



Presentation Materials for the Fiscal Year Ended March 31, 2015

May 14, 2015



MIRAIT Holdings Corporation

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I. Overview of Earnings in the Fiscal Year Ending March 31, 2015

1. Financial Overview

Units: billions of yen	FYE March 2014	FYE March 2015	YoY	
			Change	Percentage change
Orders received	282.0	293.6	+11.6	+4.1%
Net sales	277.7 (100%)	283.7 (100%)	+6.0	+2.2%
NTT	99.9	95.6	- 4.3	- 4.3%
Multi-carrier	98.4	96.1	- 2.3	- 2.3%
Environmental & Social Innovation	28.5	45.8	+17.3	+60.7%
ICT Solutions	50.8	46.1	- 4.7	- 9.3%
Gross profit (Gross profit margin)	29.9 (10.8%)	33.1 (11.7%)	+ 3.2 (+ 0.9p)	+10.5%
SG&A (SG&A ratio)	18.5 (6.7%)	18.9 (6.7%)	+ 0.4 (0.0p)	+2.4%
Operating income (Operating income ratio)	11.4 (4.1%)	14.1 (5.0%)	+2.7 (+ 0.9p)	+23.4%
Ordinary income (Ordinary income ratio)	12.2 (4.4%)	14.8 (5.2%)	+2.6 (+ 0.8p)	20.9%
Extraordinary income/loss	- 0.0	2.9	+2.9	—
Net income (Net income ratio)	7.1 (2.6%)	11.1 (3.9%)	+4.0 (+ 1.3p)	54.6%
Construction account carried forward	73.6	83.5	+9.9	—

Earnings Highlights

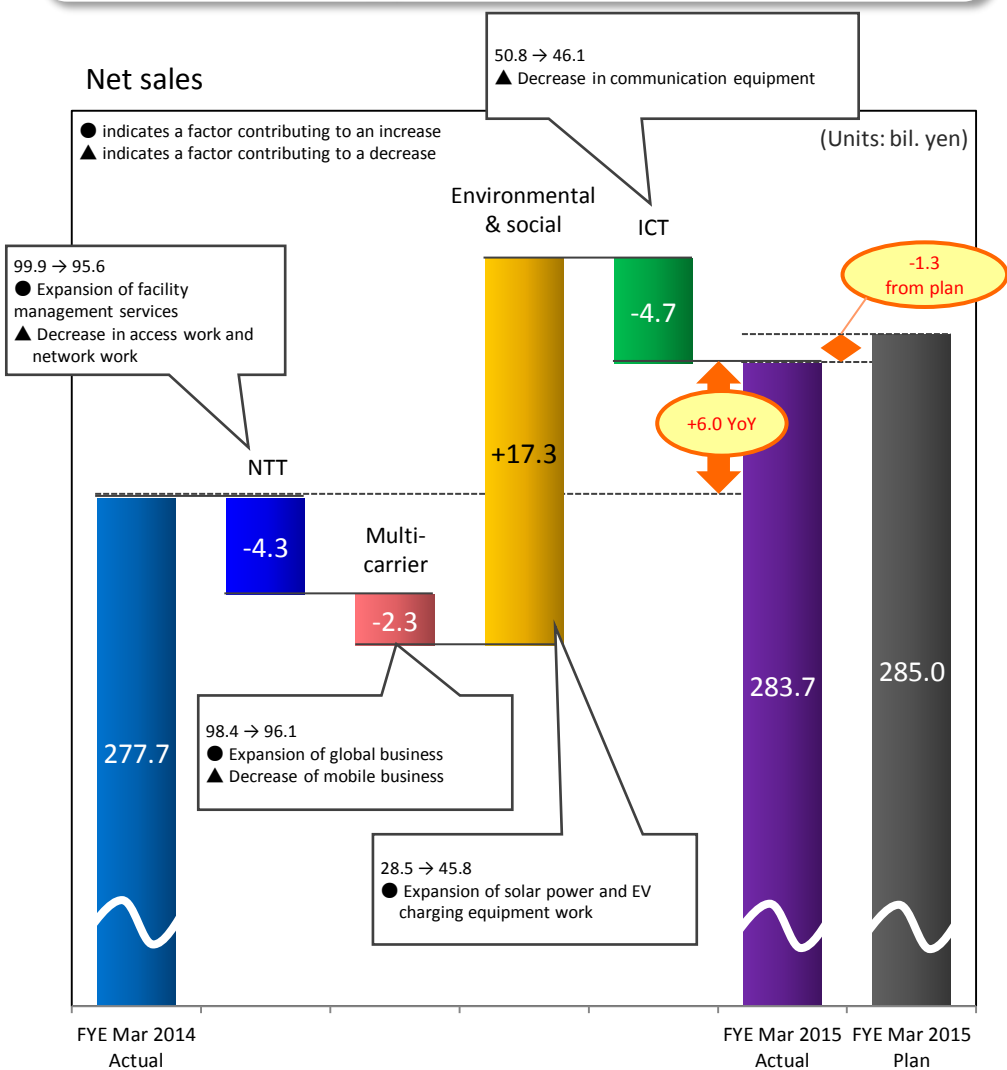
- Orders received
⇒ Increased significantly (up 11.6 bil. yen YoY) to 293.6 bil. yen due to expansion of the environmental & social innovation business

Orders received Units: billions of yen	FYE March 2014	FYE March 2015	
	Full-year Results	Full-year Results	YoY Change
NTT	96.8	96.5	- 0.3
Multi-carrier	97.8	94.1	- 3.7
Environmental & Social	36.5	55.2	+18.7
ICT	50.9	47.7	- 3.2
Total	282.0	293.6	+11.6

- Net sales
⇒ Increased by 6.0 bil. yen YoY to 283.7 bil. yen due to expansion of solar power and EV charging equipment installation work leading to increases in the environmental and social innovation business despite decreases in other businesses.
- Gross profit
⇒ The gross profit margin improved due to the promotion of business improvement measures (10.8% ⇒ 11.7%) leading to an increase to 33.1 bil. yen (up 3.2 bil. yen YoY)
- SG&A
⇒ Although general and administrative expenses decreased (down 0.6 bil. yen), increases in selling expenses (up 1.0 bil. yen) associated with M&A and the expansion of new business resulted in an increase to 18.9 bil. yen (up 0.4 bil. yen YoY)
- Operating income
⇒ Increased to 14.1 bil. yen (up 2.7 bil. yen) due to increased net sales and improvement in the gross profit margin
- Net income
⇒ Increased significantly to 11.1 bil. yen (up 4.0 bil. yen) due to an extraordinary income (2.9 bil. yen) resulting from the revision of the retirement benefits system and pension assets
- Construction account carried forward
⇒ A high level at 83.5 bil. yen (up 9.9 bil. YoY)

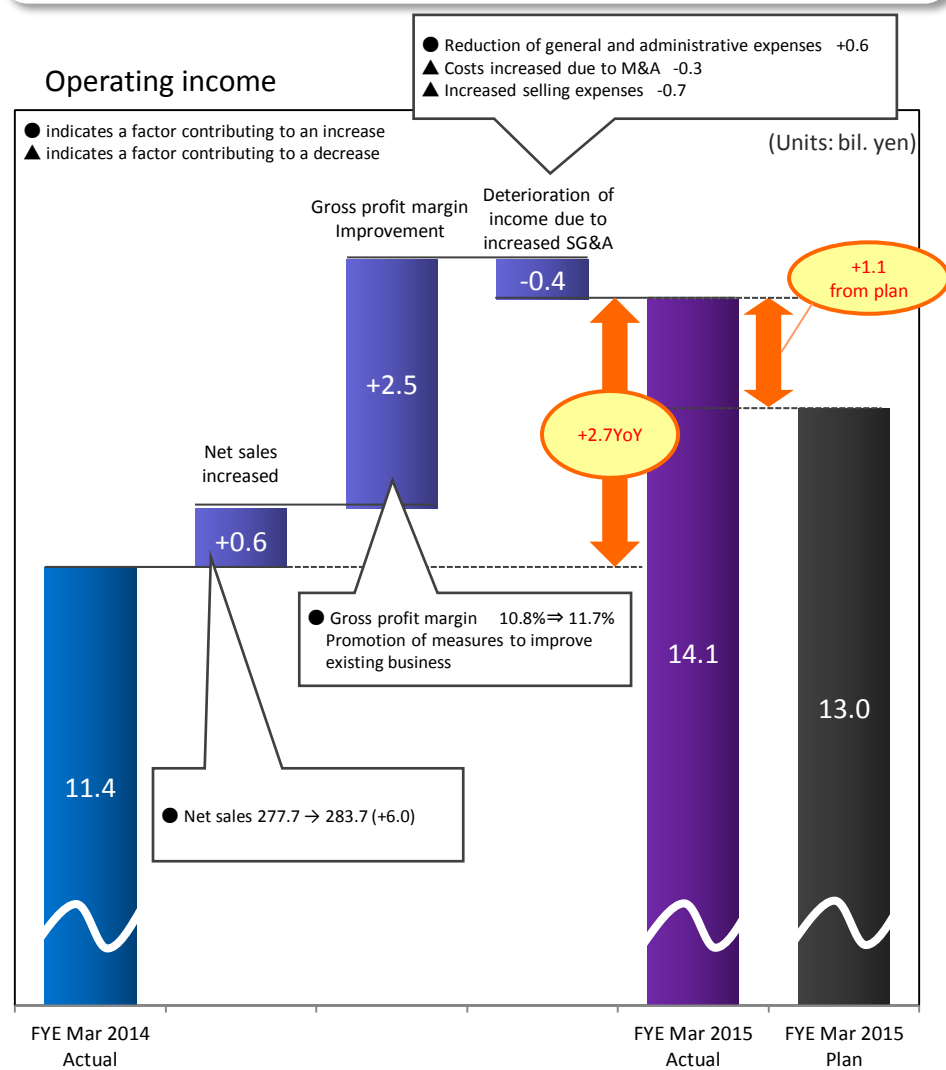
2. Details of Net Sales [YoY Comparison]

- Although facility management operations expanded in the NTT business, there was a decrease in access work and network work
- Although the global aspect of the multi-carrier business expanded, mobile business decreased due to the impact of decreased capital expenditure by telecommunication carriers
- The environmental and social innovation business increased due to the **expansion of work on solar power and EV charging equipment**
- Sales of communication equipment decreased in the ICT solutions business













3. Details of Operating Income [YoY Comparison]




- Earnings increased by 600 mil. yen YoY due to increased sales
- The gross profit margin improved **as a result of the promotion of measures to improve existing business**, leading to earnings increasing by 2.5 bil. yen YoY
- Although general and administrative expenses were reduced, SG&A expenses were significantly affected by the increase in M&A and selling expenses, resulting a 0.4 bil. yen decrease in earnings



4. Specific Efforts in the Fiscal Year Ended March 31, 2015

Item (bil.yen)	Details			
<p>NTT business</p> <p>Orders received: 96.5 Net sales: 95.6</p>	<p>Increased sales</p>	<ul style="list-style-type: none"> ◆ Orders received increased not only repairing faults, but for the entire area including facility maintenance (+1.6 bil. yen) ◆ Efforts to expand work across a wide area (Tohoku/ Shikoku total: 1.2 bil. yen) 	 Pole renewal  Optical cable work	
	<p>Improved productivity</p>	<ul style="list-style-type: none"> ◆ Creation of a system able to generate profit even with decreased sales <ul style="list-style-type: none"> ⇒ Promotion of a shift of personnel to growth areas and not replenishing retired personnel (reduction of approximately 70 personnel) ⇒ Reduction of direct operation and indirect operation through the consolidation of offices in each region ⇒ Concentration in support center and promotion of business consignment ⇒ Cost reduction through KAIZEN activities unified with subsidiaries 	<p>Effect of cost reductions +1.3 bil. yen</p>  Fujisawa Technical Center	
<p>Multi-carrier business</p> <p>Orders received: 94.1 Net sales: 96.1</p>	<p>Increased sales</p>	<ul style="list-style-type: none"> ◆ Promotion of progress through improved efficiency and standardization of LTE work (Net sales of completed construction contracts increased by 1.6X YoY) ◆ Strengthening of efforts such as WiMAX work (Net sales of completed construction contracts increased by 3.0X YoY) ◆ Expansion of global business (Australia) (Net sales of 4.3 bil. yen) 	 LTE work  Global work	
	<p>Improved productivity</p>	<ul style="list-style-type: none"> ◆ Elimination of bottlenecks in each business process <ul style="list-style-type: none"> ⇒ Optimization of labor of employees/subsidiaries/cooperating companies, standardization of workload ◆ Visualization of progress of business processes <ul style="list-style-type: none"> ⇒ Implementation of project management system, sharing of issues and measures 		
<p>Environmental & Social Innovation business</p> <p>Orders received: 55.2 Net sales: 45.8</p>	<ul style="list-style-type: none"> ◆ Solar <ul style="list-style-type: none"> ⇒ Strengthening of cooperation with major new electric power companies Orders received: 15.9 bil. yen (+7.9 bil. yen) Net sales: 9.7 bil. yen (+4.8 bil. yen) ⇒ Expansion of orders received through the development of new electric power companies ⇒ O&M of major solar power facilities 	 Solar power work	<ul style="list-style-type: none"> ◆ Environmental and energy <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. ⇒ BEMS work Drug stores and discount stores (approx. 200 stores) ⇒ Bulk electrical work for condominiums (18 new buildings) 	 EV chargers
	<ul style="list-style-type: none"> ◆ Redevelopment of Tokyo (Bay Area, etc.) <ul style="list-style-type: none"> ⇒ Laying power lines underground <ul style="list-style-type: none"> • Tokyo CCBOX ⇒ New Toyosu Market <ul style="list-style-type: none"> • Indoor measures for mobile phones ⇒ Tokyo water and sewage work (SPR method*) 	 Laying power lines underground  SPR method	<ul style="list-style-type: none"> ◆ Public works <ul style="list-style-type: none"> ⇒ Shonan Bypass communication conduit work, etc. ⇒ Repair work, etc. on Ministry of Defense and US military communication infrastructure ◆ Electrical work <ul style="list-style-type: none"> ⇒ Increased orders received through design cooperation with general construction company ◆ Air conditioning work <ul style="list-style-type: none"> ⇒ Expansion of orders received from the Japan Post Group 	 Air conditioning work (cooling towers)

