



Presentation on the Financial Results for the Fiscal Year Ended March 2020

May 14, 2020



MIRAIT Holdings Corporation

I. Overview of the Financial Results for the Fiscal Year Ended March 2020

1. Financial Results for the Fiscal Year Ended March 2020	3 - 5
2. Summary by Business Category	6
3. Shareholder Returns	

II. Shareholder Returns

Shareholder Returns	8
---------------------	---

III. Business Plan for the Fiscal Year Ending March 2021

1. Business environment for the Mirait Group	10
2. Trends in the NTT Business	11 - 12
3. Trends in the Multi-carrier Business	13 - 14
4. Trends in the Environmental & Social Innovation Business	15 - 16
5. Trends in the ICT Solution Business	17 - 18
6. Initiatives to Build a Stronger Business Base	19
7. ESG Initiatives	20

IV. Reference Materials

1. Overview of MIRAIT Holdings	22 - 26
2. Outline of New Medium-term Management Plan	27
3. Key Initiatives under the New Medium-term Management Plan	28
4. Changes in the Market Environment for the Mobile Business	29
5. Current Industry Conditions	30
6. Supplementary Financial Information	31 - 36

Precautionary Statement	37
-------------------------	----



I. Overview of the Financial Results for the Fiscal Year Ended March 2020

1. Financial Results for the Fiscal Year Ended March 2020

Units: bil. yen	FYE March 2019	FYE March 2020		
	Full-year Results	Full-year Results	YoY Change	
			Amount	%
Orders received	392.6	446.5	+53.9	+13.7%
Net sales	375.9	441.1	+65.2	+17.3%
NTT	128.3	156.3	+28.0	+21.8%
Multi-carrier	92.5	97.2	+4.7	+5.1%
Environmental & Social Innovation	56.3	66.7	+10.4	+18.5%
ICT Solution	98.7	120.8	+22.1	+22.4%
Gross profit (Gross profit margin)	46.9 (12.5%)	52.1 (11.8%)	+5.2 (- 0.7p)	+11.1%
SG&A (SG&A ratio)	26.2 (7.0%)	30.1 (6.8%)	+3.9 (- 0.2p)	+14.9%
Operating income (Operating income ratio)	20.6 (5.5%)	21.9 (5.0%)	+1.3 (- 0.5p)	+6.3%
Ordinary income (Ordinary income ratio)	21.9 (5.8%)	23.2 (5.3%)	+ 1.3 (- 0.5p)	+5.9%
Net income (Net income ratio)	* 25.7 (6.8%)	15.2 (3.4%)	- 10.5 (- 3.4p)	- 40.9%
Construction account carried forward	144.9	150.3	+ 5.4	—

Key Highlights				
<p>Achieved record-high net sales and operating income, but net income down due to absence of extraordinary gain from management integration</p> <ul style="list-style-type: none"> Orders received: 446.5 bil. yen (+53.9 bil. yen yoy) due to increase in all business categories except Environmental & Social. 				
Orders received (Unit: bil. yen)	FYE March 2019	FYE March 2020		
	Full-year Results	Full-year Results	YoY Change	
			Amount	%
NTT	137.7	154.8	+ 17.1	+ 12.4%
Multi-carrier	95.1	106.2	+ 11.1	+ 11.7%
Environmental & Social	58.4	54.3	- 4.1	- 7.0%
ICT	101.2	131.0	+ 29.8	+ 29.4%
Total	392.6	446.5	+ 53.9	+ 13.7%
<ul style="list-style-type: none"> Net sales: 441.1 bil. yen (+65.2 bil. yen yoy) due to management integration effect and growth in frontier domains. Gross profit: 52.1 bil. yen (+5.2 bil. yen yoy), but gross profit margin down by 0.7 pts due to management integration impact and decline in profit margins at former group companies. SG&A: Up 3.9 bil. yen yoy to 30.1 bil yen, but SG&A ratio improved by 0.2 pts. Operating income: 21.9 bil yen (+1.3 bil. yen yoy) Net income: 15.2 bil. yen due to absence of extraordinary gains from management integration recorded in the previous year. <p>※Net income in FYE3/2019 (25.7 bil. yen) excluding extraordinary gains from management integration was 15.7 bil. yen.</p> <ul style="list-style-type: none"> Construction account carried forward: 150.3 bil. yen (+5.4 bil. yen yoy) 				

(Reference) Financial Results for the Fiscal Year Ended March 2020 (Former Group)

* Former Group is Mirait, Mirait Technologies and Lantrovision.

