

## Consolidated Financial Results

### for the Nine Months Ended December 31, 2018 [Japanese GAAP]

February 4, 2019

Company name:	MIRAIT Holdings Corporation	Stock exchange listing:	TSE
Code Number:	1417	URL:	<a href="https://www.mirait.co.jp/">https://www.mirait.co.jp/</a>
Representative:	Masatoshi Suzuki, President and CEO	Phone:	+81-3-6807-3124
Contact:	Manabu Kiriya, Director and CFO	Scheduled date for filing of quarterly report:	February 8, 2019
Scheduled date for commencement of dividend payment:	—		
Supplementary briefing materials on quarterly results:	Available		
Quarterly results briefing:	None		

(Amounts are rounded down to the nearest one million)

#### 1. Consolidated Financial Results for the Nine Months Ended December 31, 2018 (April 1, 2018 to December 31, 2018)

##### (1) Consolidated Operating Results (cumulative)

(% indicates change from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Nine months ended December 31, 2018	230,051	11.4	9,860	13.9	10,850	12.3	8,727	50.5
Nine months ended December 31, 2017	206,602	20.4	8,653	592.0	9,664	545.3	5,800	—

(Note) Comprehensive income:      Nine months ended December 31, 2018   7,036 million yen (-8.8%)  
   Nine months ended December 31, 2017   7,719 million yen (-%)

	Net income per share	Diluted net income per share
	yen	yen
Nine months ended December 31, 2018	106.04	92.36
Nine months ended December 31, 2017	73.33	63.53

##### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
As of December 31, 2018	257,499	161,903	61.8
As of March 31, 2018	234,489	140,744	58.5

(Reference) Equity:      As of December 31, 2018   159,070 million yen  
   As of March 31, 2018      137,257 million yen

#### 2. Dividends

	Annual dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	yen	yen	yen	yen	Yen
Fiscal year ended March 31, 2018	—	15.00	—	20.00	35.00
Fiscal year ending March 31, 2019	—	20.00	—		
Fiscal year ending March 31, 2019 (forecast)				20.00	40.00

(Note) Revision of dividend forecasts from recently announced figures: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2019  
(April 1, 2018 to March 31, 2019)

(% indicates change from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
Full year ending March 31, 2019	365,000	16.6	18,5000	10.7	19,700	10.4	13,200	14.7	151.61

(Note) Revision of financial results forecasts from recently announced figures: None

It should be noted that the Company is currently reviewing the market value of the assets and liabilities of the merged companies, and therefore, the accounting of negative goodwill that is expected with the management integration is not reflected in the forecast.

\* Notes:

(1) Significant changes in subsidiaries during the period under review: Yes

(Changes in specified subsidiaries resulting in changes in the scope of consolidation)

Additions: 1 company (Names) TTK Co., Ltd.

(2) Application of specific accounting practices for preparing consolidated quarterly financial statements: Yes

(3) Changes in accounting principles and changes or restatements of accounting estimates:

1) Changes in accounting principles due to revision of accounting standards: None

2) Changes in accounting principles other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

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

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

December 31, 2018	93,171,844 shares	March 31, 2018	85,381,866 shares
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2) Total number of treasury stock at the end of the period

December 31, 2018	4,847,170 shares	March 31, 2018	6,185,984 shares
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3) Average number of shares outstanding during the period

December 31, 2018	82,304,692 shares	December 31, 2017	79,093,841 shares
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(Note) Total number of treasury stock includes the Company's stock held by the Board Incentive Plan trust under the Company's performance-linked stock remuneration program for directors and executive officers.

\* Implementation status of quarterly review processes

- This quarterly summary of consolidated financial results is not subject to the quarterly review procedures stipulated under the Financial Instruments and Exchange Act.

\* Explanation regarding the appropriate use of performance forecasts, and other items warranting special mention

- The performance forecasts and other forward-looking statements in this report are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Accordingly, actual performance may differ materially depending on various factors.

