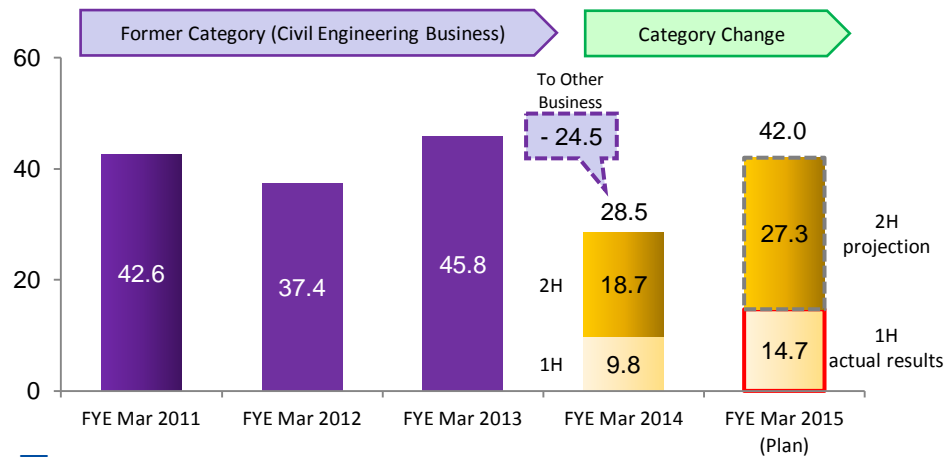
* SCM: Supply Chain Management

3. Efforts in the Environmental & Social Innovation and ICT Solution Business

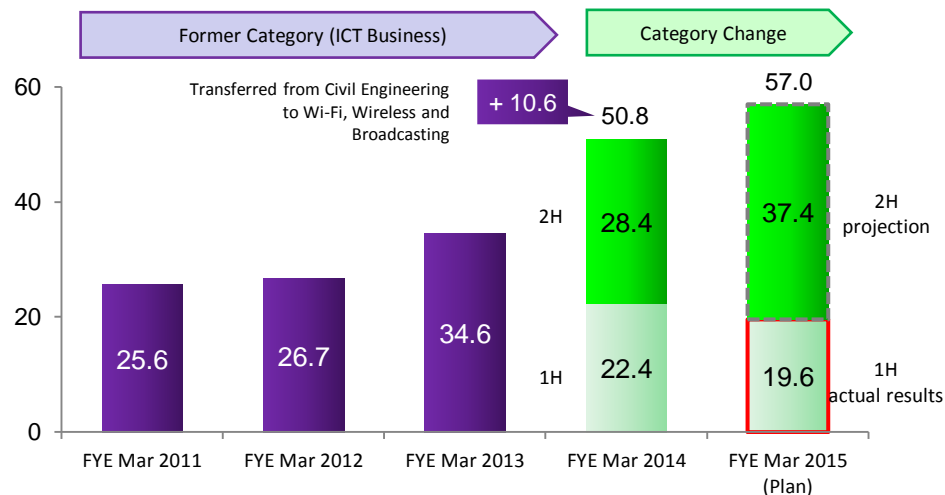
- In addition to the expansion of existing electrical and air conditioning work in the Environmental & Social Innovation Business, **we are expanding solar power work, EV charging station work and social infrastructure work**
- Although there was a decline in sales of mobile-related communication equipment, we are working to increase sales in the ICT solutions business through the completion of software and PBX work.

Net sales (Environmental & Social Innovation Business)

(Units: billions of yen)



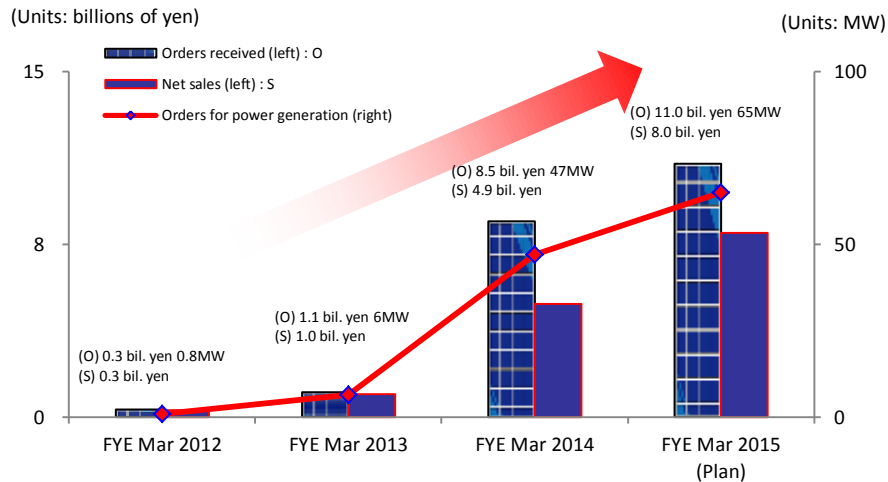
Sales (ICT Solution Business)



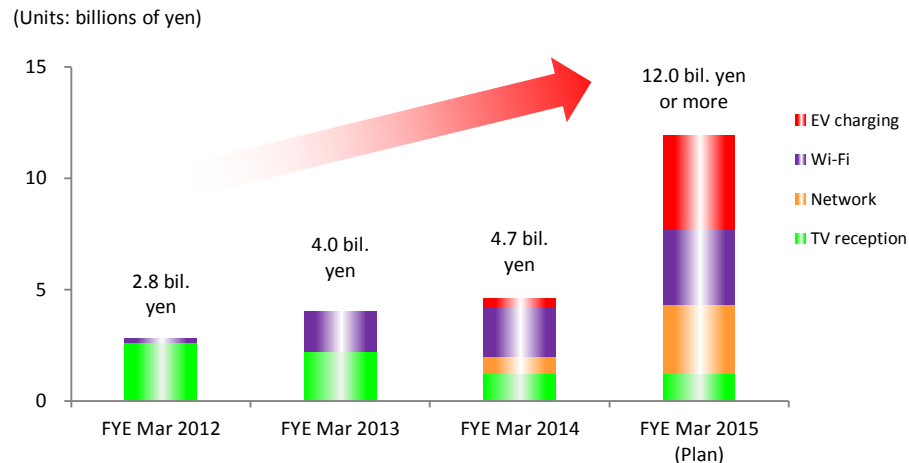
Efforts in FYE Mar 2015

Business segment	Content	
Environmental & social innovation	Solar	<ul style="list-style-type: none"> Strengthening of cooperation with major new electric power companies ⇒ Sales increased to 8.0 bil. yen this year
	Environmental and energy	<ul style="list-style-type: none"> Work on EV charging facilities BEMS work (drug store chain) Bulk electrical work for condominiums (newly in 11 buildings)
	Social infrastructure Public works	<ul style="list-style-type: none"> Work on aging infrastructure ⇒ Highways (ETC renewal, Metropolitan Expressway lighting work) ⇒ Water and sewage work (Tokyo), etc. Public works ⇒ Shonan Bypass communication work, etc. ⇒ Repair work on Ministry of Defense and US military communication infrastructure
ICT solutions	Networks and servers	<ul style="list-style-type: none"> Large-scale data center facility work, operation and maintenance Network and server renewal (universities, local governments, etc.) Expansion of agency sales of new security-related products ⇒ Clavister (Sweden/ network security) ⇒ Surveon (Taiwan/ surveillance cameras)
	PBX	<ul style="list-style-type: none"> Large-scale PBX renewal work ⇒ 7 locations of the University of Tokyo (Hongo Campus, etc.) ⇒ Major banks, securities, hospitals, retail
	Software	<ul style="list-style-type: none"> National Health Insurance and medical system (Sapporo City) Expansion of business from maintenance and operation ⇒ Undertaking development of corporate wage systems

Orders Received and Power Generated in Solar Power Work



Expansion of Nationwide Installation Work (Net Sales)



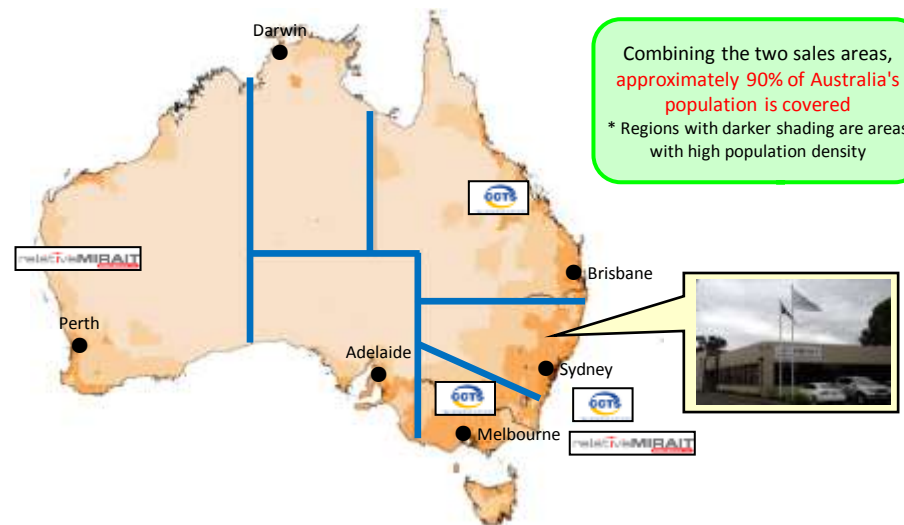
Efforts in New Businesses

EV charging system	<ul style="list-style-type: none"> Work on EV charging facilities (Orders in 1,200 locations nationwide) ⇒ Highway service areas and parking areas, convenience stores, shopping malls, etc 	
Mobile ICT business	<ul style="list-style-type: none"> ee-TaB* tablet service for hotels ⇒ Start of service to hotel chains from November 	
Wi-Fi & solutions	<ul style="list-style-type: none"> Wi-Fi installation work ⇒ Subways, convenience stores, major theme parks, etc. Promotion of packaging of enterprise Wi-Fi environment 	
Redevelopment in Tokyo	<ul style="list-style-type: none"> Laying power lines underground New Toyosu Market (mobile phone indoor coverage) Efforts in business related to the Tokyo Olympics 	
Measures to address 700MHz television reception	<ul style="list-style-type: none"> Responsible for Hokkaido, Tohoku, Tokai and Hokuriku areas ⇒ Begin from national public facilities 	
Energy management solutions	<ul style="list-style-type: none"> MIRAIT Technologies was selected as an "energy management support service provider" in projects supported by METI 	

Expansion of Business in Australia

Management integration, in Australia, of a group company (Relative MIRAIT) and affiliated company (CCTS) in July. **MIRAIT Technologies Australia is expanding business by participating in the Australian national broadband network (NBN) Project as a Tier 1 company**

⇒ Consolidated from second quarter
(net sales projected to be approx. 3.6 bil. yen this fiscal year)