Units: bil. yen	FYE March 2019	FYE March 2020		
	Full-year Results	Full-year Results	YoY Change	
			Amount	%
Orders received	320.4	344.5	+24.1	+ 7.5%
Net sales	330.8	344.3	+13.5	+ 4.1%
NTT	101.8	99.8	- 2.0	- 2.0%
Multi-carrier	87.6	85.2	- 2.4	- 2.7%
Environmental & Social Innovation	50.3	57.8	+ 7.5	+ 14.9%
ICT Solution	90.9	101.4	+ 10.5	+ 11.6%
Gross profit (Gross profit margin)	41.3 (12.5%)	41.4 (12.0%)	+ 0.1 (- 0.5p)	+ 0.2%
SG&A (SG&A ratio)	23.6 (7.1%)	24.4 (7.1%)	+ 0.8 (0.0p)	+ 3.4%
Operating income (Operating income ratio)	17.6 (5.3%)	16.9 (4.9%)	- 0.7 (- 0.4p)	- 4.0%
Ordinary income (Ordinary income ratio)	18.7 (5.7%)	17.6 (5.1%)	- 1.1 (- 0.6p)	- 5.9%
Net income (Net income ratio)	13.5 (4.1%)	11.0 (3.2%)	- 2.5 (- 0.9p)	- 18.5%

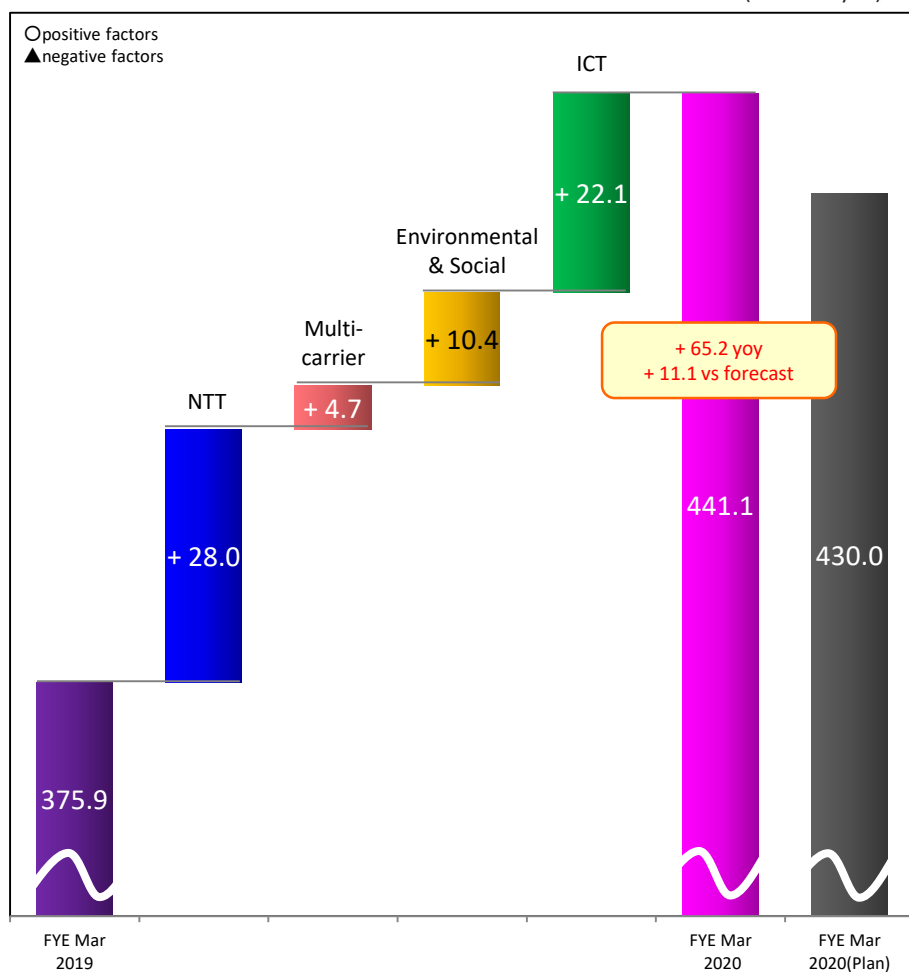
Key Highlights				
<p>Achieved record-high net sales, but operating income dropped due to provision for losses on unprofitable projects</p> <ul style="list-style-type: none"> Orders received: 344.5 bil. yen (+24.1 bil. yen yoy) Net sales: 344.3 bil. yen (+13.5 bil. yen yoy) due to growth in frontier domains. Gross profit margin down by 0.5 pts due to provision for losses on unprofitable projects, etc. SG&A: Flat year-on-year (One-off loan losses at Lantrovision) Operating income: 16.9 bil. yen (-0.7 bil. yen yoy) Net income: 11.0 bil. yen (-2.5 bil. yen yoy) 				
Orders received (Unit: bil. yen)	FYE March 2019	FYE March 2020		
	Full-year Results	Full-year Results	YoY Change	
			Amount	%
NTT	97.5	97.0	- 0.5	- 0.5%
Multi-carrier	86.7	93.0	+ 6.3	+ 7.3%
Environmental & Social	43.7	44.6	+ 0.9	+ 2.1%
ICT	92.4	109.8	+ 17.4	+ 18.8%
Total	320.4	344.5	+ 24.1	+ 7.5%