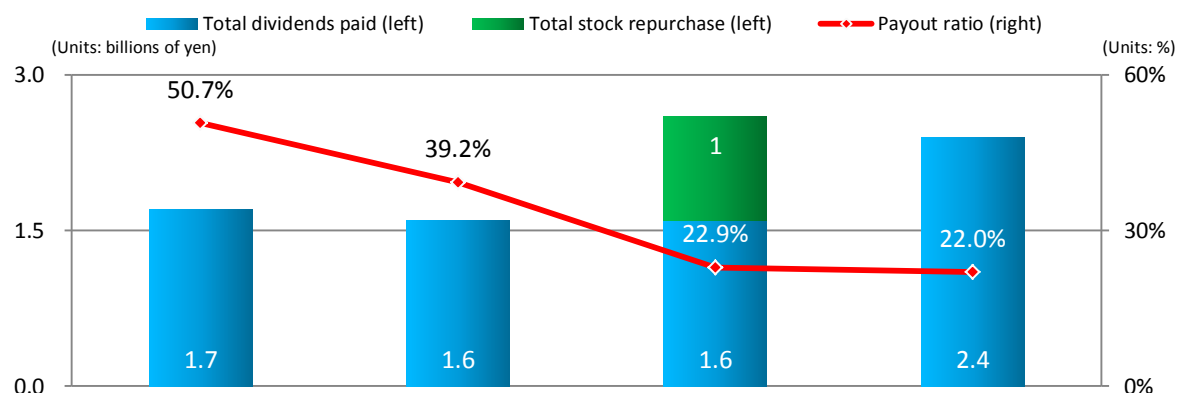
* The SPR method is a construction method for revitalizing aging pipe lines. It is characterized by the ability to work with water passing through without digging up roads.

Item (bil.yen)	Details	
<p>ICT Solutions business</p> <p>Orders received: 47.7 Net sales: 46.1</p>	<ul style="list-style-type: none"> ◆ Cloud computing, office solutions <ul style="list-style-type: none"> ⇒ Large-scale data center facility work, O&M ⇒ Expansion of contact center solutions <ul style="list-style-type: none"> • Promotion of the company's proprietary product "Casting Table 2.0" <p>(As of April 30) Implemented in 205 locations in Japan Post Bank and 60 other companies</p>  <p>Data center maintenance</p>	<ul style="list-style-type: none"> ◆ PBX and servers <ul style="list-style-type: none"> ⇒ Major PBX renewal work <ul style="list-style-type: none"> - Simultaneous renewal of wide area PBX in the University of Tokyo (7 locations including Hongo) Large-scale FMC system connecting internal and external lines in 7 locations - Major banks, securities, hospitals, retail ⇒ Renewal work on air conditioning and lighting management systems in hotel guest rooms  <p>PBX renewal work</p>
	<ul style="list-style-type: none"> ◆ Software <ul style="list-style-type: none"> ⇒ Design and development of National Health Insurance and medical support system (Sapporo) ⇒ Expansion of business from maintenance and operation (maintenance and management) <ul style="list-style-type: none"> • Undertaking development of corporate wage systems ⇒ Promotion of alliance deals within the Group  <p>Software development</p>	<ul style="list-style-type: none"> ◆ Mobile ICT business <ul style="list-style-type: none"> ⇒ Promotion of implementation of ee-TaB Plus tablet service for hotels jointly developed with Techfirm Inc. (As of April 30) implemented in 5 hotels ◆ Wi-Fi installation work <ul style="list-style-type: none"> ⇒ Subways, convenience stores, theme parks, hotels, local governments, parks, etc.  <p>ee-TaB Plus</p>
<p>Structural reform and reduction of administrative expenses</p> <p>Effect of cost reductions +1.6</p>	<ul style="list-style-type: none"> ◆ Measures to reduce administrative expenses (Cost reduction effect of +0.4 bil. yen) <ul style="list-style-type: none"> ⇒ Consolidation and standardization of operations by business administration center (MBC) (undertaking of accounting and personnel operations in 26 group companies) ⇒ Cost reductions through the utilization of consulting (Reduction of unit price through improvements in methods of procurement of purchased items) ◆ Strategic shift of personnel, and securing and developing personnel <ul style="list-style-type: none"> ⇒ Personnel engaged in growth areas Up 460 personnel (medium-term target: increase of 800 over three years) <ul style="list-style-type: none"> • Increase of engineers, utilization of multi-skilled personnel: Creation of a system of model development by area • Reorganization of headquarters and establishment of incubation organization (July) • Improvement of technical capabilities and enhancement of skill conversion with the establishment of the Hyper Technoport Center (July) ⇒ Indirect personnel and general administrative personnel reduced by 30 (Medium-term target: 10% reduction over three years) ◆ Measures to improve productivity in the NTT business (shift of personnel, consolidation of offices by region, consolidation of support centers) ◆ Visualization of cost management and promotion of BPR of operations 	
<p>Progress of Medium-term Management Plan</p> <p>FYE Mar 2015 Net sales: 283.7 Operating income: 14.1 Operating margin: 5.0% ROE: 9.5%</p> <p>Medium-term target (FYE Mar 2017) Net sales: 310.0 Operating income: 17.0 Operating margin: 5.5% ROE: 8% or more</p>	<ul style="list-style-type: none"> ◆ Expansion of Drivers for Future Growth <ul style="list-style-type: none"> ⇒ Total sales in the environmental & social innovation, and ICT solution businesses were 91.9 bil. yen, accounting for 32% of total sales (sales were 79.3 bil. yen, accounting for 29% of total sales in the previous year) <ul style="list-style-type: none"> • Environmental and social innovation has been performing in areas such as work on solar power and EV charging equipment. Expansion of the ICT solution is an issue for the future ◆ Improvement of profitability of existing business (NTT, multi-carrier business) <ul style="list-style-type: none"> ⇒ Offices were consolidated and KAIZEN activities were implemented in the NTT business, and business process improvement was implemented in the multi-carrier business ◆ Progress of Medium-term Management Plan (numerical targets) <ul style="list-style-type: none"> ⇒ In the year ended March 2015, extraordinary gains and losses were recorded (2.9 bil. yen) due to factors such as the revision of the retirement benefit system and pension assets, and ROE recorded 9.5%, exceeding the medium-term target 	

5. Shareholder Returns

- The Company's basic dividend policy is to pay dividends consistently in consideration of our business performance and the dividend payout ratio
- Dividends per share in the year ended March 2015 were up 10 yen YoY to 30 yen (interim dividend of 15 yen and year-end dividend of 15 yen)

Shareholder Returns



		FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2015
Total dividends		1.7 bil. yen	1.6 bil. yen	1.6 bil. yen	2.4 bil. yen
Net income		3.2 bil. yen	4.2 bil. yen	7.1 bil. yen	11.1 bil. yen
Annual dividends per share	Interim	10 yen	10 yen	10 yen	15 yen
	Year-end	10 yen	10 yen	10 yen	15 yen
	Total	20 yen	20 yen	20 yen	30 yen
Purchase of treasury stock		—	—	1.0 bil. yen	—
Consolidated payout ratio		50.7%	39.2%	22.9%	22.0%
Consolidated overall returns		50.7%	39.2%	36.7%	22.0%



II. Business Plan for the Fiscal Year Ending March 31, 2016

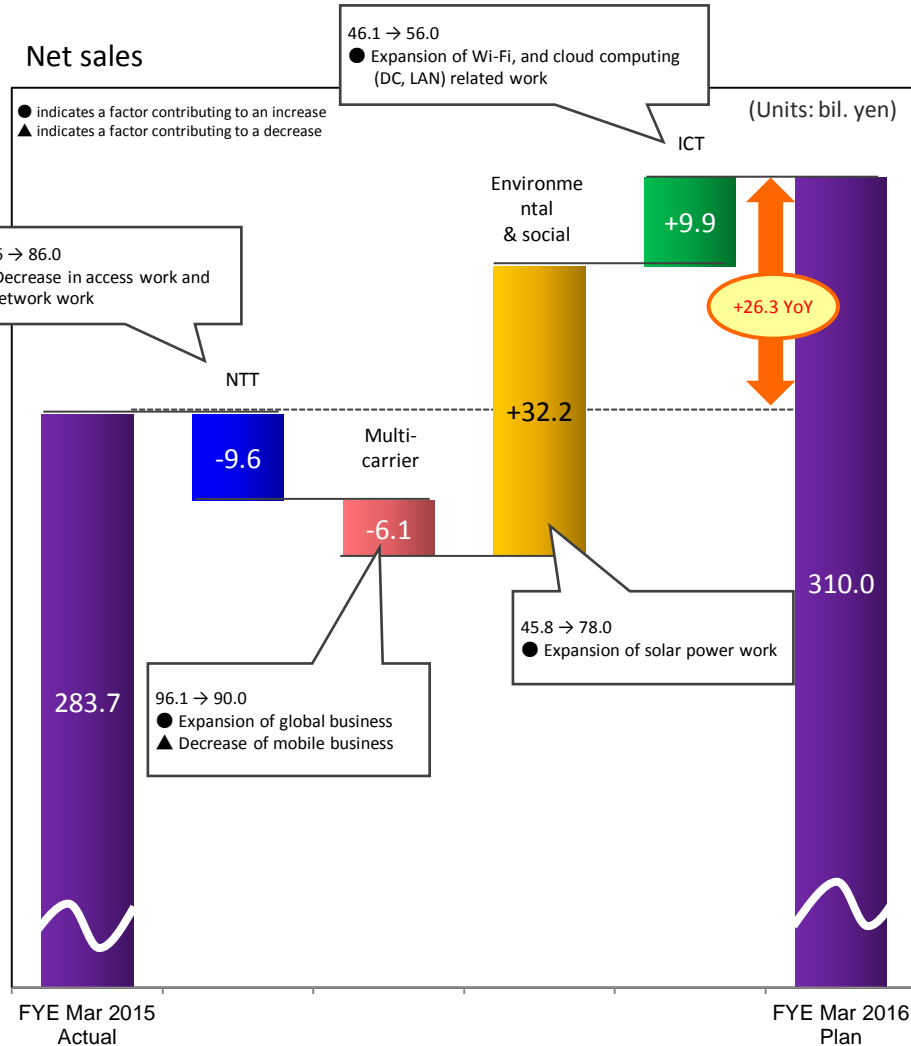
1. Business Plan for the Fiscal Year Ending March 31, 2016

Units: billions of yen	FYE March 2015	FYE March 2016 Full-year Plan	YoY	
			Change	Percentage change
Net sales	283.7	310.0	+26.3	+9.3%
NTT	95.6	86.0	-9.6	-10.0%
Multi-carrier	96.1	90.0	- 6.1	-6.3%
Environmental & Social	45.8	78.0	+32.2	+70.3%
ICT	46.1	56.0	+9.9	21.5%
Gross profit (Gross profit margin)	33.1 (11.7%)	34.5 (11.1%)	+1.4 (-0.6p)	+4.0%
SG&A (SG&A ratio)	18.9 (6.7%)	19.5 (6.3%)	+0.6 (-0.4p)	+3.2%
Operating income (Operating income ratio)	14.1 (5.0%)	15.0 (4.8%)	+0.9 (-0.2p)	+6.4%
Ordinary income (Ordinary income ratio)	14.8 (5.2%)	15.5 (5.0%)	+0.7 (-0.2p)	4.7%
Net income (Net income ratio)	11.1 (3.9%)	10.0 (3.2%)	- 1.1 (-0.7p)	-9.9%
ROE	9.5%	7.9%	-1.6p	—