4. Structural Reforms and Efforts to Reduce Administrative Costs

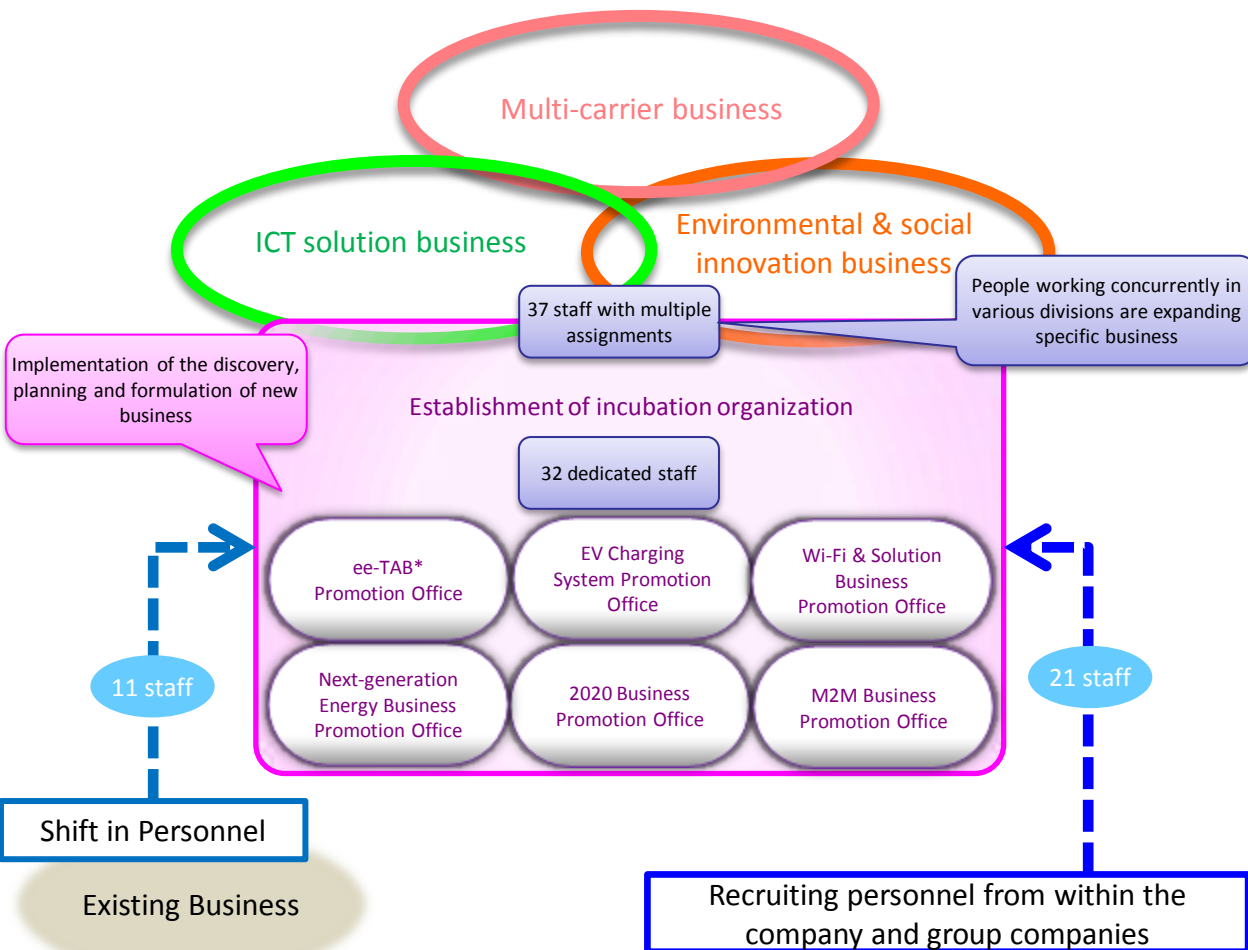
- Maximizing the effects of business reorganization enables the strategic shift of personnel and injection of personnel into growth areas
- Promotion of cost-reduction measures through reduction project of administrative expenses
- Acceleration of shift of personnel to other businesses and reforms of the business operation structure in the NTT Business

	FYE March 2014	FYE March 2015
Promotion of shift of Personnel (See P23)	<ul style="list-style-type: none"> • Promotion of the shift of personnel through the merger of Daimei and Todentsu ⇒ Reduction of personnel by approx. 185 through more efficient operations (Reduction of approx. 7% of MIRAITS personnel) ⇒ Shift of approx. 300 personnel to growth areas (over 10% of MIRAITS personnel) <p style="text-align: right;">0.7 bil. yen</p>	<ul style="list-style-type: none"> • Promotion of shift of personnel to growth areas ⇒ Establishment of organization for promoting new business • Reduction of personnel in administrative staff (1,300) by 5%
Promotion of measures to reduce administrative expenses	<ul style="list-style-type: none"> • Reduction through integration of internal systems (accounting, personnel, ordering, materials, etc.) • Improved efficiency through the concentration of internal administrative operations (MBC) • Reduction of rent for headquarters building through consolidation and relocation <p style="text-align: right;">0.7 bil. yen</p>	<ul style="list-style-type: none"> • Consolidation and standardization of subsidiary operations through MBC • Promotion of the reduction of costs through consulting activities, etc. ⇒ Communication costs, copying costs, printing expenses, etc. <p style="text-align: right;">0.4 bil. yen</p>
Implementation of measures to improve productivity in the NTT business (See P17)	<ul style="list-style-type: none"> • Reorganization of access subsidiaries (12→8) • Approximately 70 personnel transferred by implementing measures to improve efficiency of operations • Review of allocation of business between operating companies (elimination of organizations) ⇒ MIRAITS [Saitama, Gunma], MIRAITS Technologies [Chiba] <p style="text-align: right;">0.5 bil. yen</p>	<ul style="list-style-type: none"> • Promotion of shift of personnel to growth areas (Approximately 80 scheduled for this fiscal year) • Reduction of indirect operations and promotion of efficiency through consolidation of offices in each area • Concentration in support center and promotion of business consignment <p style="text-align: right;">0.9 bil. yen</p>
Visualization of cost management and promotion of BPR (See P24)	<ul style="list-style-type: none"> • Strengthening of cost analysis by item using unified core system (MINCS) • Computerization of intra-group transactions 	<ul style="list-style-type: none"> • Promotion of BPR through the utilization of work management tools ⇒ Promotion of visualization of work management in construction divisions • Promotion of cost management (Visualization of revenue and expenditure of work)
Total improvement	Actual: 1.9 bil. yen	Plan: 1.3 bil. yen or more

■ Reference (Promotion of shift of personnel)

- Establishment of an organization aimed at the promotion of new business and the utilization of personnel (July)
 - ⇒ (MIRAIT) **Reorganization of headquarters and establishment of incubation organization**
 - ⇒ (MIRAIT Technologies) **Establishment of Hyper Technoport Center** (Enhancement of technical capabilities and strengthening of skill conversion)
- **Promotion of the shift of personnel to growth areas** (approx. 300 during the first half)

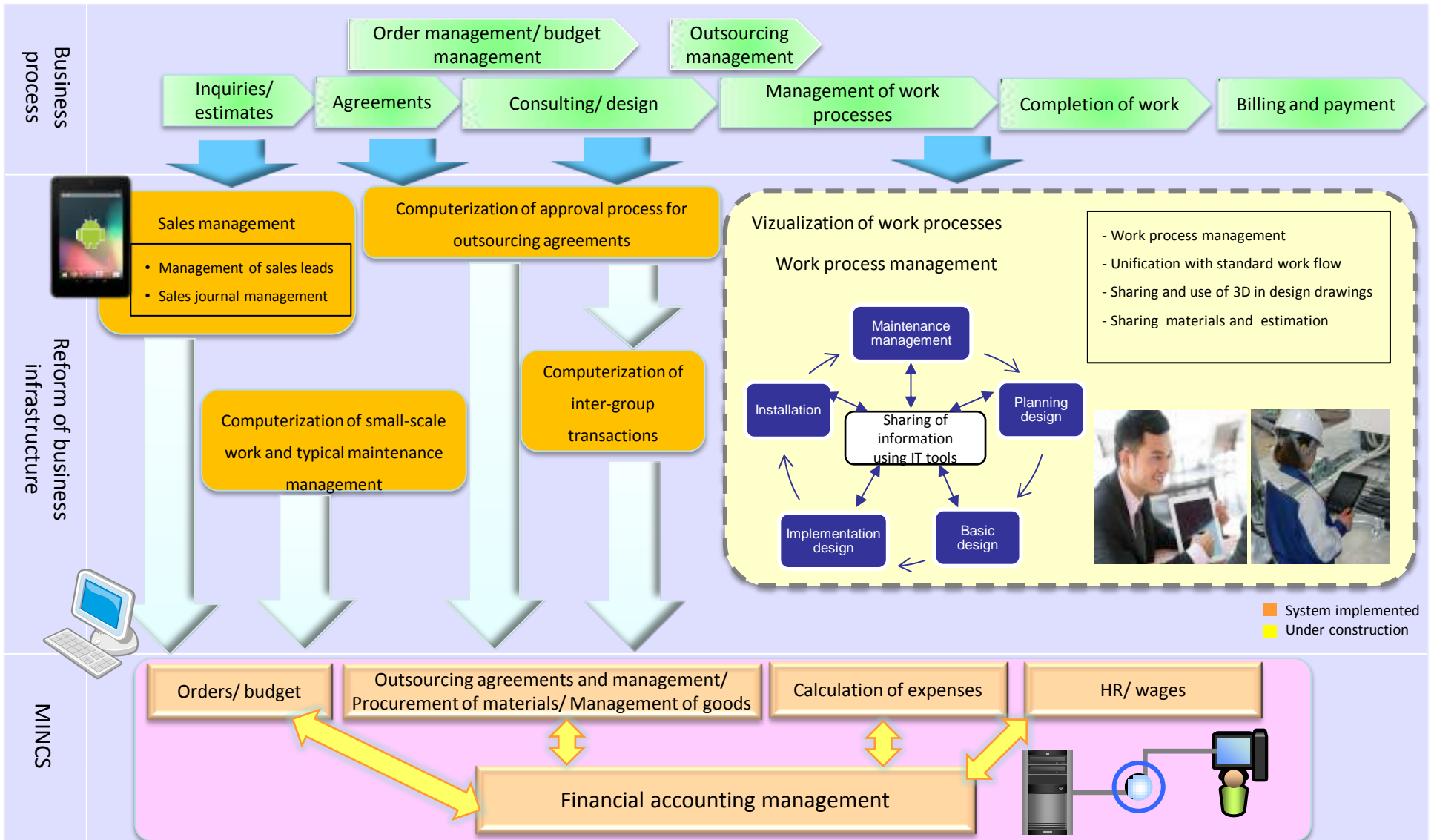
< Efforts : Establishment of a new incubation organization in MIRAIT Corporation >



ee-TAB* Promotion Office	<ul style="list-style-type: none"> • Planning and development of new services using tablets in a variety of areas starting with hotels ⇒ Tourism, services for foreign tourists, shopping, etc.
EV Charging System Promotion Office	<ul style="list-style-type: none"> • Promotion of stock business in installation locations starting with EV charging system, and planning and development of services in new transportation areas
Wi-Fi & Solution Business Promotion Office	<ul style="list-style-type: none"> • Solutions for local governments and commercial facilities working with telecommunication carriers ⇒ Tourism, advertising, shopping, etc. • One-stop provision from network integration to O&M, and packaging including application development
Next-generation Energy Business Promotion Office	<ul style="list-style-type: none"> • Efforts aimed at creating, storing and saving energy • Creation of a model for collaboration with power generation companies
2020 Business Promotion Office	<ul style="list-style-type: none"> • Efforts aimed at projects for building Tokyo (smart cities, CEMS, infrastructure maintenance, etc.)
M2M Business Promotion Office	<ul style="list-style-type: none"> • Planning and development for M2M market development • Bridge inspection technology (Ministry of Land, Infrastructure, Transport and Tourism tender)