Detailed Analysis of Net Sales [YoY Comparison]

- **NTT:** contribution of newly acquired companies and increase in facility management business
- **Multi-carrier:** increase in work for Rakuten, but delay in some work for other carriers
- **Environmental & Social innovation:** increase in completed mega-solar projects, etc
- **ICT Solutions:** Increase in sales from LAN/PBX work, software development and sales of goods

Net sales

(Unit: bil. yen)

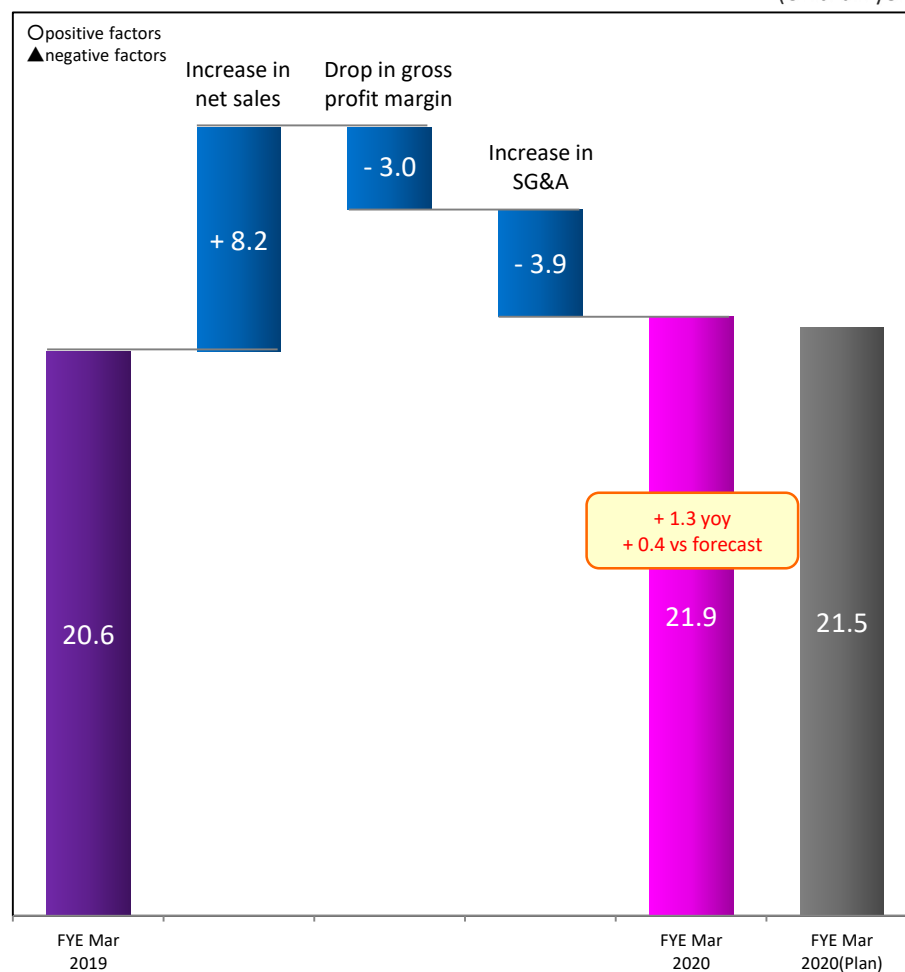


Detailed Analysis of Operating Income [YoY Comparison]