Key Points in Business Plan	
<ul style="list-style-type: none"> ● The fiscal year ending March 2016 is positioned as the year that is a key step for achieving the Medium-term Management Plan (Net sales of 310 bil. yen, operating income of 17 bil. yen, operating margin of 5.5%, ROE of 8% or more in FYE March 2017) 	
<ul style="list-style-type: none"> ● Net sales <ul style="list-style-type: none"> ⇒ The medium-term management plan target of 310 bil. yen in sales is expected to be achieved through the expansion of drivers for future growth such as (i) New energy, (ii) Wi-Fi, (iii) cloud computing (DC, LAN), and (iv) global business ⇒ Access work and network work continued to decrease due to the maturing of the fixed broadband market in the NTT business ⇒ Global business is expected to expand in the multi-carrier business, but there will be an overall decrease due to a decrease in capital expenditure by telecommunication carriers ⇒ The environmental & social innovation business will increase significantly due to the expansion of solar power work ⇒ The ICT solutions business will expand due to the expansion of Wi-Fi, and cloud computing (DC, LAN) related work 	
<ul style="list-style-type: none"> ● Gross profit <ul style="list-style-type: none"> ⇒ Considering the impact of expansion of new business, the gross profit margin fell from 11.7% to 11.1%, but the amount of gross profit increased to 34.5 bil. yen (up 1.4 bil. yen) through an increase in sales and the promotion of business improvement measures in existing businesses 	
<ul style="list-style-type: none"> ● SG&A <ul style="list-style-type: none"> ⇒ Although selling expenses increased through the expansion of new businesses, but reduction of general and administrative expenses led to the SG&A ratio improving from 6.7% to 6.3% 	
<ul style="list-style-type: none"> ● Operating income <ul style="list-style-type: none"> ⇒ Through increased sales and improvement of the SG&A ratio, we aim for increased income of 15.0 bil. yen (up 0.9 bil. yen YoY) 	
<ul style="list-style-type: none"> ● Net income <ul style="list-style-type: none"> ⇒ 10.0bil. yen (down 1.1 bil. yen) due to the elimination of the impact of extraordinary income 	
<ul style="list-style-type: none"> ● ROE <ul style="list-style-type: none"> ⇒ Expected to be 7.9% due to a decrease in net income 	

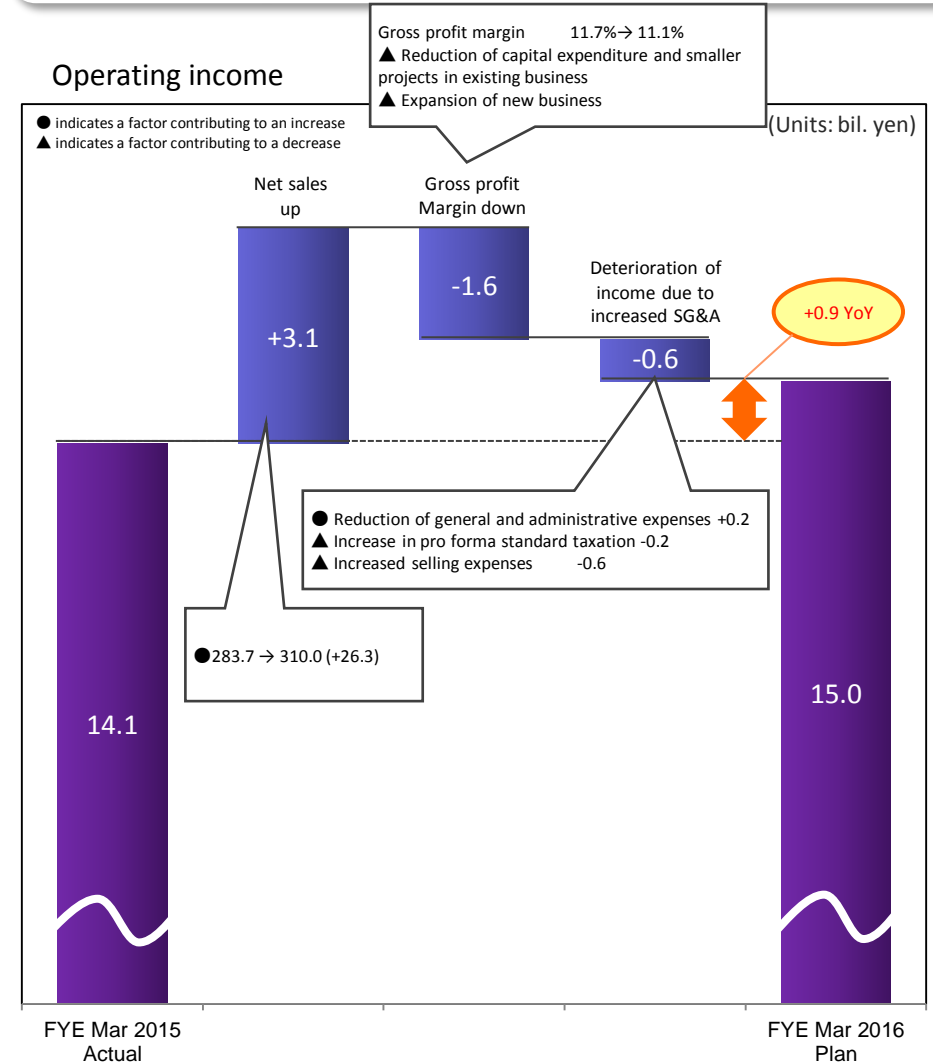
2. Details of Net Sales [YoY Comparison]

- In the NTT business, access work and network work continued to decline
- Although the global aspect of the multi-carrier business is expected to expand, mobile business will decrease due to the impact of decreased capital expenditure by telecommunication carriers
- ⇒ The environmental & social innovation business will **increase significantly due to the expansion of solar power work**
- ⇒ In the ICT solutions business, we will focus on the expansion of Wi-Fi, and cloud computing (DC, LAN) related work



3. Details of Operating Income [YoY Comparison]

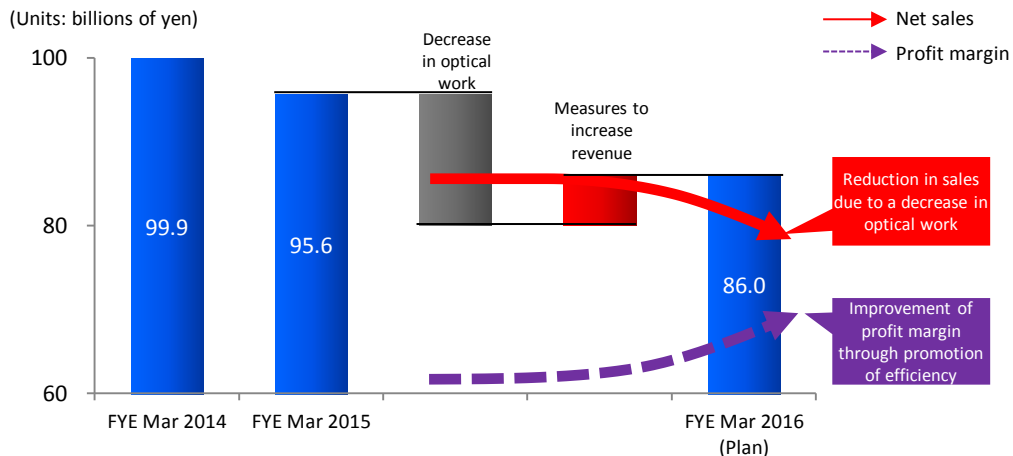
- **Earnings will increase by 3.1 bil. yen YoY due to increased sales**
- The gross profit margin fell due to the negative impact of -1.6 bil. yen YoY resulting from a decline in the profit margin associated with the reduction of capital expenditure in and the implementation of small projects in existing business, and the expansion of new business
- Although general and administrative expenses will be reduced, SG&A expenses will be significantly affected by the increase in selling expenses, contributing to a 0.6 bil. yen decrease in earnings



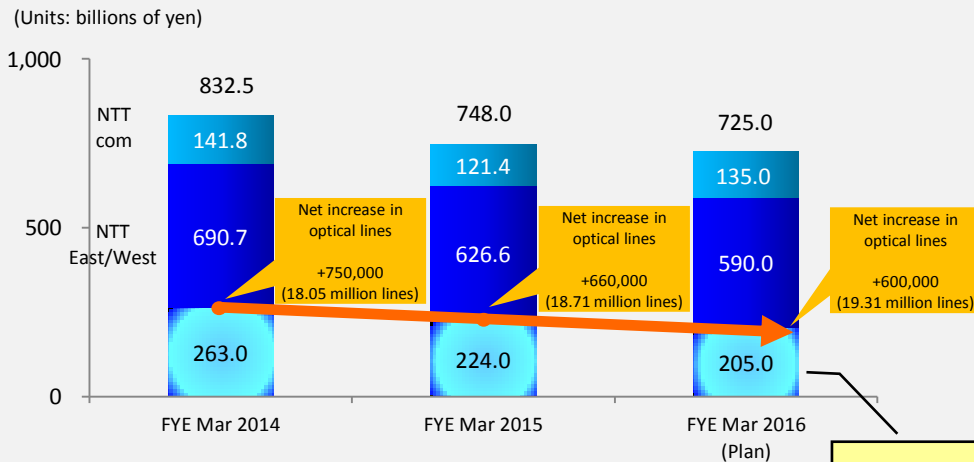
4. Efforts in the NTT Business

- Sales are gradually decreasing due to a decrease in investment by NTT as a result of needs for optical facilities being satisfied
- Meanwhile, facility management services are increasing due to an expansion of content and area covered
- Promote improvement measures such as the consolidation of offices and support operations, while creating a **system able to generate profit even when sales are decreasing**

Net Sales



(Reference) Capital Expenditure and Net Increase in Optical Access Lines by NTT East/West and NTT Communications



Source: Created by MIRAIT based on materials published by NTT

Major Efforts in the Fiscal Year Ending March 31, 2016

	Content	
Increased sales	Expansion of facility management services	<ul style="list-style-type: none"> • (West) Total acceptance of access maintenance, trials for in-home maintenance • (East) P Block* support, expansion of onsite work within facilities
	Strengthening of sales	<ul style="list-style-type: none"> • Proposals to NTT for improving facilities
	Wide-area work	<ul style="list-style-type: none"> • Expansion of pole renewal (Chugoku region) • Efforts in Tohoku reconstruction work
Improvement of efficiency	Consolidation of offices/ support operations	<ul style="list-style-type: none"> • Reduction of direct and indirect operations and promotion of efficiency through consolidation of offices in each area within East Japan • Creation of an efficient operating structure by consolidating support operations
	KAIZEN activities	<ul style="list-style-type: none"> • Cost reduction through revision of sundry expenses • Improvement of design processes
	Personnel shift	<ul style="list-style-type: none"> • Promotion of shift of personnel to growth areas ⇒ Around 20 people planned this fiscal year • Transfer to maintenance areas ⇒ Around 50 people planned this fiscal year

(-0.9 bil. yen Cost improvement)

* P Block is a block that has been entirely outsourced by NTT

Reference: Promotion of measures to improve productivity in the NTT business

- **Improvement of efficiency through consolidation of offices in each region**
 - ⇒ Reduction of direct plant operation and construction vehicles by consolidating construction crews
 - ⇒ Reduction of indirect operation through the consolidation of desks
 - ⇒ Reduction of rent by moving from rented buildings to owned buildings
- In combination to the already completed **consolidation of offices in the Kansai region**, we are aiming to decrease the total number by 30-40% (71→46 offices)
- **Consolidation of support operations (design, order creation, photo inspection, etc.)**
 - ⇒ We will improve efficiency of support operations, and create a structure in which work is mainly performed by cooperating companies
 - ⇒ The Tokyo area underwent consolidation on the previous fiscal year (ended March 2015). We will expand these efforts to areas other than Tokyo this year.