Reference: Visualization of Cost Management and Promotion of BPR of Operations

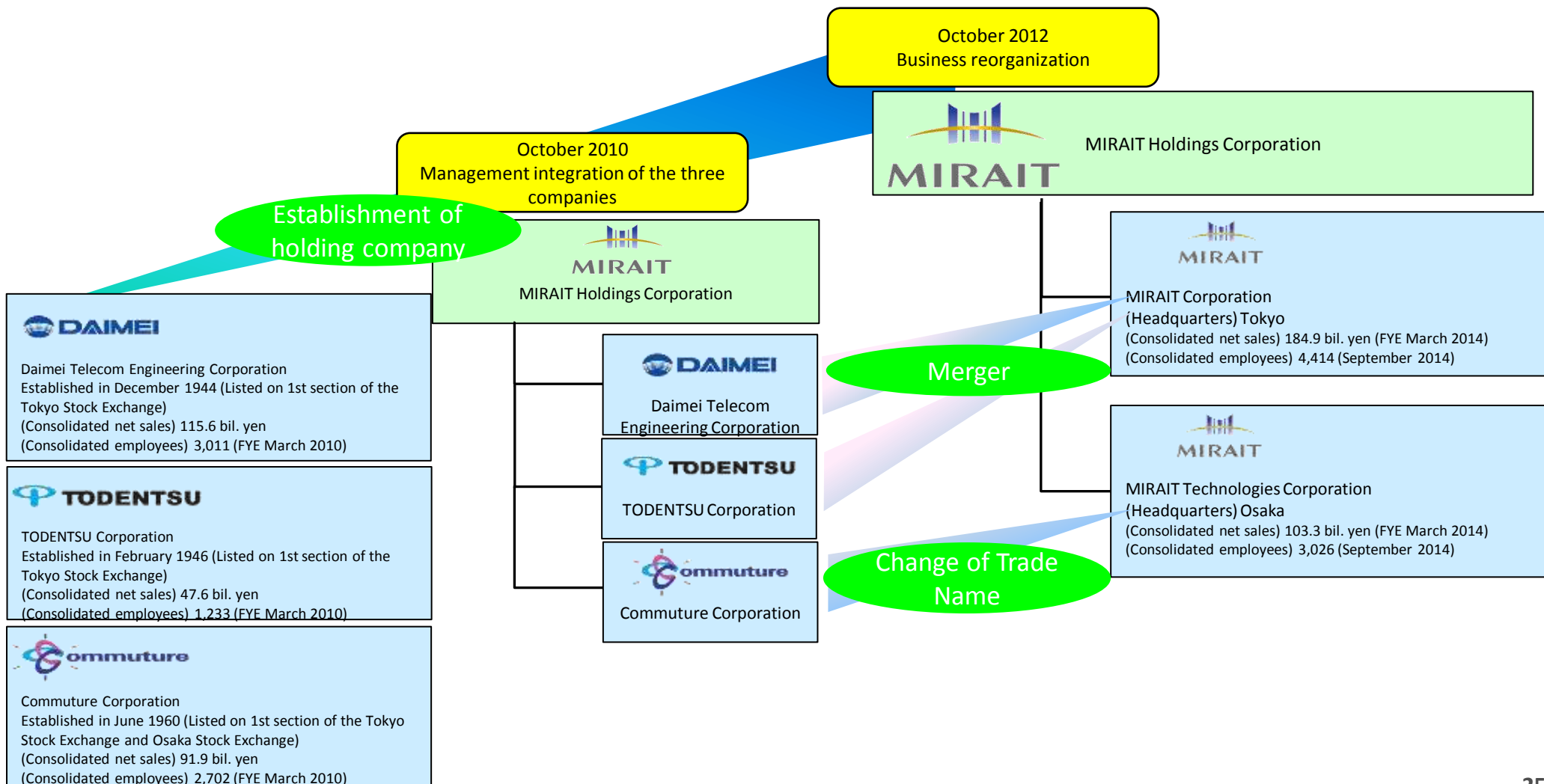
- Centralized management of financial accounting using an integrated financial accounting system (MINCS:Mirait the NuCLeus business system for produce Synergy)
- At present, we are implementing reforms of our business infrastructure with the aim of “improving cost management” and “optimizing sales and work processes”



V. Reference Materials

3. Formation of the MIRAIT Group

- In October 2010, a management integration was carried out by Daimei, Commuture and TODENTSU, which had conducted business creating communication infrastructure for over half a century as partners of telecommunications carriers. They established MIRAIT Holdings Corporation.
- On October 1, 2010, a transition was made from an organization based on three operating companies to one based on two operating companies (MIRAIT and MIRAIT Technologies), and the structure was shifted to a "Comprehensive Engineering and Service Company".



1. Company Overview

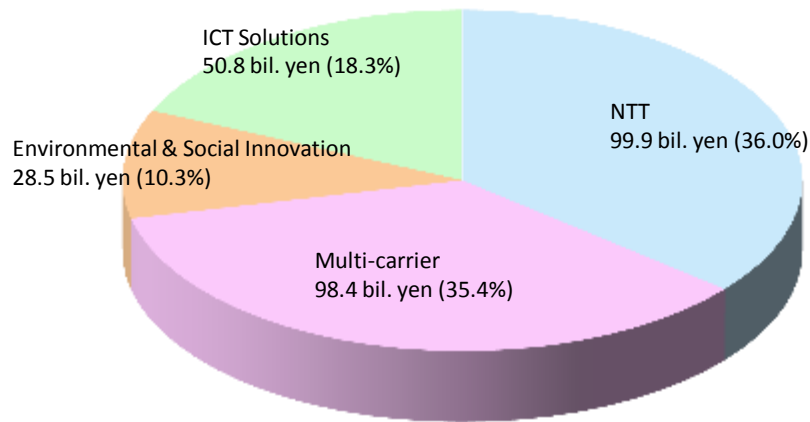
(1) Business Composition

- The Group conducts business in a wide range of areas including ICT, the environment and energy, based on the creation of communication infrastructure (fixed communication and mobile communication) that is its main business.

Business content

Business category	
(1) NTT Business	<ul style="list-style-type: none"> Construction, maintenance and operation of fixed communication facilities for the NTT Group
(2) Multi-carrier Business	<ul style="list-style-type: none"> Construction, maintenance and operation of mobile communication facilities NCC fixed communication equipment, CATV work, Global etc.
(3) Environmental & Social Innovation Business	<ul style="list-style-type: none"> Environment and new energy Creation of social infrastructure Construction, maintenance and operation of electrical and air conditioning facilities of general companies, etc.
(4) ICT Solution Business	<ul style="list-style-type: none"> Cloud computing, office solutions, Wi-Fi, software, etc. Construction, maintenance and operation of telecommunication systems of general companies, etc.

Composition of sales in the year ended March 31, 2014



Net sales by business

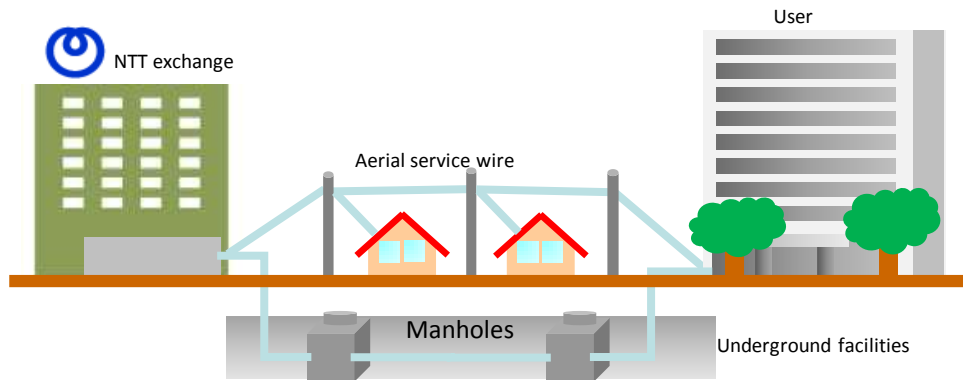
(Units: billions of yen)



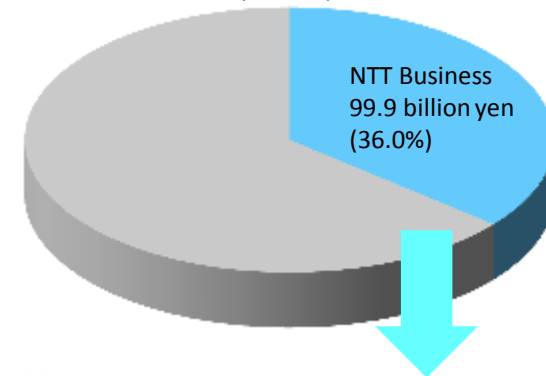
(2) Business Overview

(1) NTT Business

- Construction, maintenance and operation of fixed communication facilities of the NTT Group. Centered on the Greater Tokyo and Kansai regions.
- The Company's core business, accounts for 36.0% of net sales.



Net sales and composition (FY2013)



<Breakdown>

- Home and outdoor work
- Large scale outdoor work (Pole renewal , Other)
- Public engineering works (manholes, conduit facilities, public utility facilities)
- Network line work
- Facility management services (repairs, cable maintenance)



Pole renewal



Setting up optical fiber



Laying optical fiber



Construction of underground facilities



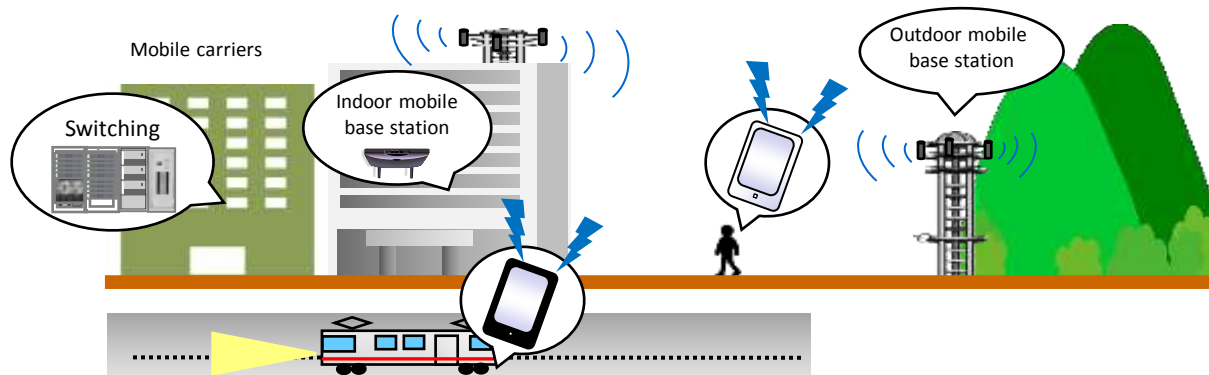
Work to lay underground conduits



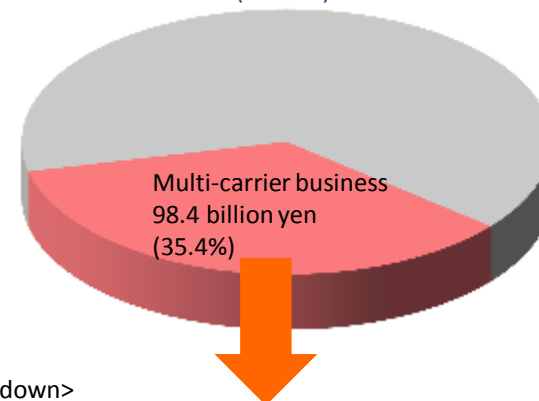
Upgrading switch programs

(2) Multi-carrier Business

- Nationwide works on construction, maintenance and operation of communications facilities of all mobile carriers such as NTT DoCoMo, KDDI, Softbank, etc
- Fixed communication equipment for NCCs, CATV work, global business
- This accounts for 35.4% of net sales.