- **Impact of increase in net sales:** +8.2 bil. yen
- **Drop in gross profit margin due to the provisioning for possible losses on unprofitable projects (- 3.0 bil.yen)**
- **SG&A increase (+4.1 bil. yen) due to increase in number of acquired subsidiaries and provision for loan losses**
- **Operating income ratio was in line with forecast (5%)**





Operating income

(Unit: bil. yen)



2. Summary by Business Category

○Positive factors
▲negative factors

Item (Unit: billion yen)	Key Highlights	
<p>NTT</p> <p>〔 Net sales : 156.3 (YoY change : + 28.0) 〕</p>	<p>○Contribution of newly acquired companies (including work for disaster recovery)</p> <p>○Growth in facility management business</p> <p>▲Decrease in access work</p>	 <p>Work for optical line connections</p>
<p>Multi-carrier</p> <p>〔 Net sales : 97.2 (YoY change : + 4.7) 〕</p>	<p>○Work for Rakuten gaining full momentum</p> <p>○Increase in work for CATV</p> <p>▲Some delays in work for other carriers (due to lack of parts and equipment)</p>	 <p>Work for new frequencies</p>
<p>Environmental & Social Innovation</p> <p>〔 Net sales : 66.7 (YoY change : + 10.4) 〕</p>	<p>○Increase in mega-solar projects completed</p> <p>○Increase in civil engineering, electrical and lighting work</p>	 <p>Work for solar power</p>
<p>ICT Solutions</p> <p>〔 Net sales : 120.8 (YoY change : + 22.1) 〕</p>	<p>○Increase in LAN/PBX work and sales of goods</p> <p>○Increase in sale of goods (mobile-related, education-related)</p> <p>○Increase in software development projects (won large project for major consumer electronics retailer)</p> <p>○Full-scale operation of Osaka No.1 data center</p> <p>▲Decrease in work to resolve TV reception interference</p>	 <p>LAN/PBX cabling work</p>



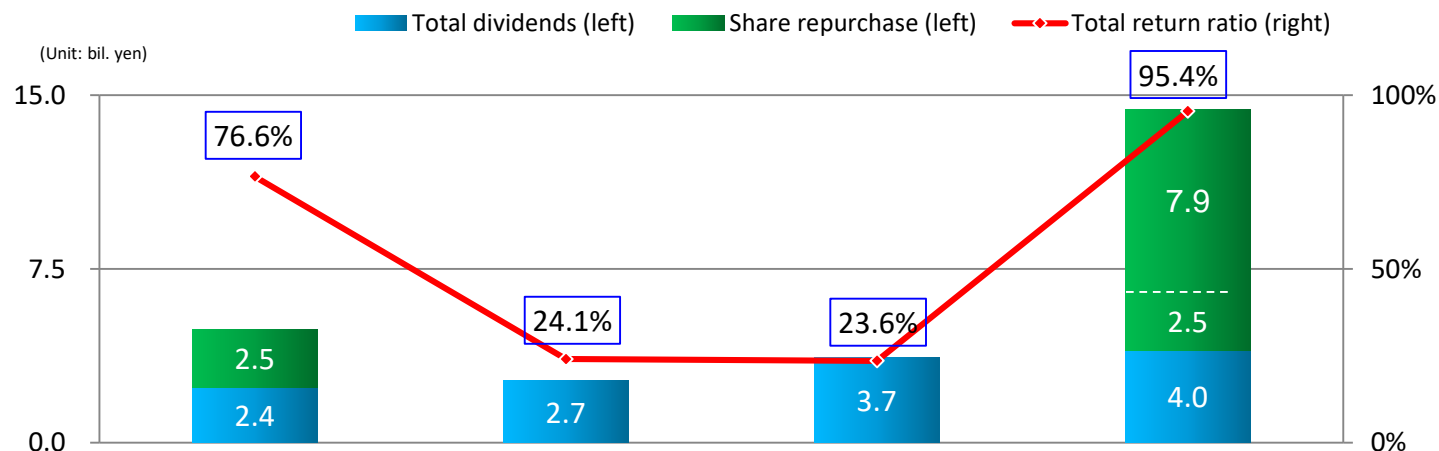
II. Shareholder Returns

Shareholder Returns

Comprehensive decisions on shareholder returns will be made based on the Company's basic policy to pay dividends consistently and its total shareholder return target of more than 30%, while also taking into consideration the Company's business results and cash position, among other factors.