Consolidation of offices

Kanto Area (47→32 offices)

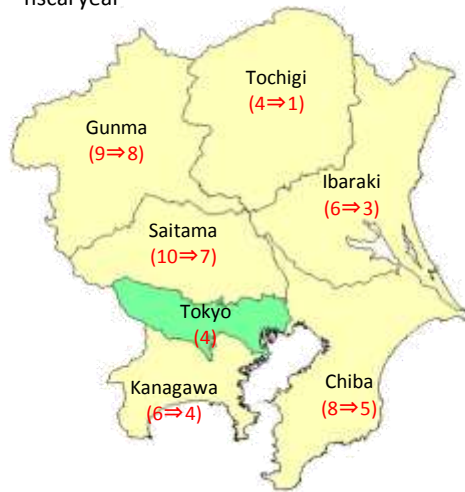
This fiscal year (ending March 2016), we will consolidate offices in the Kanto area

Tokyo: Consolidation of support operations (previous fiscal year)

Kanagawa: Consolidation completed in previous fiscal year (December 2014)

Gunma
Saitama
Chiba
Tochigi
Ibaraki

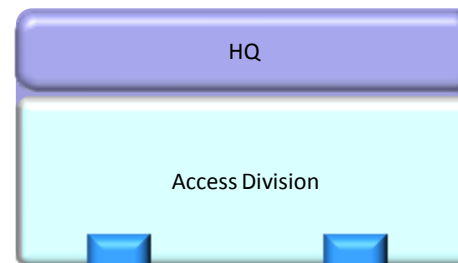
Scheduled for this fiscal year



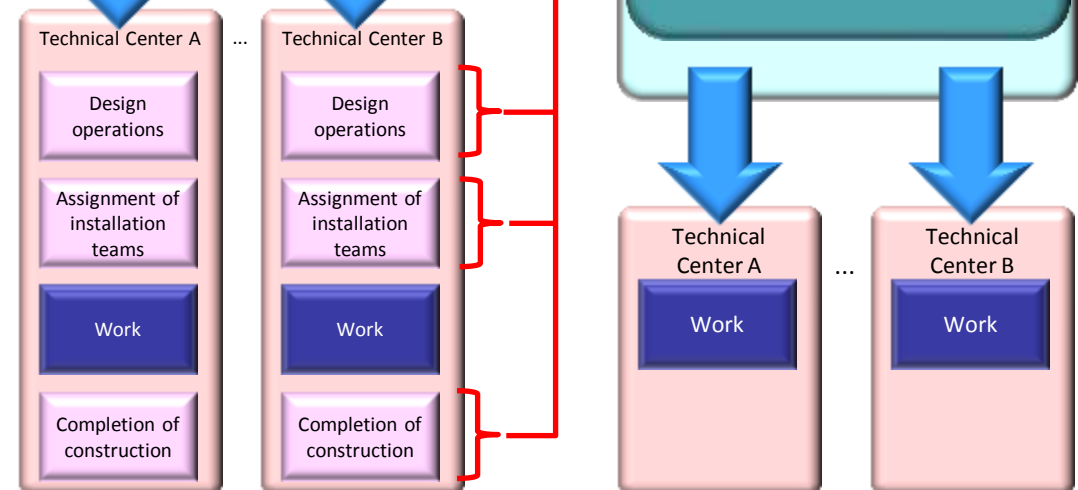
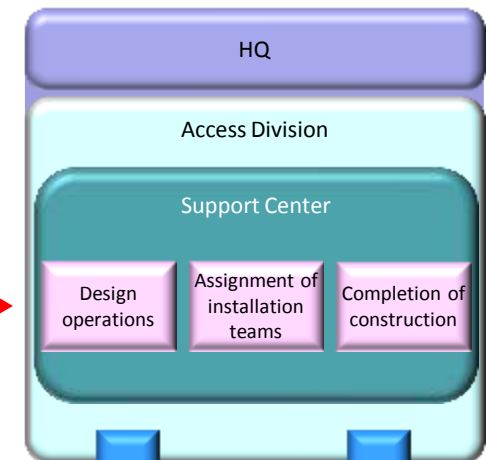
Yellow indicates consolidation of construction offices
Green indicates consolidation of support operations

Consolidation of support operations

[Before consolidation]



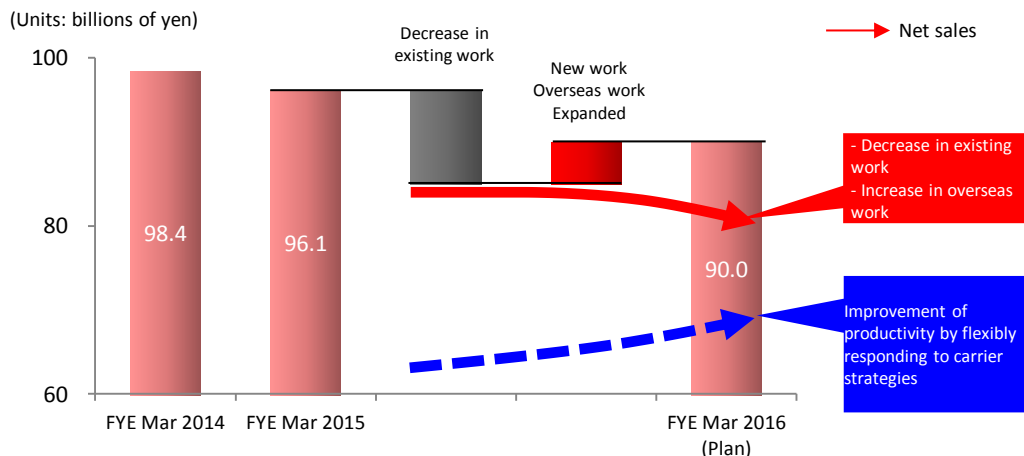
[After consolidation]



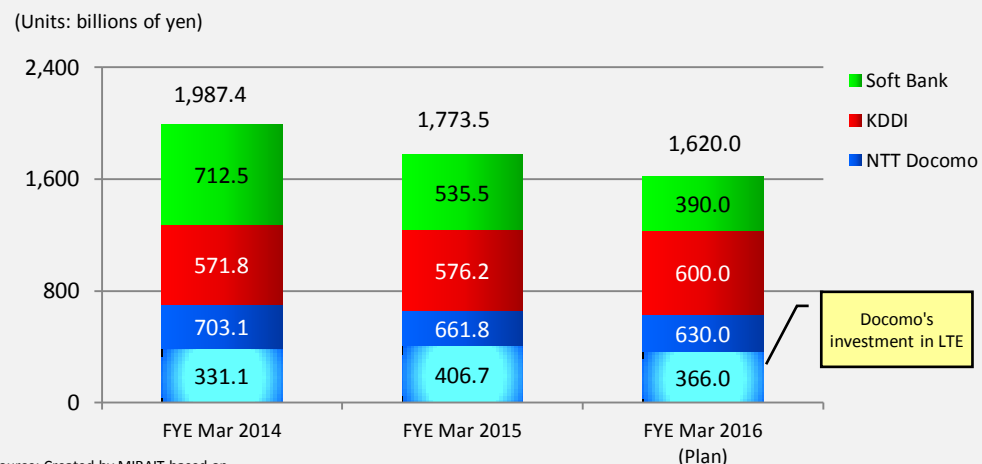
5. Efforts in the Multi-carrier Business

- Although capital expenditure of mobile carriers is slowing, there is ongoing demand for LTE work and WiMAX work this fiscal year
- Work to cater for new technologies and new frequencies is expected in the latter half of the fiscal year
- There has been an increase of high-volume, small-scale projects, and following on from last year, we will promote measures to improve productivity
- We will actively expand business areas overseas (Australia)

Net Sales



(Reference) Capital Expenditure by the Three Major Mobile Carriers



Major Efforts in the Fiscal Year Ending March 31, 2016

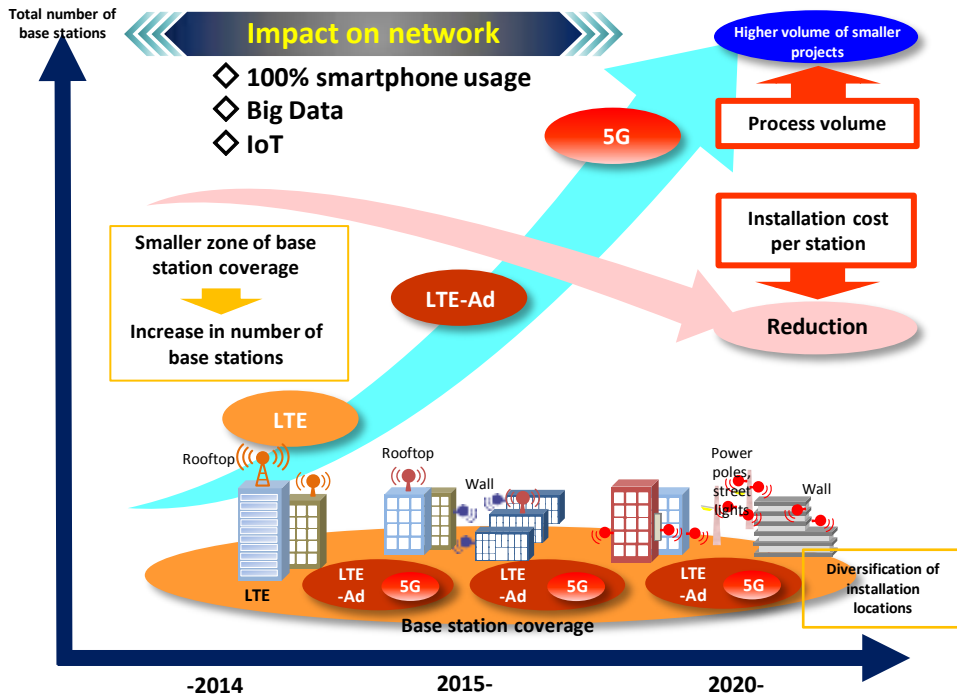
	Content	
Increased sales	LTE, etc.	<ul style="list-style-type: none"> Continuing last year's trend, LTE remains robust Work for new technologies and new frequencies (LTE-Advanced, 700MHz, 3.5G) Efforts aimed at receiving ongoing orders for WiMAX work
	Work to resolve poor signal areas	<ul style="list-style-type: none"> Expansion of indoor work Strengthening of JMCA work
	Stock business Surrounding businesses	<ul style="list-style-type: none"> Expansion of base station maintenance and facility center operations Expansion of work to improve fixed network facilities C-RAN* solutions Expansion of base station registration and inspection operations
	Global Business	<ul style="list-style-type: none"> (Australia) Expansion of NBN and Telstra business (Philippines) Migration to system for fixed area service work (Myanmar) Efforts aimed at work for major optical network
Improvement of efficiency	Strengthening of management	<ul style="list-style-type: none"> Improvement of productivity through efficient handling of high-volume, small-scale projects ⇒ Seeking standardization of processes through the utilization of work management tools ⇒ Establishment of work management organization (insourcing, etc.)
	Resource optimization	<ul style="list-style-type: none"> Appropriate allocation of personnel through the flow of personnel on a nationwide scale Strengthening of group management structure ⇒ Efficient work by cooperating companies, cross-organizational education

*C-RAN (Centralized Radio Access Network) is a network architecture for the centralized installation of base station controls

Source: Created by MIRAIT based on materials published by each company
 (Notes) 1. The amount of capital expenditure including fixed communications is shown for KDDI. 65 bil of UQ WiMAX included in FYE Mar 2016.
 2. The amount of capital expenditure shown for SoftBank is only for domestic telecommunications carriers.

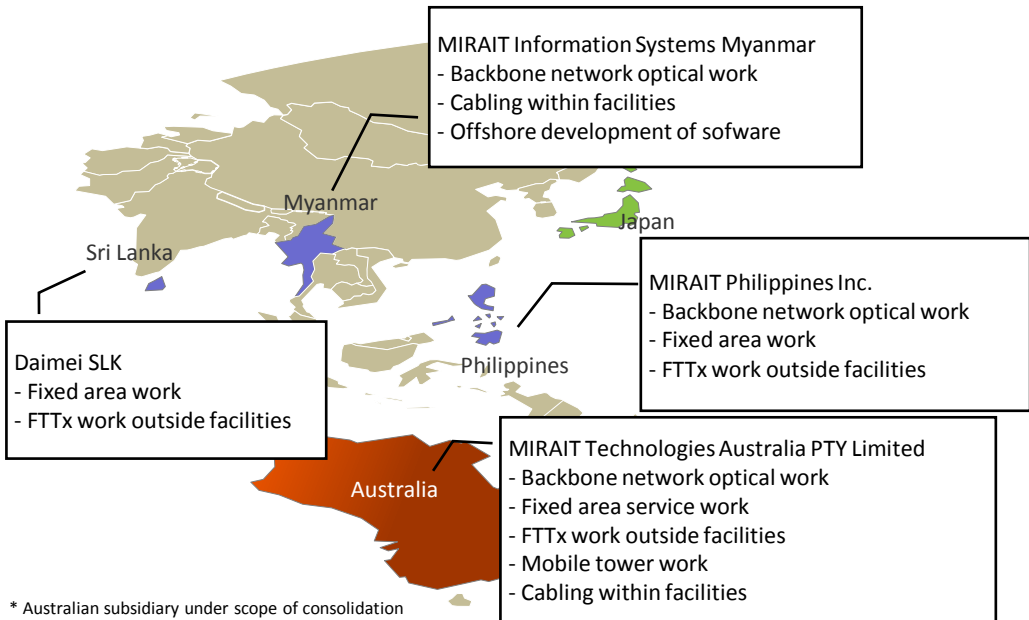
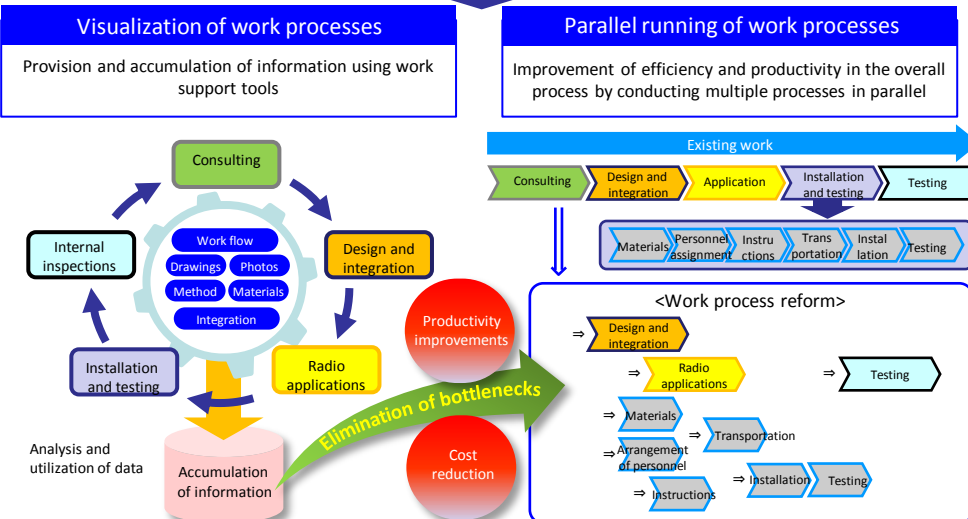
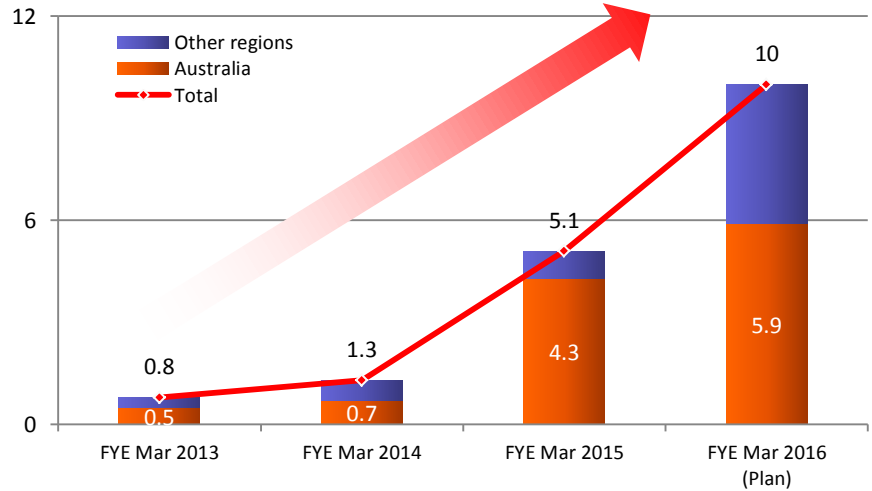
Reference: Efforts in the Multi-carrier Business