Consolidated Quarterly Financial Statements and Notes

(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	Fiscal Year Ended March 31, 2018	Nine Months Ended December 31, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	33,748	31,261
Notes receivable, accounts receivable from completed construction contracts and other	94,111	75,665
Costs on uncompleted construction contracts and other	21,398	41,975
Other	5,336	6,705
Allowance for doubtful accounts	(7)	(6)
Total current assets	154,586	155,602
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,151	30,621
Land	20,277	23,922
Construction in progress	8,878	2,527
Other, net	4,568	6,913
Total property, plant and equipment	44,876	63,984
Intangible assets		
Goodwill	3,064	2,917
Customer related assets	2,274	2,142
Software	1,118	1,511
Other	59	43
Total intangible assets	6,516	6,614
Investments and other assets		
Investment securities	21,911	23,261
Net defined benefit asset	2,261	2,340
Deferred tax assets	1,552	2,849
Lease and guarantee deposits	1,235	1,295
Other	1,692	1,725
Allowance for doubtful accounts	(143)	(175)
Total investments and other assets	28,509	31,297
Total non-current assets	79,903	101,897
<b>Total assets</b>	<b>234,489</b>	<b>257,499</b>

(Millions of yen)

	Fiscal Year Ended March 31, 2018	Nine Months Ended December 31, 2018
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	39,400	35,671
Short-term loans payable	124	4,280
Income taxes payable	4,725	1,337
Advances received on uncompleted construction contracts	5,610	6,459
Provision for loss on construction contracts	489	670
Provision for bonuses	4,846	2,812
Provision for directors' bonuses	78	65
Provision for warranties for completed construction	6	8
Other	8,366	9,359
Total current liabilities	63,647	60,665
Non-current liabilities		
Convertible bond-type bonds with share acquisition rights	16,560	16,548
Long-term accounts payable - other	377	163
Deferred tax liabilities	2,376	2,946
Deferred tax liabilities for land revaluation	41	41
Provision for directors' retirement benefits	77	78
Provision for share based compensation	110	172
Net defined benefit liability	8,626	11,623
Asset retirement obligations	96	97
Other	1,829	3,258
Total non-current liabilities	30,097	34,930
Total liabilities	93,745	95,595
<b>Net assets</b>		
Shareholders' equity		
Capital stock	7,000	7,000
Capital surplus	27,563	45,529
Retained earnings	101,789	107,306
Treasury shares	(5,168)	(5,089)
Total shareholders' equity	131,184	154,746
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,836	3,618
Revaluation reserve for land	(98)	(98)
Foreign currency translation adjustment	327	(84)
Remeasurements of defined benefit plans	1,009	887
Total accumulated other comprehensive income	6,073	4,323
Non-controlling interests	3,486	2,833
Total net assets	140,744	161,903
Total liabilities and net assets	234,489	257,499

(2) Consolidated Quarterly Statements of Income and Comprehensive Income  
 Nine Months Ended December 31, 2018

(Millions of yen)

	Nine Months Ended December 31, 2017	Nine Months Ended December 31, 2018
Net sales of completed construction contracts	206,602	230,051
Cost of sales of completed construction contracts	180,710	201,752
Gross profit on completed construction contracts	25,891	28,299
Selling, general and administrative expenses	17,237	18,438
Operating profit	8,653	9,860
Non-operating income		
Interest income	61	72
Dividend income	504	599
Insurance premiums refunded cancellation	154	74
Share of profit of entities accounted for using equity method	197	216
Other	162	183
Total non-operating income	1,081	1,147
Non-operating expenses		
Interest expenses	12	7
Foreign exchange losses	21	67
Other	36	82
Total non-operating expenses	70	158
Ordinary profit	9,664	10,850
Extraordinary income		
Gain on sales of non-current assets	2	817
Gain on sales of investment securities	17	615
Gain on bargain purchase	—	812
Other	—	322
Total extraordinary income	20	2,568
Extraordinary losses		
Loss on sales of non-current assets	65	3
Loss on retirement of non-current assets	24	106
Loss on change in equity	—	62
Other	170	92
Total extraordinary losses	261	265
Profit before income taxes	9,423	13,153
Income taxes	3,469	4,331
Profit	5,954	8,822
Profit attributable to		
Profit attributable to owners of parent	5,800	8,727
Profit attributable to non-controlling interests	154	94

(Millions of yen)

	Nine Months Ended December 31, 2017	Nine Months Ended December 31, 2018
Other comprehensive income		
Valuation difference on available-for-sale securities	1,361	(1,243)
Foreign currency translation adjustment	415	(393)
Remeasurements of defined benefit plans, net of tax	6	(122)
Share of other comprehensive income of entities accounted for using equity method	(17)	(26)
Total other comprehensive income	1,765	(1,785)
Comprehensive income	7,719	7,036
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,557	6,953
Comprehensive income attributable to non-controlling interests	162	83