- In FYE3/2020, the Company paid an annual dividend of 40 yen per share and repurchased shares twice (May: 2.5 bil. yen, September: 7.9 bil. yen).
 - The Company redeemed all outstanding convertible bonds and allotted treasury shares as at end-December 2019
- ⇒ No change in issued number of ordinary shares.

Shareholder Returns



	FYE March 2017	FYE March 2018	FYE March 2019	FYE March 2020
Net income	6.4 bil. yen	11.5 bil. Yen	25.7 bil. Yen	15.2 bil. yen
Annual dividends per share	30 yen	35 yen	40 yen	40 yen
Total dividends	2.4 bil. Yen	2.7 bil. Yen	3.7 bil. Yen	4.0 bil. yen
Consolidated dividend payout ratio	37.6%	24.1%	13.5% (Note) (23.6%)	26.7%
Share repurchase	2.5 bil. Yen	—	—	10.4 bil.yen
Consolidated total return ratio	76.6%	24.1%	13.5% (Note) (23.6%)	95.4%
ROE	5.2%	8.8%	15.4% (Note) (9.4%)	7.4%

(Note) Figures in () for consolidated dividend payout ratio, consolidated total return ratio and ROE exclude the impact of negative goodwill from the recent acquisitions.



III. Business Plan for the Fiscal Year Ending March 2021

As for the business performance for FYE 3/2021, the Mirait Group intends to achieve financial results in line with the previous fiscal year.

However, at present, it is uncertain as to when the spread of COVID-19 will end.

- Postponement of the Tokyo Olympic/ Paralympic Games
- Delay in some construction projects due to supply chain disruptions
- Slowdown in new orders due to deterioration in investment demand

The impact of the above factors are not reflected in the Company's forecast for FYE 3/2020, as it is not possible to rationally estimate such impact.

The Company will disclose any deviations in business performance from the initial forecast as appropriate.

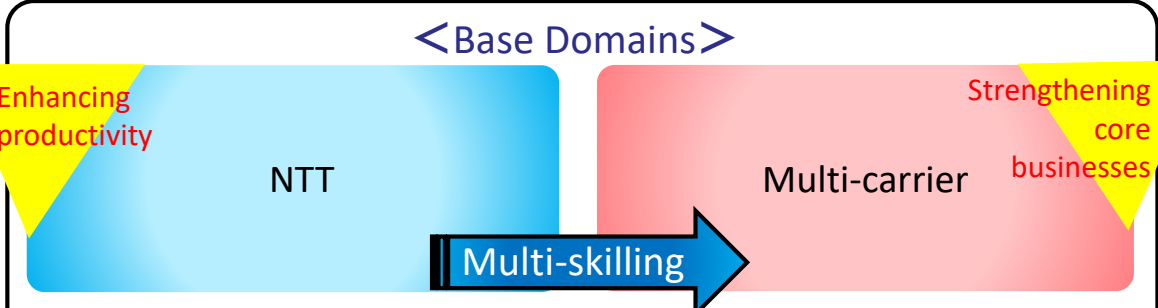
The Company intends to pay dividends in line with the previous year.

1. Business environment for the Mirait Group

Business plan for FYE 3/2021
 Orders received: 430.0 bil. yen
 Net sales: 435.0 bil. yen
 Op income: 22.0 bil. yen

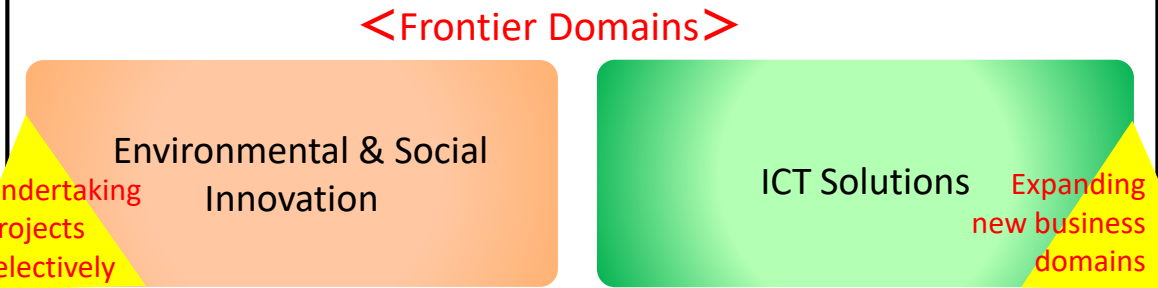
- Cost reduction by way of benchmarking
- Efficient operations through system integration and the use of ICT tools
- Building networks in response to the development of 5G