Management aimed at the promotion of improved efficiency, expansion of sales



Net sales in the global business

(Units: billions of yen)

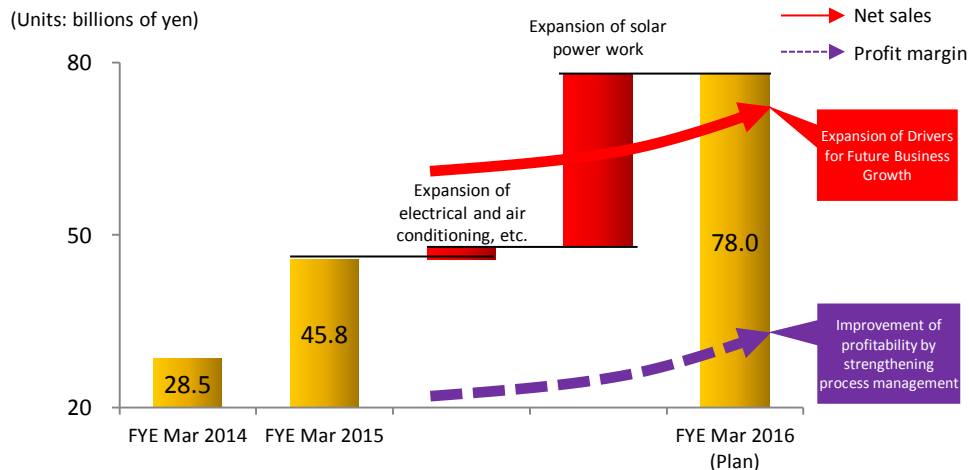


* Australian subsidiary under scope of consolidation
 * Philippine subsidiary subject to equity method
 * Sri Lankan and Myanmar subsidiaries not included in scope of consolidation

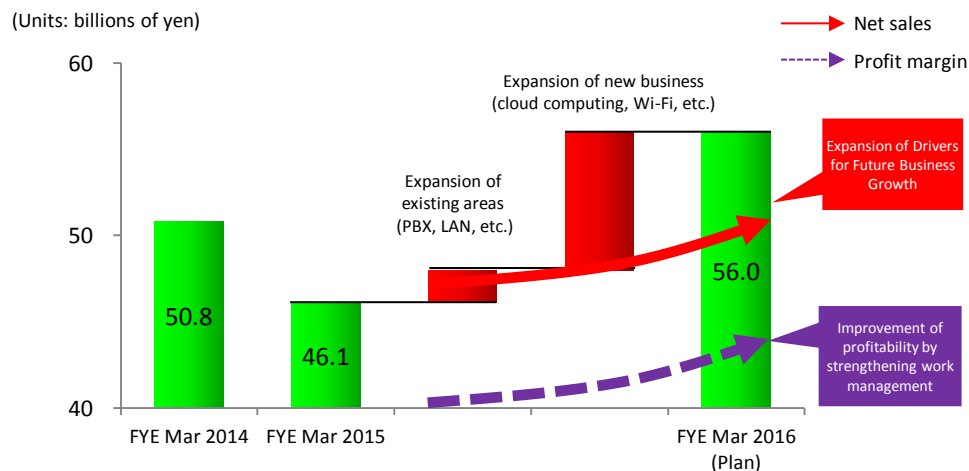
6. Efforts in the Environmental & Social Innovation and ICT Solution Businesses

- Expand our business domain by utilizing the technologies we have developed in the NTT and Mobile Businesses
- The Environmental & Social Innovation Business is focused on **expansion of new energy sources** centered on solar power work. **Also actively expanding electrical and air conditioning work**
- Expand ICT Solution businesses such as **cloud computing, Wi-Fi and stock business (maintenance)**
- Instead of simply aiming to increase sales, we will emphasize profits and **endeavor to improve costs and ensure profitability**

Net sales (Environmental & social innovation business)



Sales (ICT Solution Business)

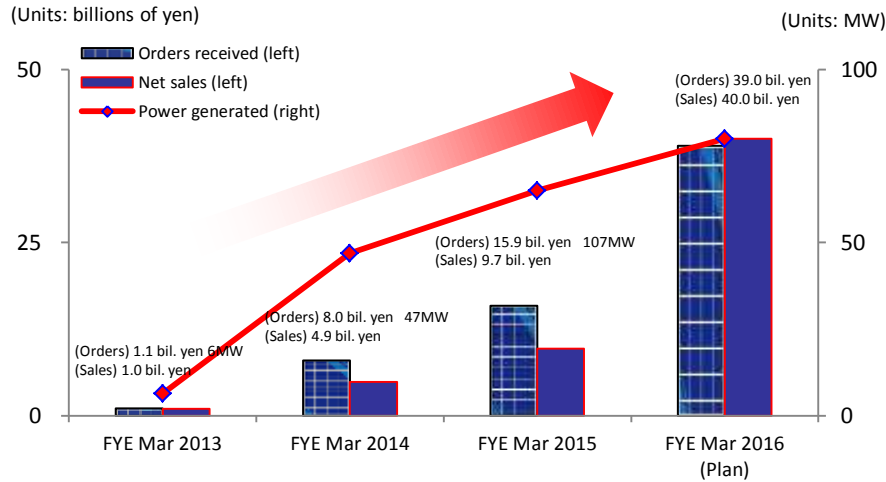


Major Efforts in the Fiscal Year Ending March 31, 2016

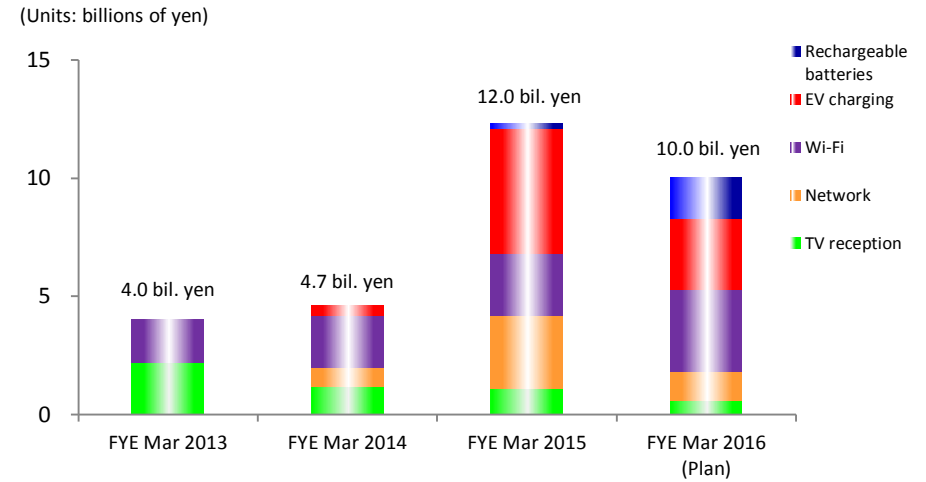
		Content
Environmental & Social Innovation	Solar	<ul style="list-style-type: none"> Strengthening relationships with partners <ul style="list-style-type: none"> ⇒ Kobe Bussan and other new electric power providers Expansion of O&M business Development of new transactions with energy providers, etc.
	Environmental and Energy	<ul style="list-style-type: none"> Installation of EV charging equipment (highway parking areas and service areas, etc.) Expansion of household rechargeable battery business Expansion of new energy business (bio, etc.)
	Public works, etc.	<ul style="list-style-type: none"> Infrastructure and redevelopment projects aimed at 2020 <ul style="list-style-type: none"> ⇒ Installation of electrical facilities for the new market in Toyosu, etc. Measures to address aging infrastructure <ul style="list-style-type: none"> ⇒ Increased orders received through design cooperation with general construction companies
ICT Solutions	Solutions and software	<ul style="list-style-type: none"> Wi-Fi solutions (enterprise Wi-Fi packages) BEMS, surveillance cameras, signage, etc. Software development (measures to address the introduction of the My Number system, etc.)
	Stock business	<ul style="list-style-type: none"> Maintenance and operation of large-scale data centers (outsourced by operators) Contact center and ee-TaB Plus
	Communications equipment, etc.	<ul style="list-style-type: none"> PBX and LAN renewal work <ul style="list-style-type: none"> ⇒ Improvement of PBX through the introduction of FMC systems ⇒ Renewal of networks through the creation of Wi-Fi Measures to address 700MHz television reception CATV-related work (mapping systems, transmission paths, etc.)
Cost improvements Ensuring profitability		<ul style="list-style-type: none"> Management of material and subcontracting expenses for major projects (use of systems and strengthening of management) Improvement of profitability of public tenders (Focusing on strong areas, improvement of quotation precision) Strengthening of system for implementing each project (Cost improvements achieved by coordination by sales, installation and SE personnel)

Reference (Efforts in New Businesses)

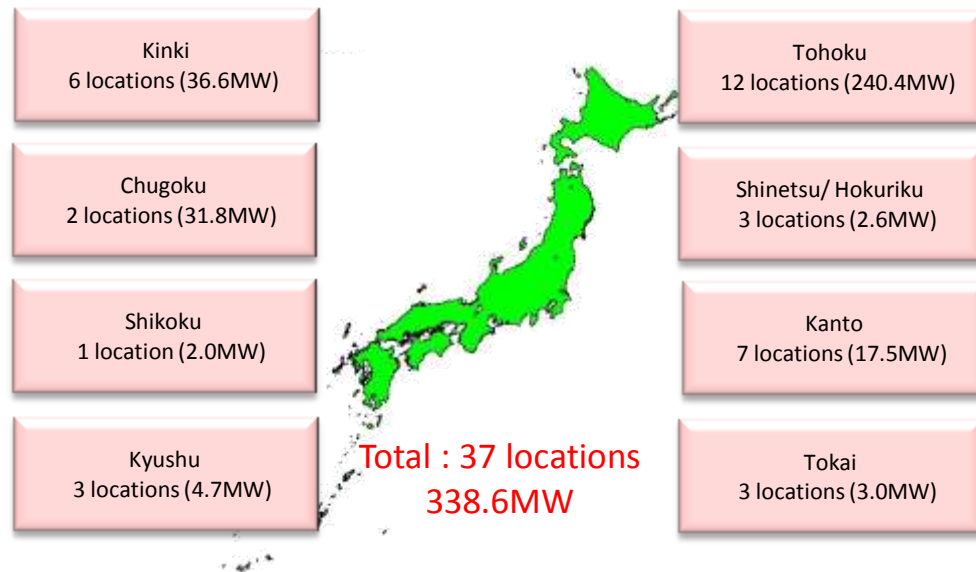
Orders Received and Power Generated in the Solar Power Business



Net Sales in Nationwide Installation Work (Excluding Solar)



(Reference) Schedules sales in the Solar Power Business (MIRAIT Group total)