Net sales and composition (FY2013)



<Breakdown>

- Construction of outdoor base stations (LTE, 3G, etc.)
- Construction of indoor base station (inside buildings, subways, etc.)
- Carrier networking (fixed facilities of telecommunications carriers, etc.)
- Global (work on facilities of overseas telecommunications carriers)



Co-installation of wireless base stations



LTE work



Carrier networks



Global

(3) Environmental & Social Innovation and ICT Solution Business

The growing business which serves as an engine to become a "Comprehensive Engineering and Services Company".

- Environmental & Social Innovation : Offers the comprehensive solutions to create environmental / social infrastructure. This accounts for 10.3% of net sales.
- ICT Solution : Supports our clients to create the ICT infrastructure. This accounts for 18.3% of net sales.

Environmental & Social Innovation Business



Solar power work



EV charging



Laying power lines underground



Repairing lighting equipment of highways

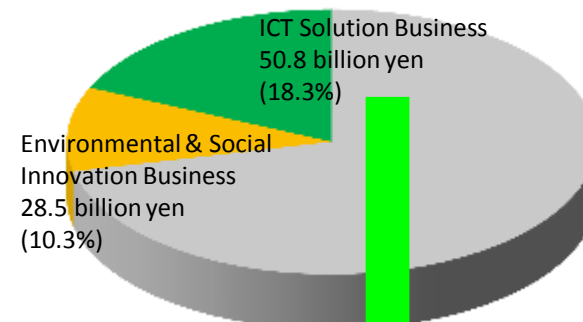
<Breakdown>

Environment and energy
(solar power, EV charging, etc.)

Electrical and air conditioning
(building electrical facilities, air conditioning, sanitation, etc.)

Social infrastructure
(public engineering works, communication engineering works, public sewer works, etc.)

Net sales and composition
(FY2013)



ICT Solution Business



Setting up Wi-Fi environments



ee-TaB*



Data center maintenance



Creating LAN-WAN

<Breakdown>

Cloud computing, office solutions, Wi-Fi & solutions

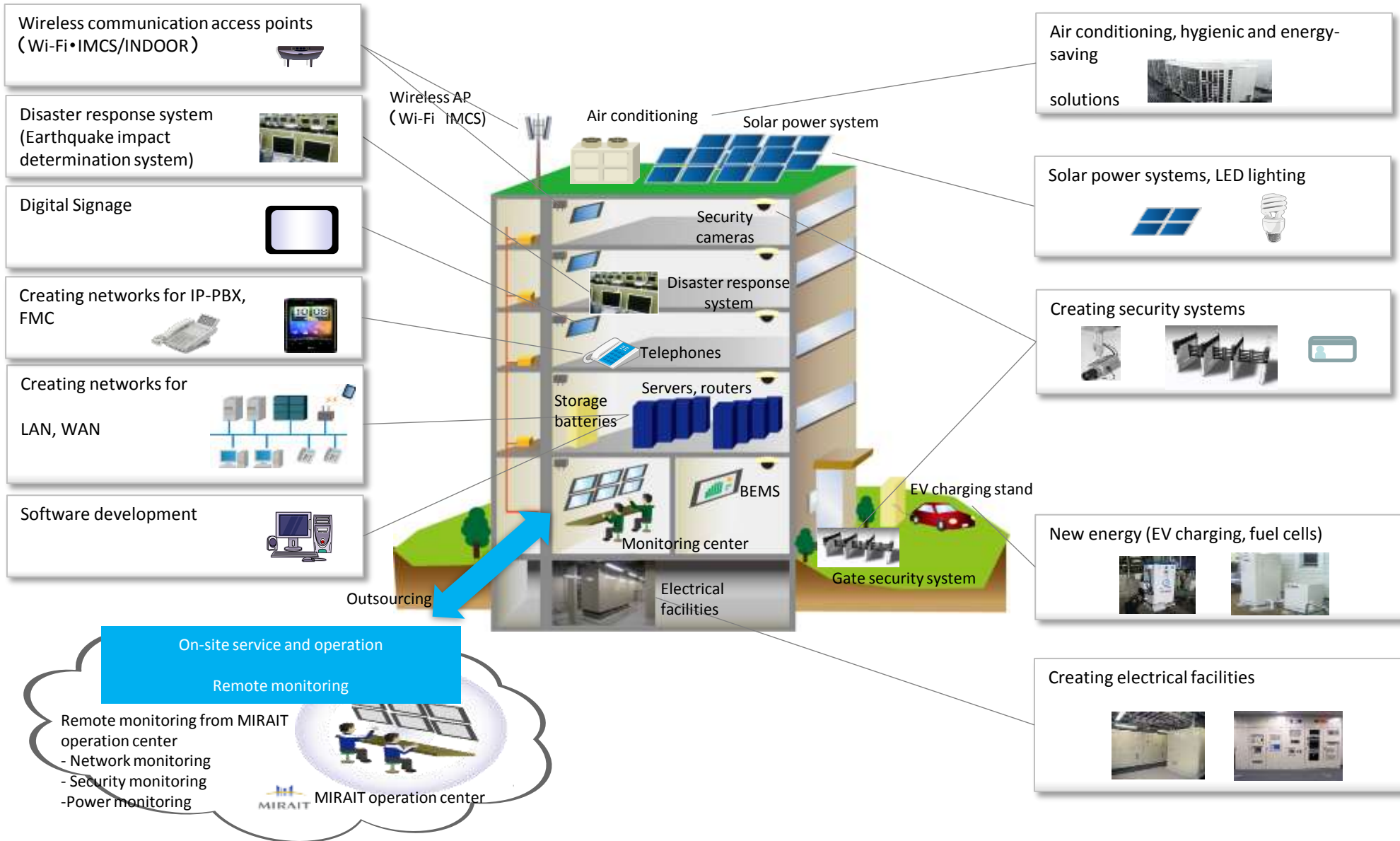
IP networking and communications
(Creation of LAN, WAN, wireless LAN)

Software development
(System design, application development, etc.)

Operation and maintenance
(On-site maintenance services, remote monitoring services, etc.)

Voice systems (Installation of PBX / IP-PBX systems, etc.)

Building Management and Solutions Offered by the MIRAIT Group



(3) Executive Officers

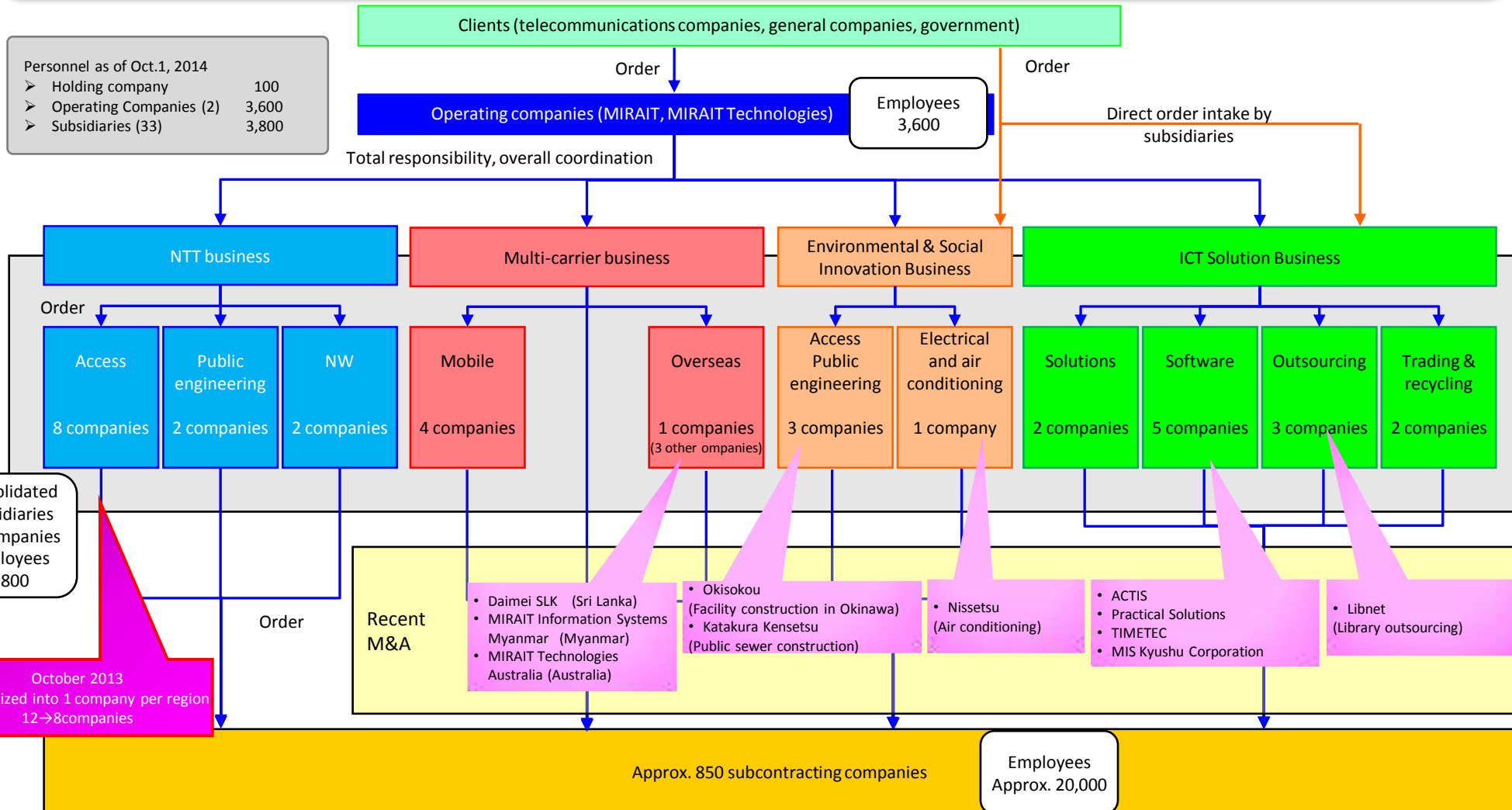
Position	Name	Outside Officer	Bio
Chairman, Director	Goro Yagihashi		Senior Executive Vice President, Nippon Telegraph and Telephone East Corporation
President and CEO	Masatoshi Suzuki		Senior Executive Vice President, NTT DOCOMO, Inc.
Senior Executive Vice President	Fumio Takaesu		President, NTT NEOMEIT Corporation
Senior Executive Vice President	Kouichi Takahatake		Senior Executive Vice President, Nippon Telegraph and Telephone West Corporation
Director	Tatsuhisa Yoshimura		Senior Executive Vice President, NTT-ME Corporation
Director	Yoshimasa Tokui		Director, NTT Communications Corporation
Director and CFO	Manabu Kiriya		General Manager of Accounts and Finance Department, Nippon Telegraph and Telephone East Corporation
Director	Masashi Sogo		Senior Vice President, NTT DATA Corporation
Director	Hiroshi Kogure		General Manager of the Fukushima Branch, Nippon Telegraph and Telephone East Corporation
Director	Masaharu Kimura	○	Managing Executive Officer, IBM Japan, Ltd.
Director	Eiji Ebinuma	○	Attorney at Law (Present)
Standing Corporate Auditor	Yoshinobu Tanaka		General Manager of NTT Sales Division, Canon Marketing Japan Inc.
Standing Corporate Auditor	Masao Matsuo	○	Director, NTT Advertising, Inc.
Corporate Auditor	Yusuke Kodama		Director, MIRAIT Technologies Corporation
Corporate Auditor	Hiroshi Daikuya	○	Certified Public Accountant (Present)