- Building base stations for the early launch of 5G services
(launch of 5G commercial service)
- Growth in Rakuten business
- Promoting group-wide adoption of operational systems
- Efforts to expand 5G peripheral business



- Solar power
- EMS
- Electrical, air conditioning, lighting
- Renewal of aging infrastructure
- Storage batteries, EV chargers

- Local 5G
- Tele-work
(work from home)
- Build infrastructure in response to the GIGA school concept
- Expand solution-based sales at newly merged companies
- Global business
- Upgrade data center business
- Cloud (SD-WAN)
- Wi-Fi (ee-TaB)
- Drones



Generating synergies through integration

Promoting DX to achieve work efficiency

Potential risks

Prolonged impact of COVID-19 impact

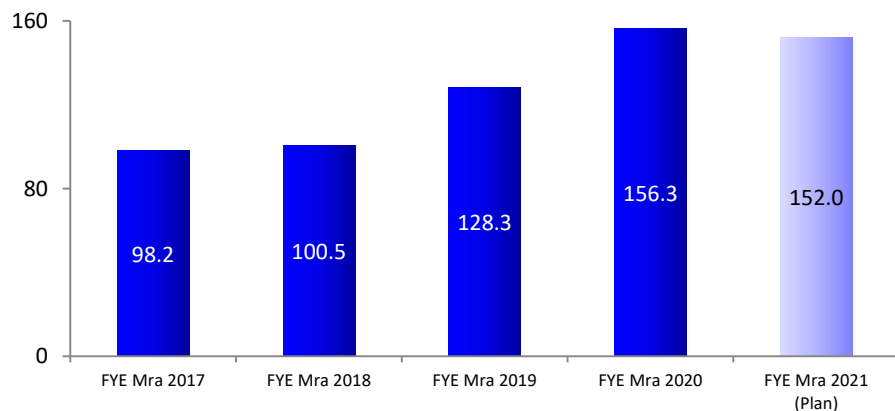
Delay of Olympics/ Paralympics

2. Trends in the NTT Business

- Capital spending by NTT East/ West flat from the previous year, but focus shifting to investments in growth areas rather than existing areas.
- Enhance efficiency and safety of operations **by developing multi-skilled engineers** and facility inspection operations leveraging AI/ ICT.
- Improve profitability **by consolidating branch offices and generating synergies with five JV companies** (e.g. mutual support in the event of disasters, integrating IT systems, etc.).

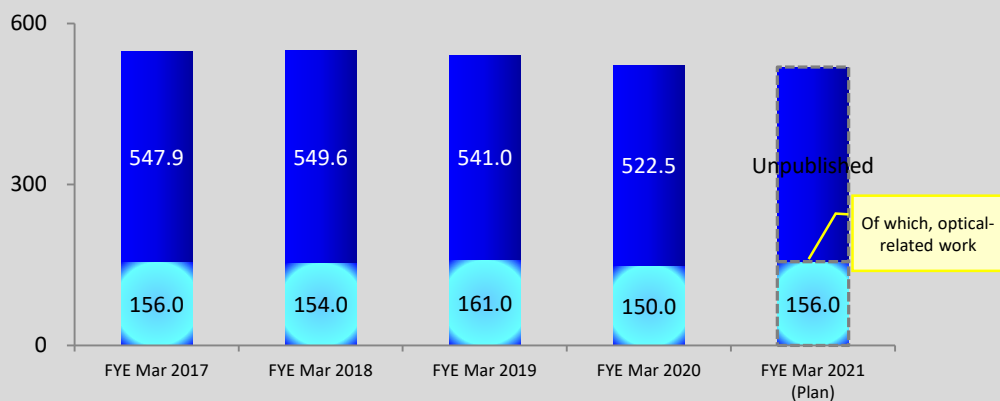
Net sales

(Unit: bil. yen)



Capital investments by NTT East and NTT West

(Unit: bil. yen)



(Notes) 1. NTT figures based on IFRS from FYE 3/2018 (Regional communications business)