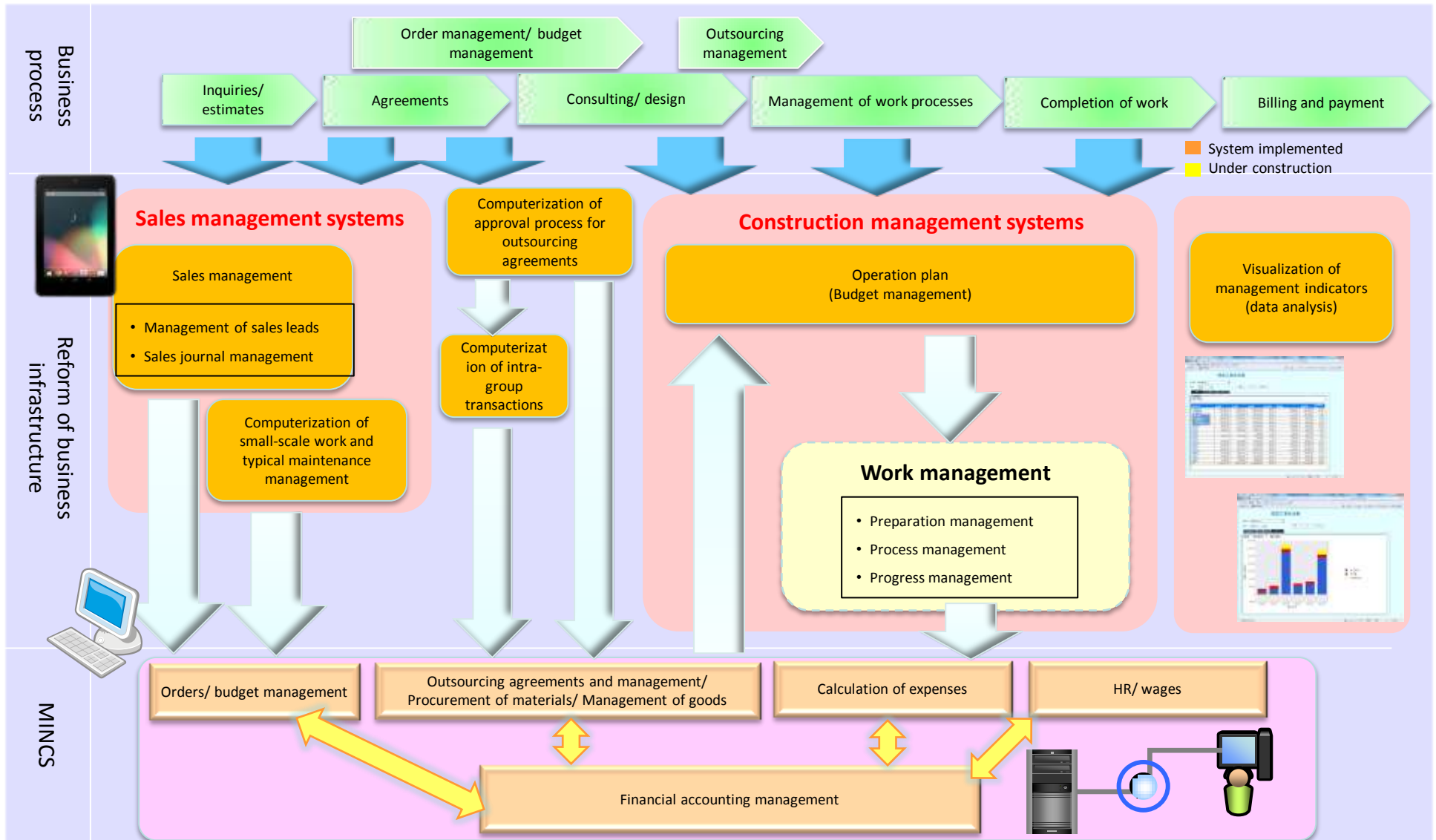
Rechargeable batteries	<ul style="list-style-type: none"> Nationwide operation through collaboration with rechargeable battery rental companies Establishment of the nationwide work organization
EV charging	<ul style="list-style-type: none"> Installation of EV charging equipment ⇒ Highway parking areas, service areas, shopping malls, etc.
Wi-Fi & solutions	<ul style="list-style-type: none"> Wi-Fi installation work ⇒ Subways, convenience stores, theme parks, hotels, local governments, parks, etc. Promotion of packaging of enterprise Wi-Fi environment integration
Network	<ul style="list-style-type: none"> Strengthening of coordination with telecommunications carrier groups Network renewal work in locations nationwide ⇒ Government offices, financial institutions and credit companies, retail, etc.
700MHz Measures to address problems with television reception	<ul style="list-style-type: none"> Responsible for Hokkaido, Tohoku, Tokai and Hokuriku areas ⇒ With the establishment of 700MHz mobile phone base stations, this will increase from FY2016

7. Structural Reforms and Efforts to Reduce Administrative Costs

- Encouragement of the strategic flow of personnel, assigning personnel to growth areas
- Promotion of cost-reduction measures through reduction of administrative expenses
- Acceleration of shift of personnel to other businesses and reforms of the business operation structure in the NTT Business

	Fiscal year ended March 2015 (Actual)	Fiscal year ending March 2016 (Planned)
Promotion of shift of personnel	<ul style="list-style-type: none"> • Promotion of shift of personnel to growth areas (+460) ⇒ Establishment of organization for promoting new business • 3% reduction of personnel in administrative divisions (-30) 	<ul style="list-style-type: none"> • Shift of personnel to growth areas (+170) • Reduction of personnel in administrative divisions (-30)
Promotion of measures to reduce administrative expenses	<ul style="list-style-type: none"> • Consolidation and standardization of operations by administration center (MBC) • Promotion of cost reductions through the utilization of consulting ⇒ Reduction of unit prices through improvement of procurement methods for purchased items <p style="text-align: right;">0.4 bil. yen</p>	<ul style="list-style-type: none"> • Unification and cost reduction of contract work, etc. to MBC ⇒ Improved efficiency through the unification of work related to mobile phone, insurance, and staffing contracts • Consolidation of leased properties and utilization of idle real estate • Review of various other expenses <p style="text-align: right;">0.4 bil. yen</p>
Improve productivity in the NTT business	<ul style="list-style-type: none"> • Reduction of direct and indirect operation through the consolidation of offices in each region • improved efficiency of support operations through the consolidation of support centers • Promotion of a shift of personnel to growth areas and not replenishing retired personnel (implemented for approximately 70 personnel) • Cost reduction through KAIZEN activities unified with subsidiaries <p style="text-align: right;">1.3 bil. yen</p>	<ul style="list-style-type: none"> • Reduction of direct and indirect operations and promotion of efficiency through consolidation of offices in each area • Creation of an efficient operating structure by consolidating support operations • Promotion of shift of personnel to growth areas (planned for approximately 20 personnel) • Promotion of shift of personnel to maintenance division (planned for approximately 50 personnel) • Cost reduction through the promotion of KAIZEN activities <p style="text-align: right;">0.4 bil. yen</p>
Visualization of cost management and promotion of BPR of operations	<ul style="list-style-type: none"> • Promotion of BPR through the utilization of work management tools ⇒ Promotion of visualization of sales management and small-scale/ typical maintenance projects • Promotion of management of cost control (visualization of income and expenditure for construction work) 	<ul style="list-style-type: none"> • Promotion of BPR through the utilization of work management tools ⇒ Promotion of visualization of work management (progress and processes) in construction divisions
Total cost improvements	Cost improvements totaling 1.7 bil. yen	Cost improvements totaling 1.3 bil. yen or more

- 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”**



III. Reference Materials

1. Company Overview

(1) 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 March 31, 2015)	35
Employees: (As of March 31, 2015)	[Consolidated] 7,334 (Mirait Holdings: 99) (Mirait : Consolidated 4,337, Non-consolidated 2,626) (Mirait Technologies: Consolidated 2,898, Non-consolidated 885)
Term-end	March 31, every year

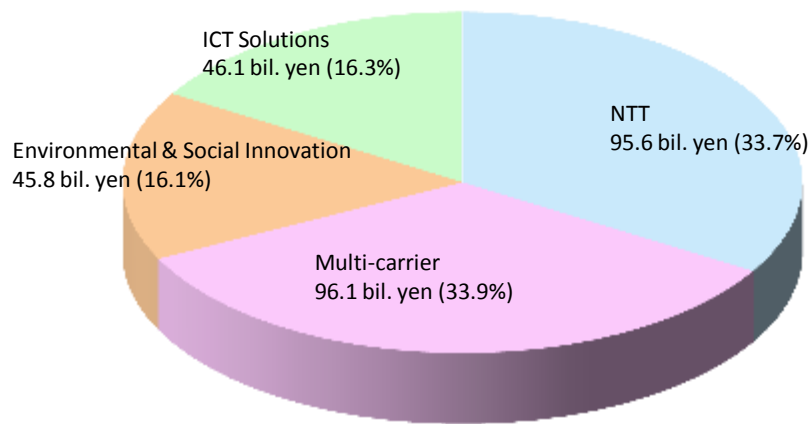
(2) Business Composition

- 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

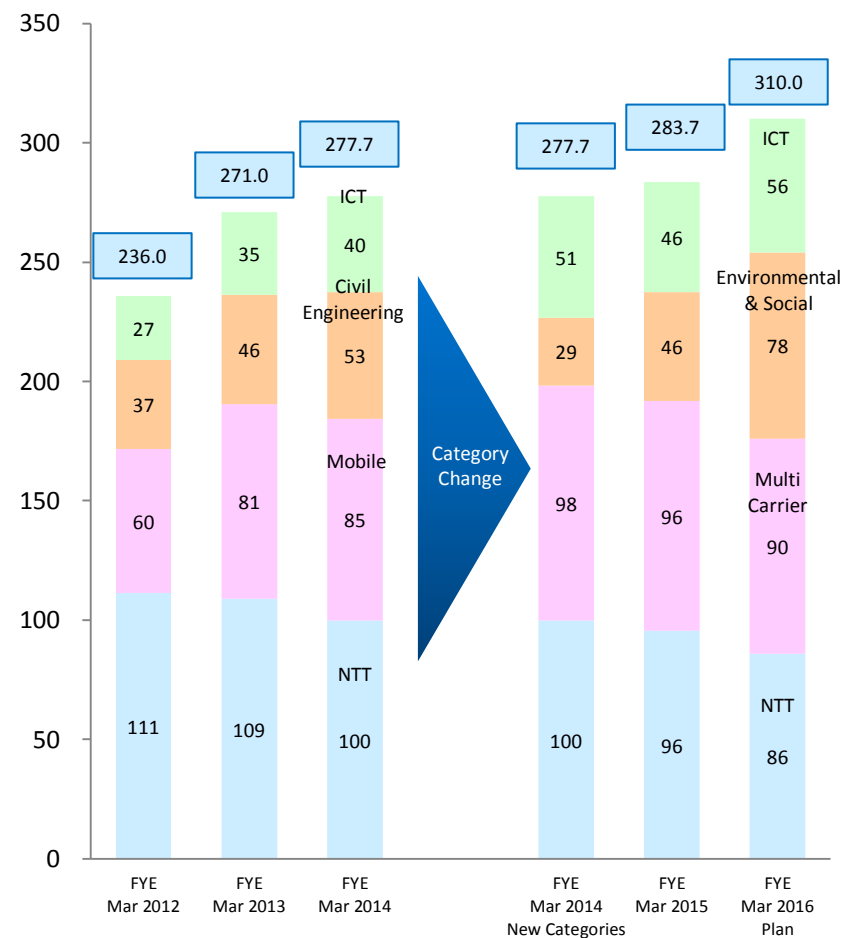
Business category	
(1) NTT Business	<ul style="list-style-type: none"> Construction, maintenance and operation of fixed communication facilities for the NTT Group
(2) Multi-carrier Business	<ul style="list-style-type: none"> Construction, maintenance and operation of mobile communication facilities NCC 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, 2015



Net sales by business

(Units: billions of yen)



2. Medium-term Management Plan

Business Environment

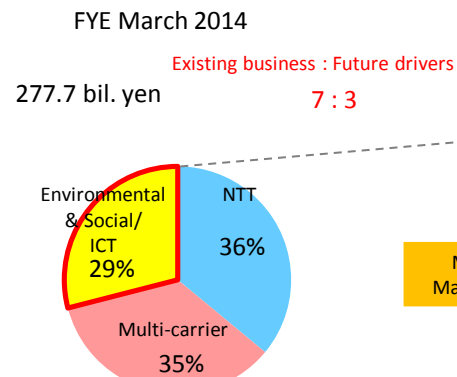
- Abenomics, rebuilding of social infrastructure
- 2020 Olympics and Paralympics in Tokyo
- Innovation of communication technology (higher speeds and capacity)
- Advancement of social innovation through the utilization of ICT

The environment is providing a tailwind

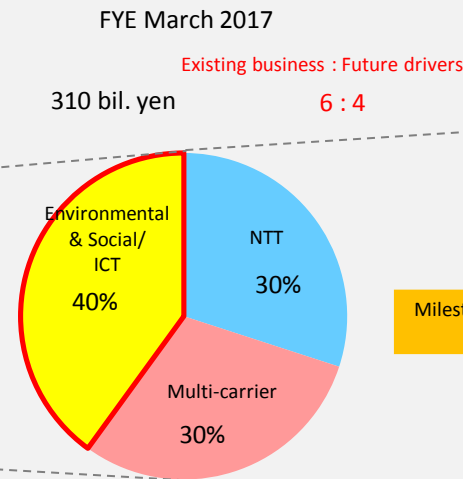
Basic Policy

- 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”