(4) Overview of Major Subsidiaries

	MIRAIT Corporation	MIRAIT Technologies Corporation
Capital stock	5.6 billion yen	3.8 billion yen
President (CEO)	Masatoshi Suzuki	Fumio Takaesu
Main Businesses	Communication engineering business, etc.	Communication engineering business, etc.
Consolidated Business Performance (FY2013)	[Net sales] 184.9 billion yen [Operating income] 9.0 billion yen	[Net sales] 103.3 billion yen [Operating income] 2.0 billion yen
Headquarters	5-6-36 Toyosu, Koto-ku, Tokyo	3-3-15 Edobori, Nishi-ku, Osaka-shi, Osaka
Business locations	15	10
Consolidated Subsidiaries (As of December 31, 2014)	17	16
Employees: (As of September 30, 2014)	[Consolidated] 4,414 [Non-consolidated] 2,690	[Consolidated] 3,026 [Non-consolidated] 911

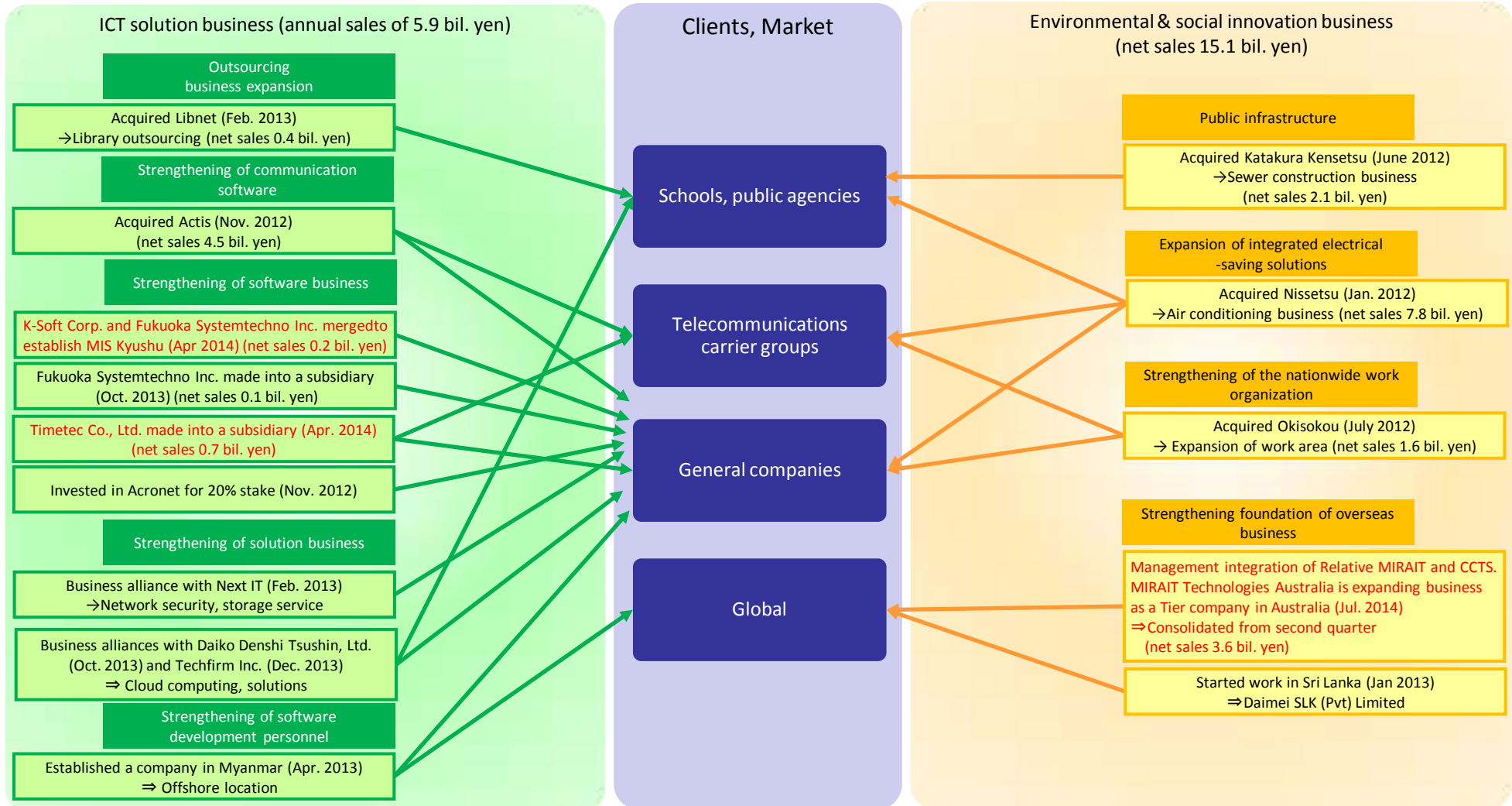
(5) Group Formation

- In NTT and (Mobile), MIRAIT and MIRAIT Technologies bear total responsibility including designing, quantity survey, operational management, while subsidiaries and subcontracting companies undertake the construction works.
- MIRAIT group is building a nationwide work organization with 20,000 people in 850 subcontracting companies.
- In Environmental & Social Innovation and ICT Solution Business, the group deploys various programs (solution, software, outsourcing, trading company). Further expansion of business areas through active M&A.



(6) Expansion of Business Fields through the Use of M&A, etc.

- In the ICT solution business, we intend to exploit new business fields mainly in the upper layer (software, cloud computing, etc.)
- In the environmental & social innovation business, we will expand our business domain mainly in areas around existing business



(Note) The net sales shown for each company are the actual sales for the most recent year reported.

(7) Share Information

(1) Major Shareholders (As of Sep. 30, 2014)

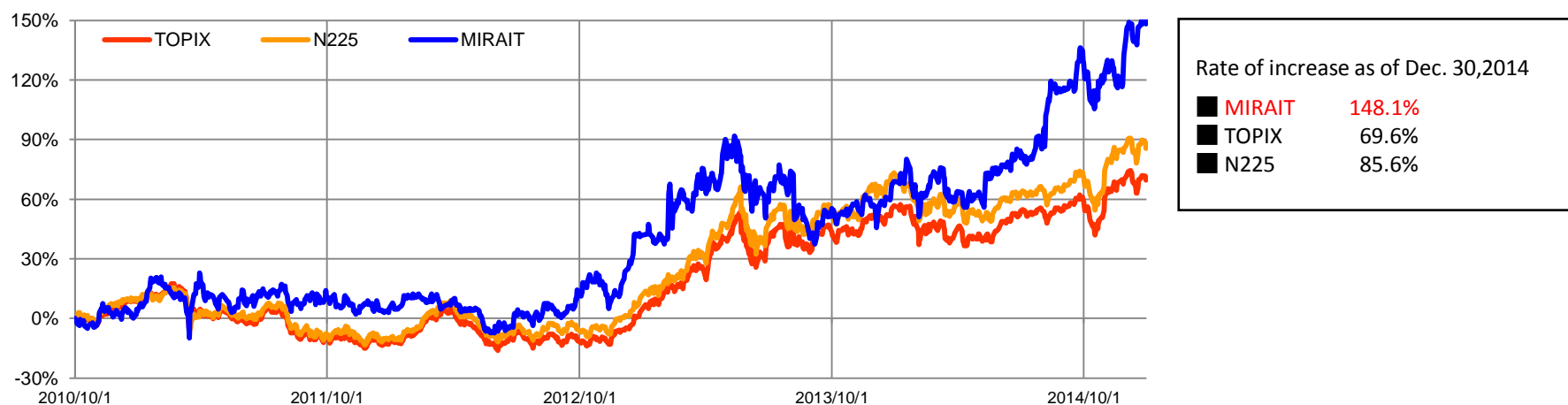
Shareholder	Number of Shares Held (thousands)	Shareholding Ratio (%)	Shareholder Composition												
Sumitomo Electric Industries, Ltd.	16,236	19.0%	<p>A 3D pie chart illustrating the composition of the company's shares. The largest segment is Japanese corporations at 29.8%, followed by Financial institutions at 25.8%, Foreign corporations at 19.6%, Individuals at 21.3%, and Treasury stock at 3.5%.</p> <table border="1"> <caption>Shareholder Composition Data</caption> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Japanese corporations</td> <td>29.8%</td> </tr> <tr> <td>Financial institutions</td> <td>25.8%</td> </tr> <tr> <td>Foreign corporations</td> <td>19.6%</td> </tr> <tr> <td>Individuals</td> <td>21.3%</td> </tr> <tr> <td>Treasury stock</td> <td>3.5%</td> </tr> </tbody> </table>	Category	Percentage	Japanese corporations	29.8%	Financial institutions	25.8%	Foreign corporations	19.6%	Individuals	21.3%	Treasury stock	3.5%
Category	Percentage														
Japanese corporations	29.8%														
Financial institutions	25.8%														
Foreign corporations	19.6%														
Individuals	21.3%														
Treasury stock	3.5%														
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,869	5.7%													
MIRAIT Holdings Co., Ltd (Treasury Stocks)	4,046	4.7%													
Japan Trustee Services Bank, Ltd. (Trust Account)	2,999	3.5%													
Sumitomo Densetsu Co., Ltd.	2,488	2.9%													
BBH For Fidelity Low-priced Stock Fund (Principal All Sector Subportfolio)	1,984	2.3%													
State Street Bank and Trust Company	1,415	1.7%													
MIRAIT Holdings Employees's Stock Option Plan	1,409	1.7%													
Mizuho Bank, Ltd.	1,229	1.4%													
Japan Trustee Services Bank, Ltd. (Trust Account 9)	1,085	1.3%													
Shares	85,381														

(2) Share Price (Since establishment of MIRAIT Holdings on October 1, 2010)

Share price and trading volume (Closing price)