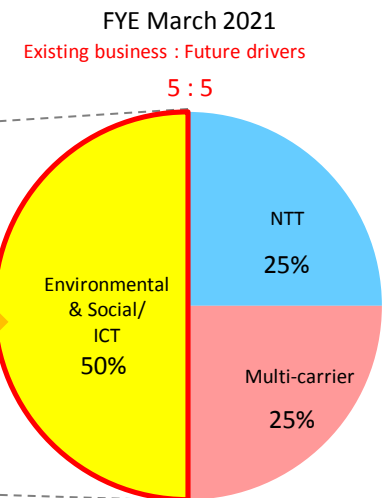
Sales Composition



Medium-term Management Plan

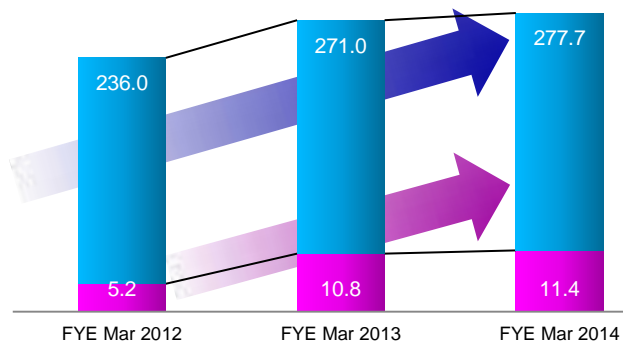


Milestones aimed at 2020



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)

3. Changes in the Business Environment and Business Opportunities

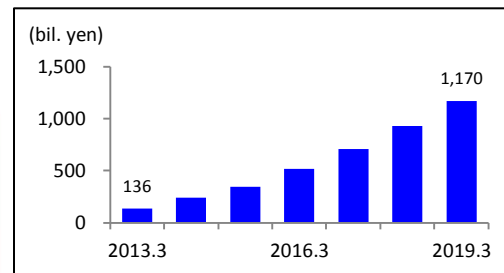
Japan's Structural Problems

- 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

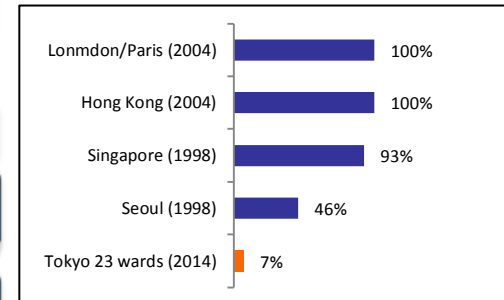
- Three arrows of Abenomics → Nominal growth rate of +3% for 10 years
- Deregulation and promotion of direct investment in Japan (Doubled to 35 tril. by 2020)
 - Strategic zones, Lower corporate tax, TPP, PFI (4 tril. → 12 tril. over 10 years)
- "Visit Japan" Tourism Strategy expand through the Tokyo 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)

Forecast for the M2M market (domestic)



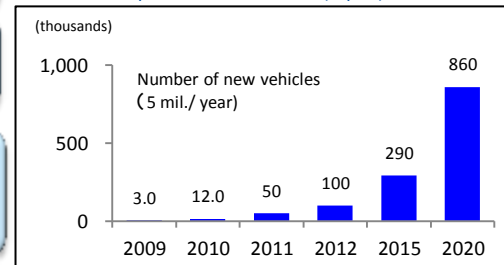
Source: Created by MIRAIT based on materials published by Nomura Research Institute

Comparison of Rate of Elimination of Power Poles with Other Countries



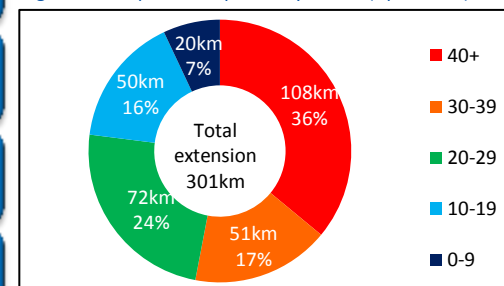
Source: Created by MIRAIT based on materials published by the Ministry of Land, Infrastructure, Transport and Tourism

Outlook for Spread of EV and PHV (Japan)



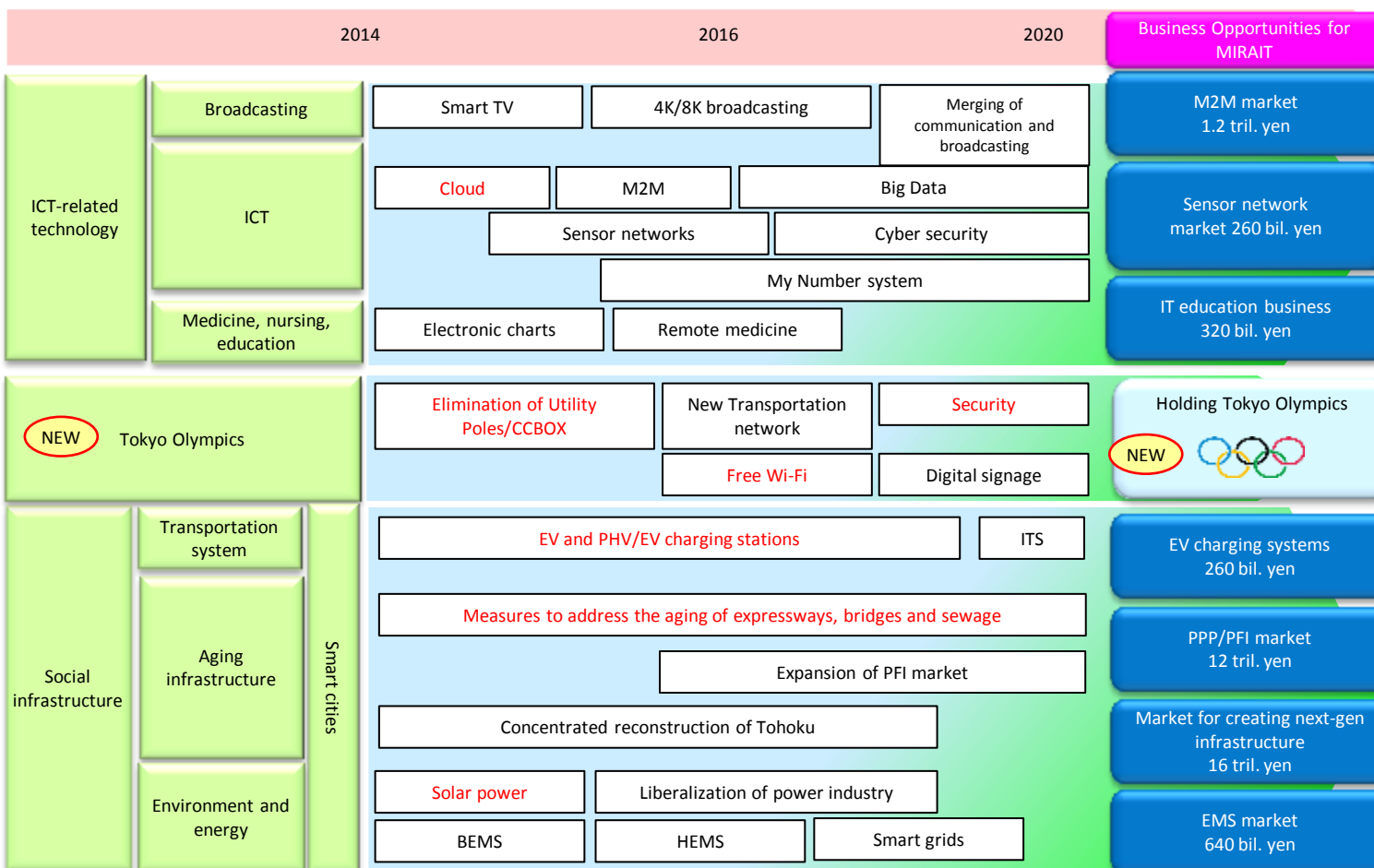
Source: Created by MIRAIT based on materials published by Ministry of the Environment

Age of Metropolitan Expressway Roads (April 2011)

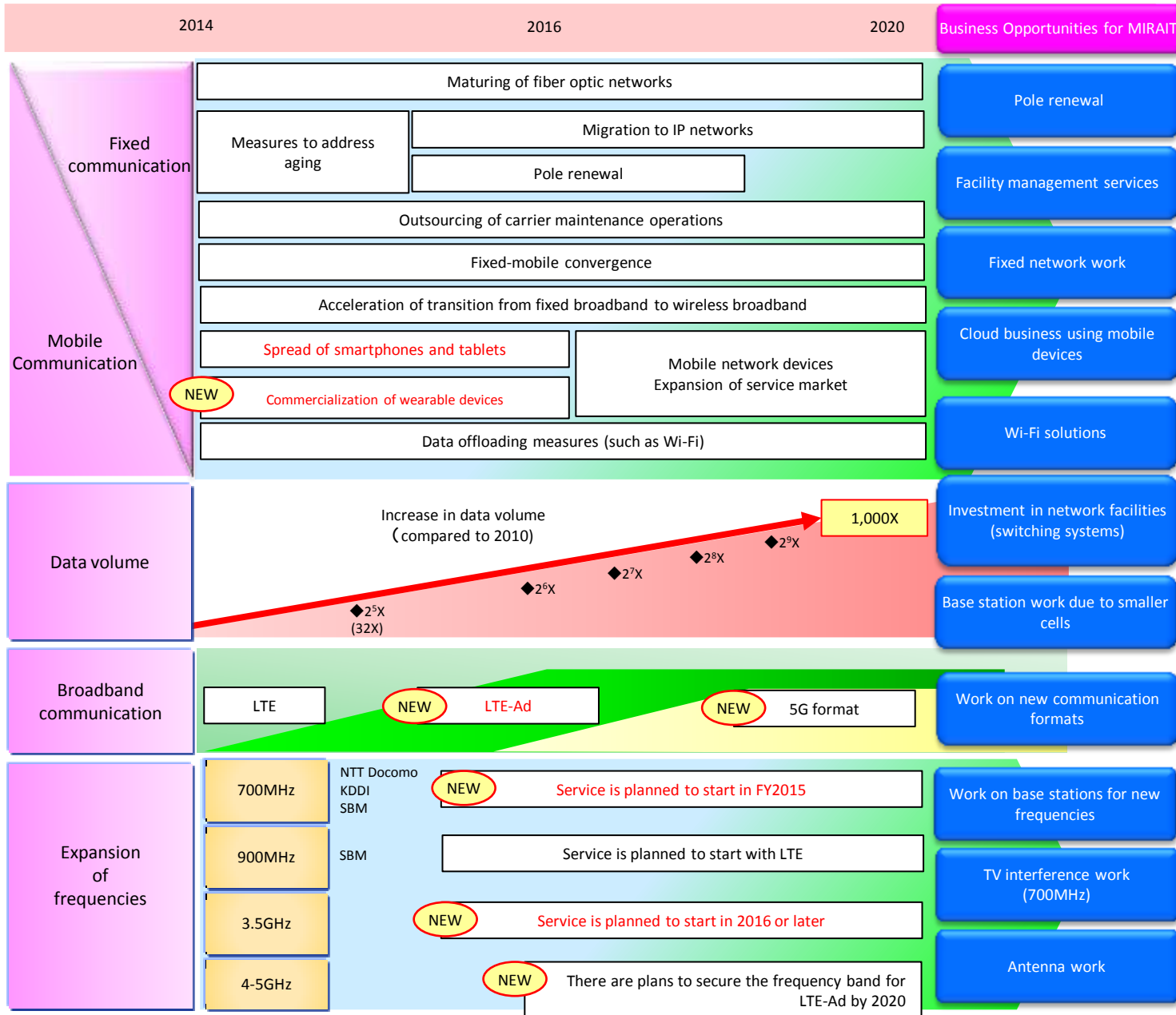


Source: Created by MIRAIT based on materials published by Ministry of Land, Infrastructure, Transport and Tourism

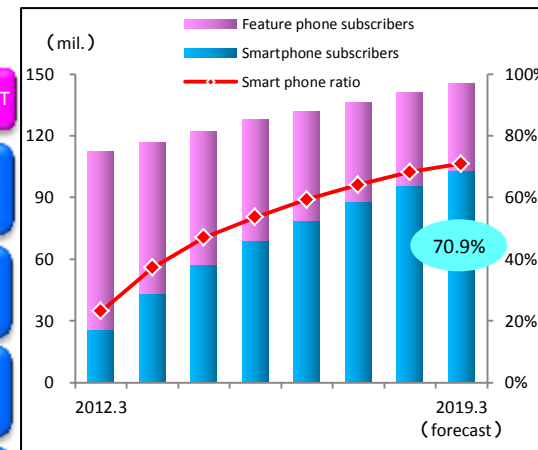
Changes in the Social Environment



Changes in the Communication Environment

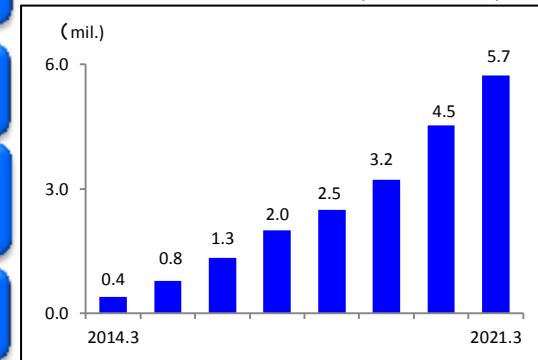


Forecast Size of Smartphone Market (Japan)