Performance of MIRAIT compared to major indices



2. Changes in the Business Environment and Business Opportunities

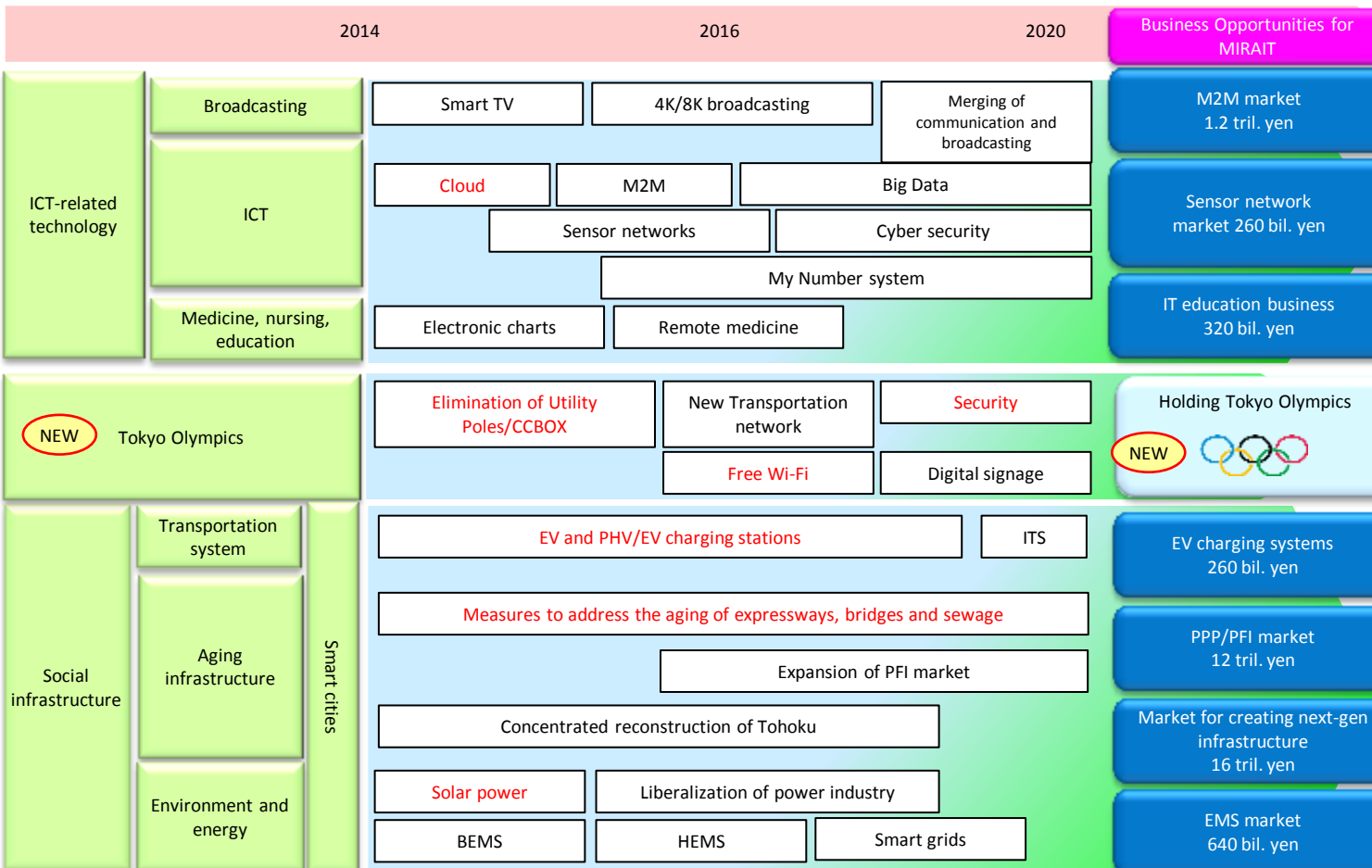
Japan's Structural Problems

- Overcome from low growth and deflation
- Aging infrastructure and large-scale disasters
- Environment and energy issues
- Fiscal deficit
- Low birthrate and aging population, decreasing population, regional depopulation
- Tohoku reconstruction

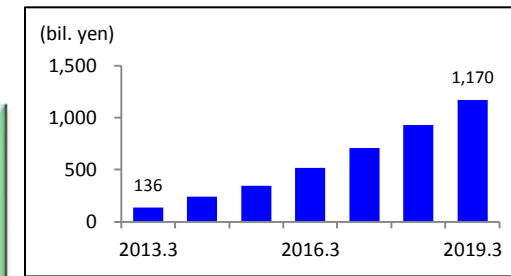
Japanese Government Policy

- Three arrows of Abenomics → Nominal growth rate of +3% for 10 years
- Deregulation and promotion of direct investment in Japan (Doubled to 35 tril. by 2020)
 - Strategic zones, Lower corporate tax, TPP, PFI (4 tril. → 12 tril. over 10 years)
- "Visit Japan" Tourism Strategy expand through the Tokyo Olympics
- Basic Act to Strengthen Japan (Dec 2013) → 15 tril. invested over 3 years
- Renewable energy feed-in tariff system (Jul 2012), Liberalization of power industry (2016~)
- Increase in consumption tax 5% → 8% (Apr 2014) → 10% (Apr 2017)
- Extension of retirement (~65), improve medical, welfare and childcare support
- Reconstruction of Tohoku → Concentration of 13 tril. over 5 years (23 tril. over 10 years)

Changes in the Social Environment

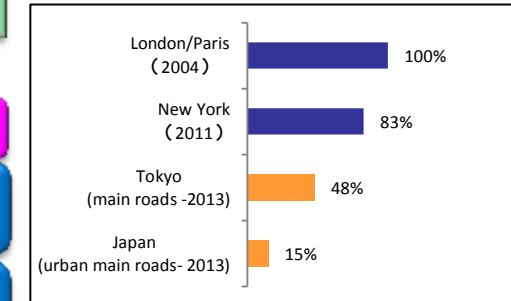


Forecast for the M2M market (domestic)



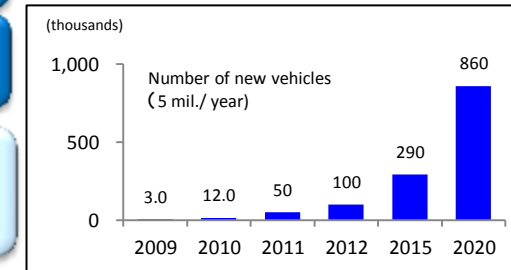
Source: Created by MIRAIT based on materials published by Nomura Research Institute

Elimination of Poles in Japan and Overseas



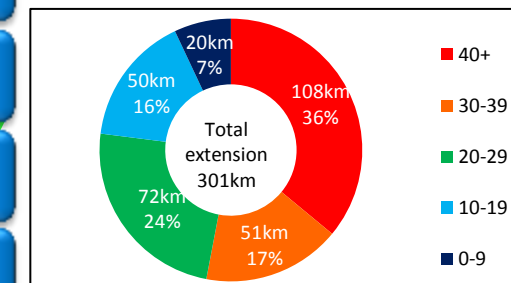
Source: Created by MIRAIT based on materials published by Ministry of Land, Infrastructure, Transport and Tourism

Outlook for Spread of EV and PHV (Japan)



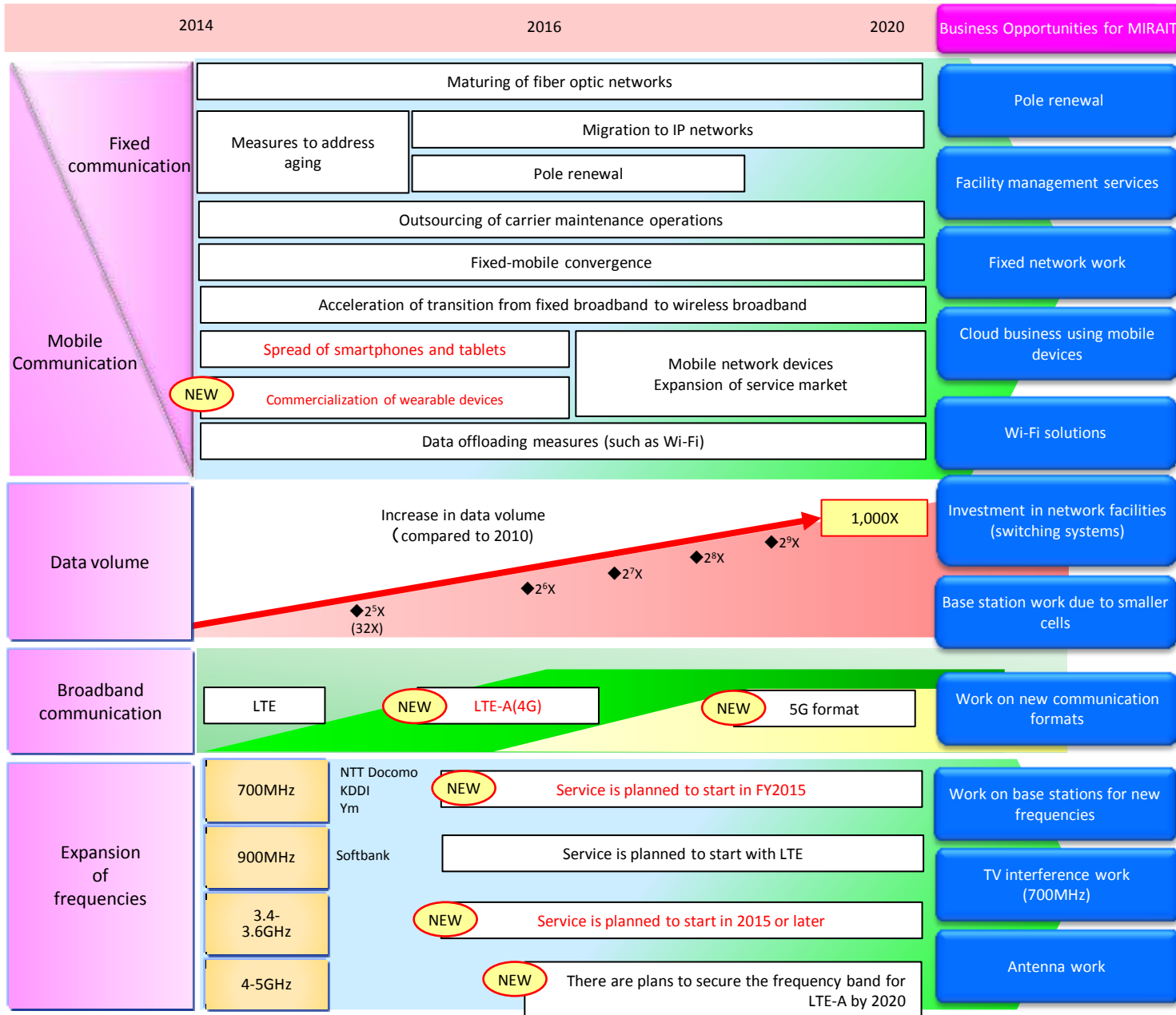
Source: Created by MIRAIT based on materials published by Ministry of the Environment

Age of Metropolitan Expressway Roads (April 2011)

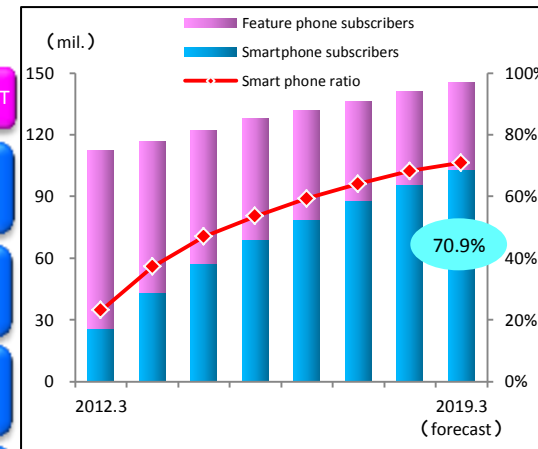


Source: Created by MIRAIT based on materials published by Ministry of Land, Infrastructure, Transport and Tourism

Changes in the Communication Environment

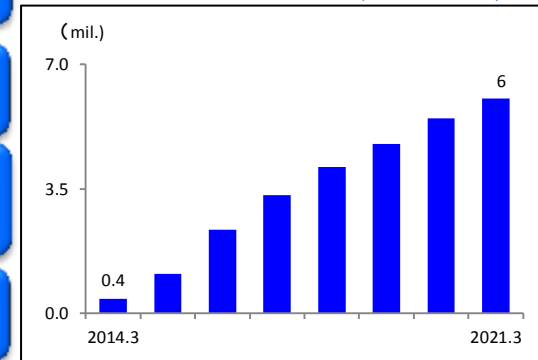


Forecast Size of Smartphone Market (Japan)



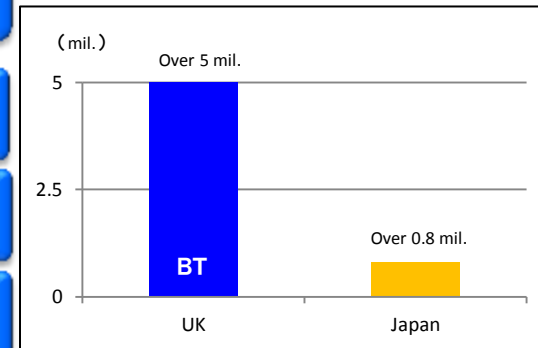
Source: Created by MIRAIT based on materials published by MM Research Institute

Estimate of Wearable Devices Market (Domestic Sales)



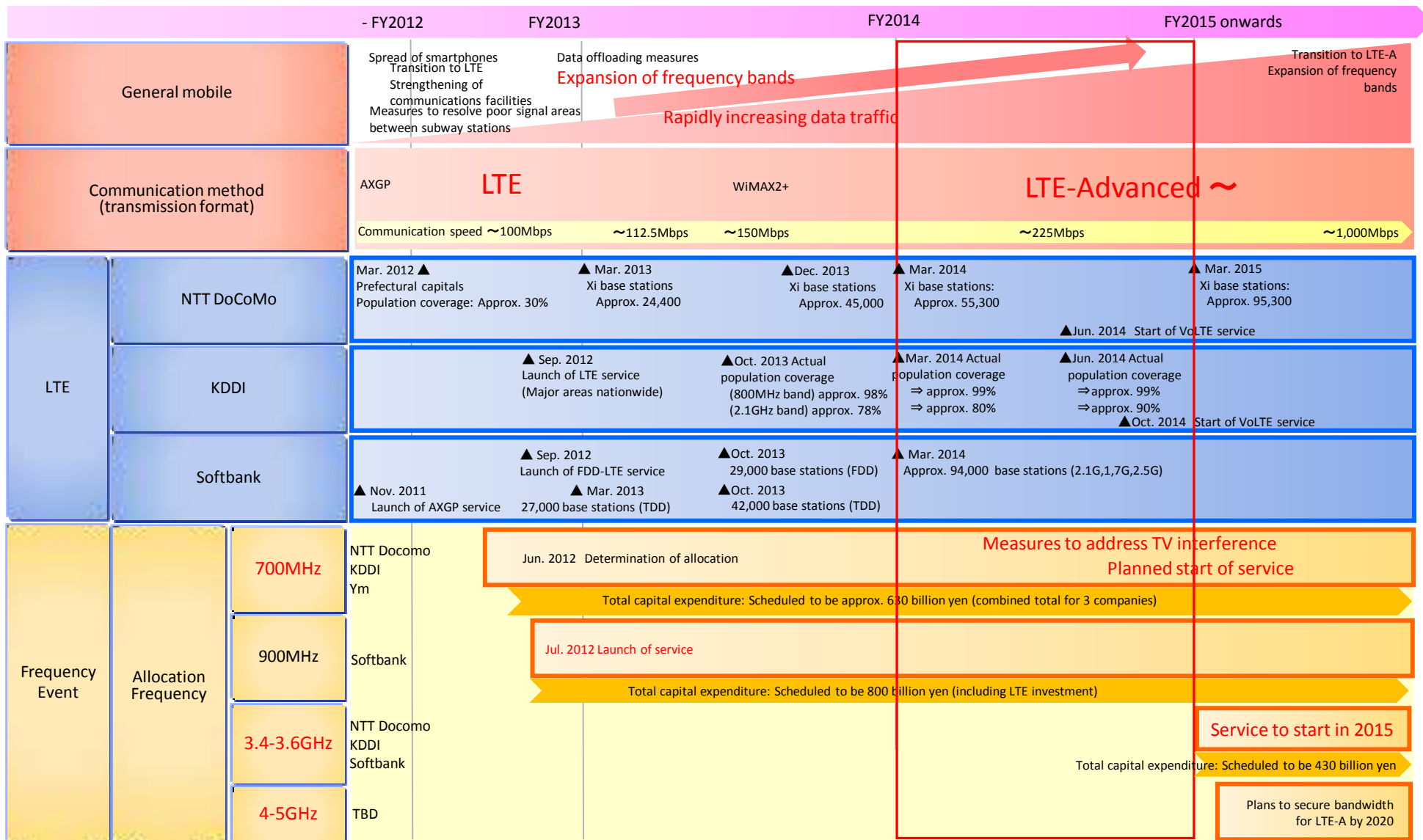
Source: Created by MIRAIT based on materials published by MM Research Institute

Comparison of Carriers' Wi-Fi Spots

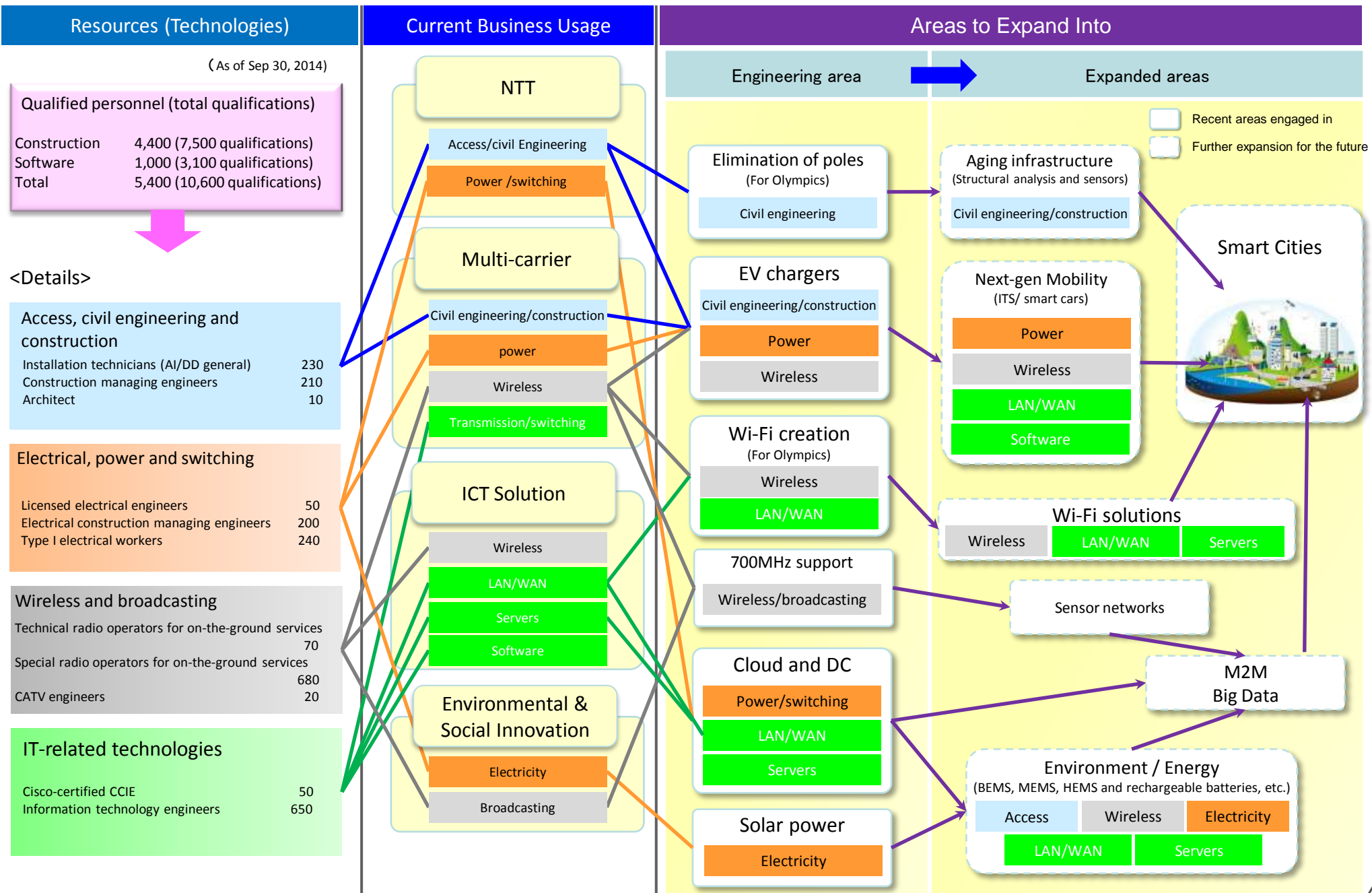


Source: Estimated by MIRAIT based on carriers' HP

- Since FY2012, mobile carriers have been accelerating LTE services. Mobile phone services using new frequency bands have also been started
- From FY2014, service is scheduled to begin providing using new frequency bands and higher speeds using carrier aggregation technology that is an LTE-Advanced technology



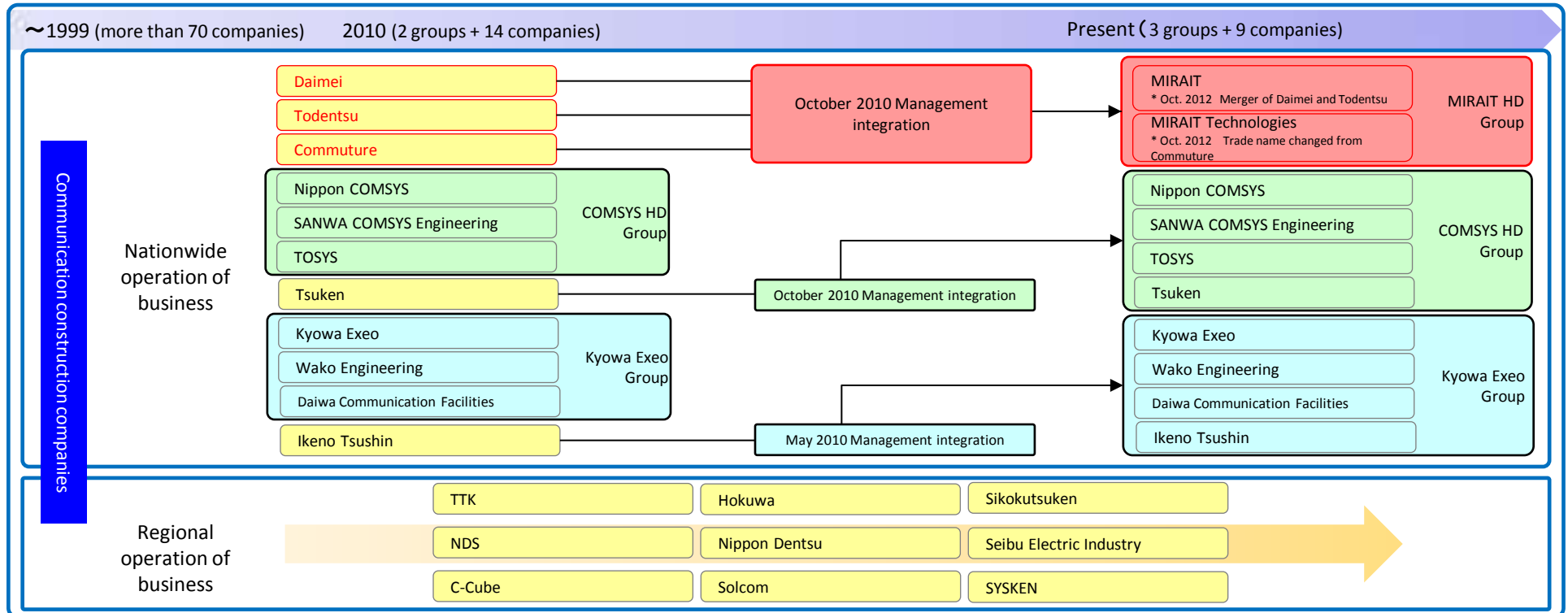
3. Expansion of Business Areas Utilizing the MIRAIT Group's Technologies



4. Current Industry Conditions

(1) Current State of the Industry (As of December 2014)

- Communications construction companies are made up of three nationwide groups (MIRAIT, COMSYS, Kyowa Exeo), and nine regional companies. In recent years, a realignment of the industry has been carried out by these companies.
- Electrical construction companies and railway construction companies are also operating businesses in the area of communications construction, and some are becoming competitors.



Electrical construction companies

Kinden
Kandenko

etc.