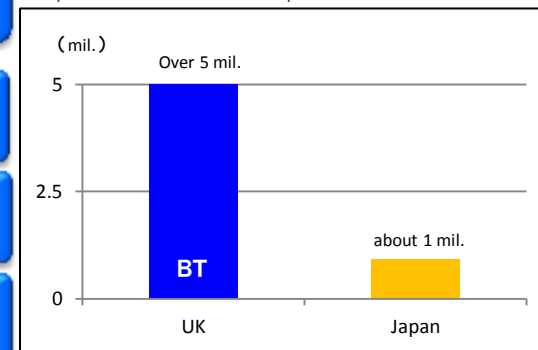
Source: Created by MIRAIT based on materials published by MM Research Institute

Estimate of Wearable Devices Market (Domestic Sales)



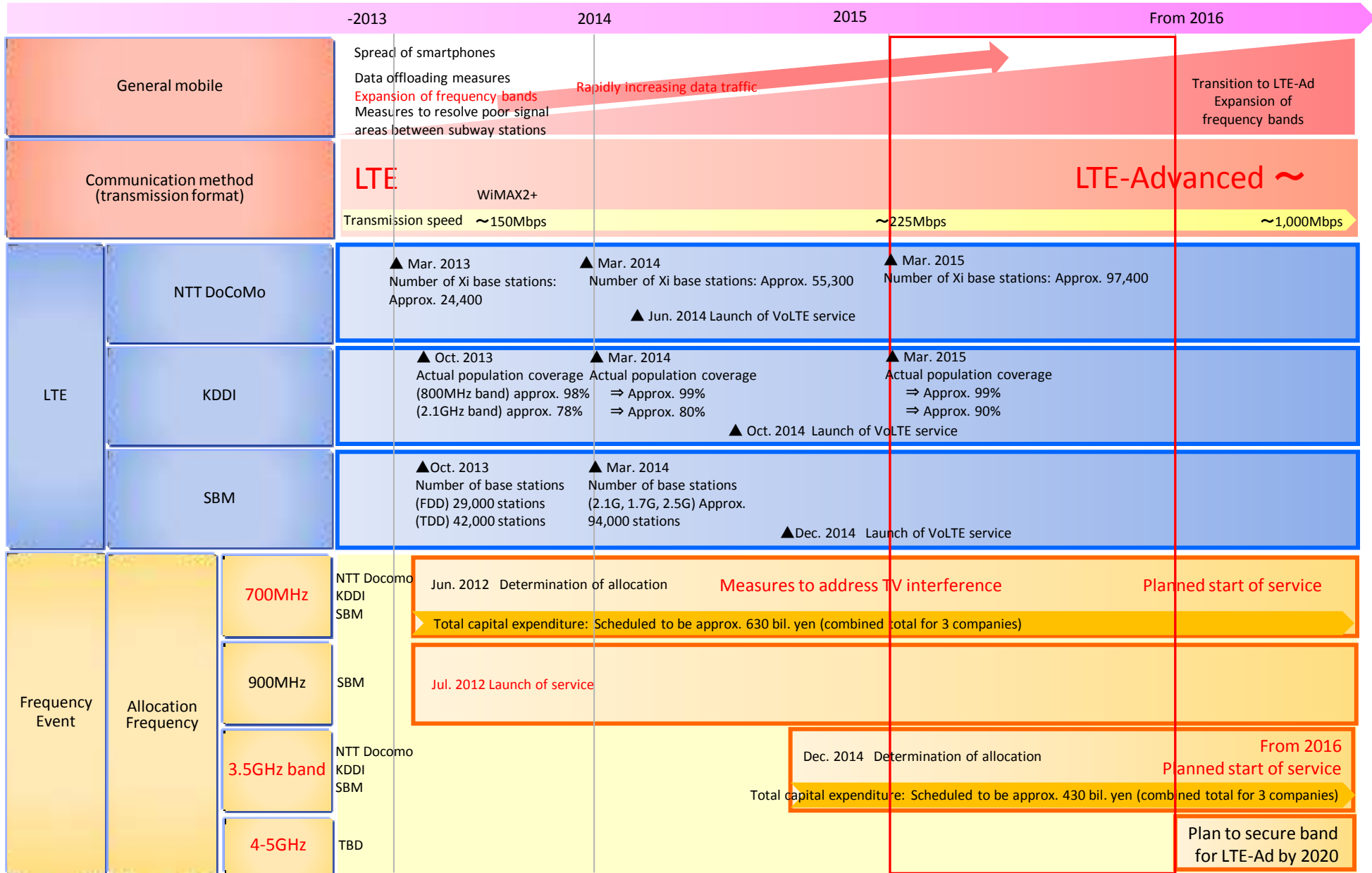
Source: Created by MIRAIT based on materials published by MM Research Institute

Comparison of Carriers' Wi-Fi Spots



Source: Estimated by MIRAIT based on carriers' HP

Changes in the Mobile Market Environment



1. Supplementary Materials

(1) Performance

Units: billions of yen	FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2015	FYE March 2016 (Plan)
Orders received	252.0	278.0	282.0	293.6	310.0
Net sales	236.0	271.0	277.7	283.7	310.0
Gross profit	24.0	29.3	29.9	33.1	34.5
Gross profit ratio	10.2%	10.8%	10.8%	11.7%	11.1%
SG&A	18.7	18.4	18.5	18.9	19.5
SG&A ratio	8.0%	6.8%	6.7%	6.7%	6.3%
Operating income	5.2	10.8	11.4	14.1	15.0
Operating income ratio	2.2%	4.0%	4.1%	5.0%	4.8%
Ordinary income	6.1	11.7	12.2	14.8	15.5
Ordinary income ratio	2.6%	4.3%	4.4%	5.2%	5.0%
Net income	3.2	4.2	7.1	11.1	10.0
Net income	1.4%	1.5%	2.6%	3.9%	3.2%

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

(2) Orders Received and Net Sales by Business Category

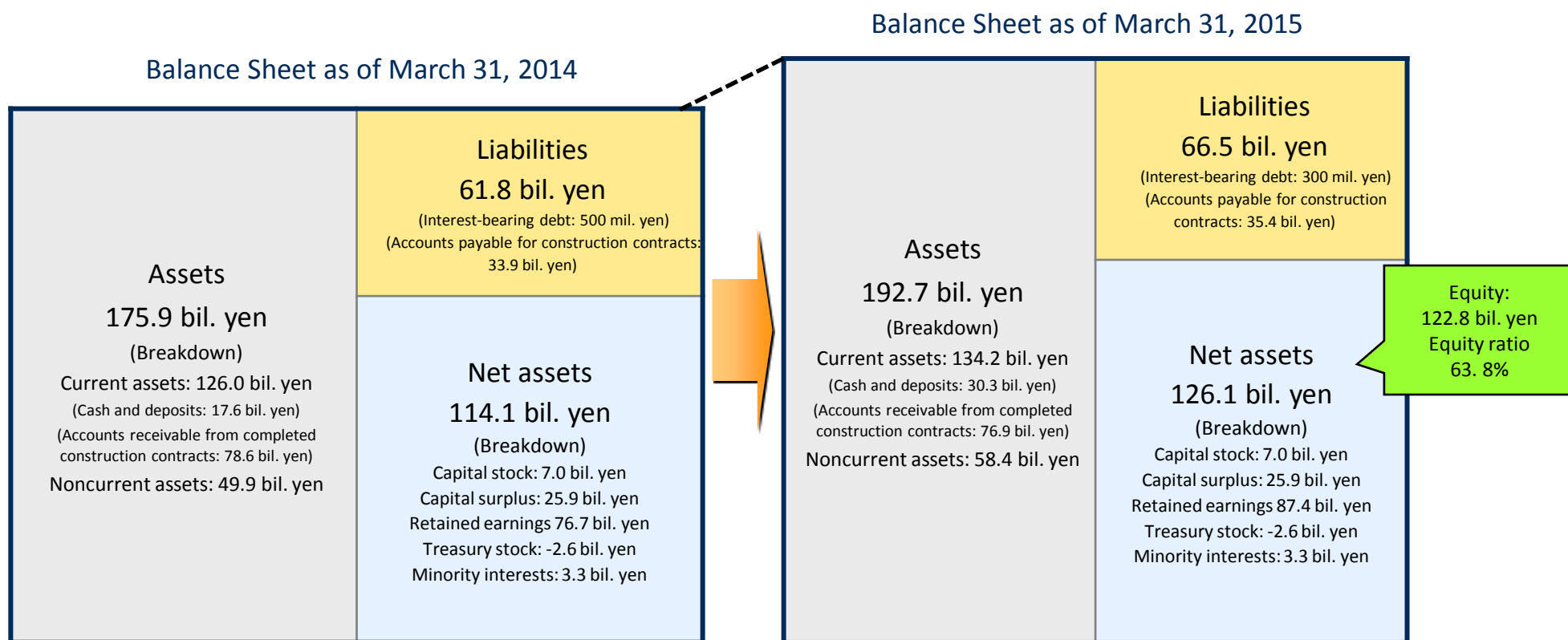
Orders received Units: billions of yen	FYE March 2014	FYE March 2015	YoY Change (Percentage change)	FYE March 2016 (Plan)	YoY Change (Percentage change)
	(a)	(b)	(b)–(a)	(c)	(c)–(b)
NTT Business	96.8	96.5	- 0.3 (- 0.3%)	86.0	- 10.5 (- 10.9%)
Multi-carrier business	97.8	94.1	- 3.7 (- 3.8%)	91.0	- 3.1 (- 3.3%)
Environmental & social innovation business	36.5	55.2	+ 18.7 (+ 51.2%)	76.0	+ 20.8 (+ 37.7%)
ICT solution business	50.9	47.7	- 3.2 (- 6.3%)	57.0	+ 9.3 (+ 19.5%)
Total	282.0	293.6	+ 11.6 (+ 4.1%)	310.0	+ 16.4 (+ 5.6%)

Net sales: Units: billions of yen	FYE March 2014	FYE March 2015	YoY Change (Percentage change)	FYE March 2016 (Plan)	YoY Change (Percentage change)
	(a)	(b)	(b)–(a)	(d)	(d)–(c)
NTT Business	99.9	95.6	- 4.3 (- 4.3%)	86.0	- 9.6 (- 10.0%)
Multi-carrier business	98.4	96.1	- 2.3 (- 2.3%)	90.0	- 6.1 (- 6.3%)
Environmental & social innovation business	28.5	45.8	+ 17.3 (+ 60.7%)	78.0	+ 32.2 (+ 70.3%)
ICT solution business	50.8	46.1	- 4.7 (- 9.3%)	56.0	+ 9.9 (+ 21.5%)
Total	277.7	283.7	+ 6.0 (+ 2.2%)	310.0	+ 26.3 (+ 9.3%)

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

(3) Assets, Liabilities and Net Assets

- Total assets increased from 175.9 bil. yen to 192.7 bil. yen due to an increase in cash and deposits (from 17.6 bil. yen to 30.3 bil. yen), and an increase in investment securities associated with the revision of pension assets
- Liabilities increased from 61.8 bil. yen to 66.5 bil. yen due to an increase in accounts payable to the defined contribution pension scheme
- Net assets increased from 114.1 bil. yen to 126.1 bil. yen due to an increase in retained earnings (equity ratio is 63.8%)



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

(4) Key Performance Indicators

Capital-related Indicators

	FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2015	FYE March 2016 (Plan)
Equity ratio	65.3%	60.0%	63.0%	63.8%	65.1%
Return on equity (ROE)	3.3%	4.1%	6.7%	9.5%	7.9%

Shareholder Return Indicators

	FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2015	FYE March 2016 (Plan)
Dividend payout ratio	50.7%	39.2%	22.9%	22.0%	24.4%
Overall returns	50.7%	39.2%	36.7%	22.0%	24.4%

Capital Investment and Depreciation and Amortization

Units: billions of yen	FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2015	FYE March 2016 (Plan)
Capital expenditure	3.4	2.9	3.2	3.2	4.6
Depreciation and amortization	2.7	2.5	2.2	2.4	2.2

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

Cash Flows

Units: billions of yen	FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2015
Operating cash flow	5.4	(1.6)	9.0	18.6
Investment cash flow	(2.3)	(1.5)	(2.7)	(3.8)
Financial cash flow	(2.1)	(2.4)	(3.5)	(2.2)
Free cash flow	3.1	(3.1)	6.3	14.8

Cash and Deposits/ Interest-bearing Debt

Units: billions of yen	FYE March 2012	FYE March 2013	FYE March 2014	FYE March 2015
Cash and cash equivalents	19.6	13.9	16.7	29.2
Interest-bearing debt	(0.5)	(1.0)	(0.5)	(0.3)
Net cash	19.1	12.9	16.2	28.9

- (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