IT construction companies

NEC Networks & System Integration
Net One Systems
ITOCHU Techno Solutions

etc.

Railway construction companies

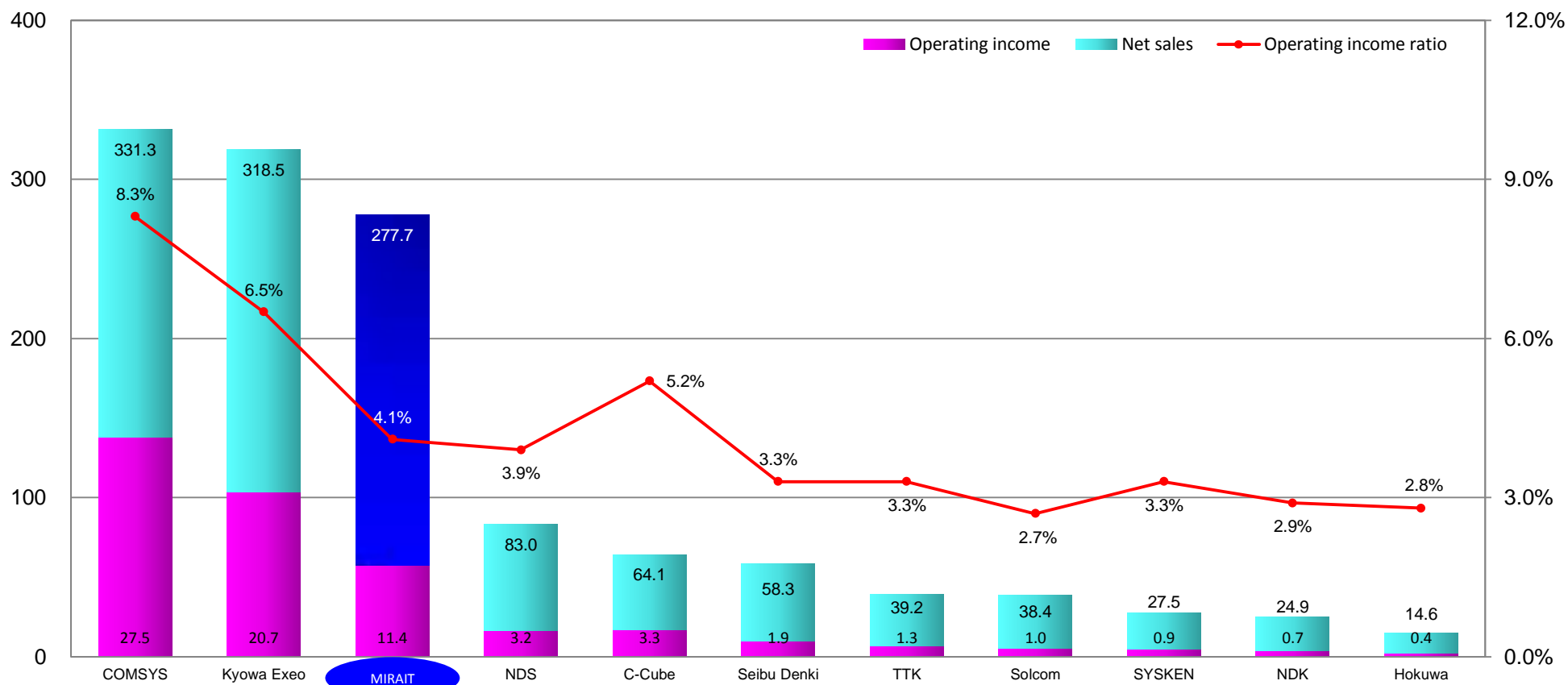
Nippon Densetsu Kogyo

etc.

(2) Net Sales and Operating Income of MIRAIT and Peer Companies

- MIRAIT Holdings established with the management integration of the three companies had net sales of 277 billion yen in the year ended March 2014, approaching the scale of the two largest companies (COMSYS and Kyowa Exeo). Growing into one of the industry's leading groups.

(Units: billions of yen)



* Prepared by MIRAIT based on the figures announced by each company. (Solcom's fiscal year closes in December and Sikokutsuken is not disclosed because it was not listed)

VI. Supplementary Materials

1. Performance

Units: billions of yen	FYE March 2011	FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2015 (Plan)
Orders received	241.3	252.0	278.0	282.0	290.0
Net sales	246.6	236.0	271.0	277.7	285.0
Gross profit	24.3	24.0	29.3	29.9	32.3
Gross profit ratio	9.9%	10.2%	10.8%	10.8%	11.3%
SG&A	19.3	18.7	18.4	18.5	19.3
SG&A ratio	7.8%	8.0%	6.8%	6.7%	6.8%
Operating income	4.9	5.2	10.8	11.4	13.0
Operating income ratio	2.0%	2.2%	4.0%	4.1%	4.6%
Ordinary income	5.7	6.1	11.7	12.2	13.6
Ordinary income ratio	2.0%	2.6%	4.3%	4.4%	4.8%
Net income	30.6	3.2	4.2	7.1	9.2
Net income	12.4%	1.4%	1.5%	2.6%	3.2%

* Figures are rounded down to one decimal place (billions of yen).

* In the year ended March 2011, we conducted aggregated accounting (purchase method) with the establishment of the Company. As a simple comparison cannot be made, the figures shown are for the simple aggregate of the three merged companies (Daimei, Commutere, Todentsu).

*Extraordinary income and net income for the year ended March 2011 include the “negative goodwill” (26.8 bil. yen) arising from the integration of management.

2. Orders Received and Net Sales by Business Category

Orders received Units: billions of yen	FYE March 2014 2Q actual results	FYE March 2015 2Q actual results	YoY Change (Percentage change)
	(a)	(b)	(b)-(a)
NTT Business	50.0	45.5	- 4.5 (- 9.0%)
Multi-carrier business	47.1	52.6	+ 5.5 (+ 11.8%)
Environmental & social innovation business	15.6	24.5	+ 8.9 (+ 56.7%)
ICT solution business	25.0	25.2	+ 0.2 (+ 0.9%)
Total	137.9	148.1	+ 10.2 (+ 7.4%)

FYE March 2014 Full-year Results	Progress	FYE March 2015 Full-year Forecast	YoY Change (Percentage change)	Progress
(c)	(a)/(c)	(d)	(d)-(c)	(b)-(d)
96.8	51.7%	90.0	- 6.8 (- 7.0%)	50.7%
97.8	48.2%	96.0	- 1.8 (-1.8%)	54.9%
36.5	43.0%	45.0	+ 8.5 (+ 23.3%)	54.6%
50.9	49.2%	59.0	+ 8.1 (+ 15.9%)	42.8%
282.0	48.9%	290.0	+ 8.0 (+ 2.8%)	51.1%

Net sales: Units: billions of yen	FYE March 2014 2Q actual results	FYE March 2015 2Q actual results	YoY Change (Percentage change)
	(a)	(b)	(b)-(a)
NTT Business	44.2	42.8	- 1.4 (- 3.3%)
Multi-carrier business	43.2	45.9	+ 2.7 (+ 6.1%)
Environmental & social innovation business	9.8	14.7	+ 4.9 (+ 50.7%)
ICT solution business	22.4	19.6	- 2.8 (- 12.4%)
Total	119.7	123.1	+ 3.4 (+ 2.8%)

FYE March 2014 Full-year Results	Progress	FYE March 2015 Full-year Forecast	YoY Change (Percentage change)	Progress
(c)	(a)/(c)	(d)	(d)-(c)	(b)-(d)
99.9	44.3%	93.0	- 6.9 (- 6.9%)	46.0%
98.4	44.0%	93.0	- 5.4 (-5.5%)	49.4%
28.5	34.4%	42.0	+ 13.5 (+ 47.4%)	35.2%
50.8	44.2%	57.0	+ 6.2 (+ 12.2%)	34.5%
277.7	43.1%	285.0	+ 7.3 (+ 2.6%)	43.2%

* Figures are rounded down to one decimal place (billions of yen).

* The classification of business segments was changed from the fiscal year ending March 31, 2015, and the actual figures for the fiscal year ended March 31, 2014 have been recalculated using the new segments.

3. Assets, Liabilities and Net Assets

- As of September 30, 2014 , the **equity ratio was 67.1%** (63.0% as of March 31, 2014)
- Around 70% of assets are current assets, mainly made up of cash & deposits, accounts receivable from completed construction contracts and costs on uncompleted construction contracts
- Over half of liabilities are accounts payable for construction contracts

(Units: billions of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	118.9	Current liabilities	41.4
Cash and deposits	29.7	Accounts payable for construction contracts	26.9
Accounts receivable from completed construction contracts	55.2	Short-term loans payable	0.18
Costs on uncompleted construction contracts and others	28.3	Other	14.3
Other	5.6	Noncurrent liabilities	12.0
Noncurrent assets	54.4	Long-term loans payable	0.04
Property, plant and equipment	29.8	Other	12.0
Intangible assets	3.2	Total liabilities	53.4
Investments and other assets	21.3	Net assets	
Total assets	173.4	Shareholders' equity	111.8
		Capital stock	7.0
		Capital surplus	25.9
		Retained earnings	81.5
		Treasury stock	- 2.6
		Total accumulated other comprehensive income	4.5
		Minority interests	3.5
		Total net assets	119.9
		Total liabilities and net assets	173.4

Ratio of current assets
68.6%

Total assets
173.4 bil. yen

Equity:
116.4 bil. yen
Equity ratio
67.1%

4. Key Performance Indicators

Capital-related Indicators

	FYE March 2011	FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2015 (Plan)
Equity ratio	66.5%	65.3%	60.0%	63.0%	67.9%
Return on equity (ROE) *	30.9% (3.8%)	3.3%	4.1%	6.7%	8.0%

Shareholder Return Indicators

	FYE March 2011	FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2015 (Plan)
Dividend payout ratio *	2.8% (47.0%)	50.7%	39.2%	22.9%	26.5%
Overall returns *	2.8% (54.7%)	50.7%	39.2%	36.7%	26.5%

Capital Investment and Depreciation and Amortization

Units: billions of yen	FYE March 2011	FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2015 (Plan)
Capital expenditure	6.4	3.4	2.9	3.2	4.2
Depreciation and amortization	2.8	2.7	2.5	2.2	2.3

* The figures in parentheses indicate the values for ROE, dividend payout ratio and overall returns calculated by excluding the impact of negative goodwill (26.8 bil. yen) arising from management integration based on the simple aggregate of the three merged companies.

Cash Flows

Units: billions of yen	FYE March 2011	FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2014 2Q actual results	FYE March 2015 2Q actual results
Operating cash flow	3.6	5.4	-1.6	9.0	7.5	15.3
Investment cash flow	0.4	-2.3	-1.5	-2.7	-1.5	-2.2
Financial cash flow	-7.1	-2.1	-2.4	-3.5	-1.5	-1.0
Free cash flow	4.0	3.1	-3.1	6.3	5.9	13.1

Cash and Deposits/ Interest-bearing Debt

Units: billions of yen	FYE March 2011	FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2014 2Q actual results	FYE March 2015 2Q actual results
Cash and cash equivalents	18.3	19.6	13.9	16.7	18.3	28.8
Interest-bearing debt	-0.6	-0.5	-1.0	-0.5	-0.5	-0.5
Net cash	17.7	19.1	12.9	16.2	17.8	28.3

- (Notes)
1. Net cash is the amount obtained by deducting interest-bearing debt from cash and cash equivalents
 2. Cash and cash equivalents exclude deposits and securities not maturing within 3 months.

Statements and quotes relevant to the forecasted values in this handout 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 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