2. Figures for optical-related work from FYE 3/2019 reflect investment plans submitted to the government.

Source: MIRAIT from company information

Key initiatives

Initiatives	
Developing multi-skilled engineers	<ul style="list-style-type: none"> ● Develop multi-skilled engineers to improve efficiency and expand areas of business ⇒ Promote multi-skilling of on-site engineers by providing training courses, OJT and support to acquire qualifications (Target areas: business, on-premise, access, mobile, network)
Facility inspection business	<ul style="list-style-type: none"> ● Develop facility inspection operations using AI and ICT to enhance safety. ⇒ Use of automotive cameras to improve efficiency of facility inspections and for renewals of aging facilities on an on-going basis. ● Proposals to renew aging infrastructure ⇒ maintenance hatches, utility conduits, bridges
Consolidation of offices and upgrading of work environment	<ul style="list-style-type: none"> ● Consolidation of branch offices to improve productivity ● Upgrade work environment to motivate employees ● Enhance efficiency by consolidating area-free operations
Strengthening group-oriented operations	<ul style="list-style-type: none"> ● Cooperating with five JV companies to provide support for disaster recovery operations in the event of disasters ● Share initiatives across the five companies; improve earnings by setting benchmarks, etc. ● Enhance efficiency through systems integration

Developing multi-skilled engineers

- Achieve operational efficiency while expanding business domains, in response to the declining working population and changes in the investment behavior.

Decrease in working population

Changes in the investment behavior of NTT

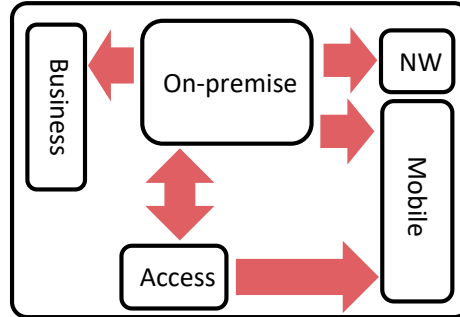


• Training towers

• Business correspondence training

Training

Developing multi-skilled engineers

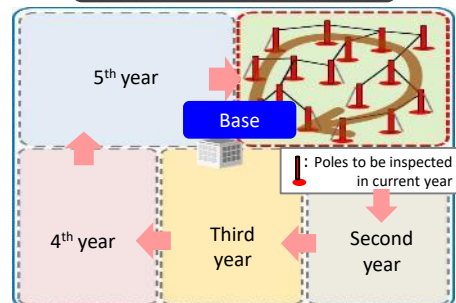


Technological development
High-performance equipment,
AI, IoT, RPA, etc.

Advanced facility inspection operations

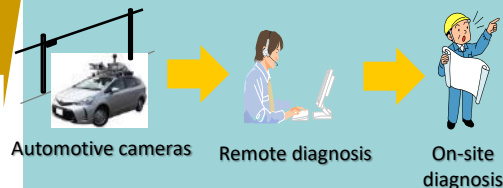
- Group maintenance area into 5 units; execute periodic inspections every five-years
- Enhance efficiency and safety of inspection operations by leveraging AI/ ICT

Area round method



Enhanced safety and quality

- Use of ICT: safe and efficient inspection
- AI image analysis: consistent and accurate evaluation
- Remote diagnosis for facility inspections



Consolidation of branch offices/ upgrading of work environment

- Consolidation of branch offices

Chiba	【Naganuma Building】 Completed 1/2020
	【Narita Building】 Scheduled for 1/2021
Saitama	【Tokorozawa Center】 Scheduled for 5/2020



Naganuma Building



Tokorozawa Center

- Integration of operations

Solcom	• Tottori → Okayama (11/2019) • Shimane → Hiroshima (scheduled for 10/2020)
Shikoku Tsuken	• Integration of construction processing operations in the Shikoku region (scheduled for 1Q2020)

Strengthening group-oriented operations

● Disaster recovery support

- Cooperation between five companies for disaster recovery support
- ⇒ Typhoon No. 15: Joint effort for disaster recovery in Chiba

● Enhancing operational efficiency

- Integrate inspection/calculation operation
- Efficient Optos correction operation
- Joint events on the theme of KAIZEN

Synergies through integration

● Cost reduction using benchmarks

- Group-wide comparative cost analysis
- ⇒ Compiled 7-12/2019 data for three companies for multi-dimensional analysis (on-going)

● Integration of systems

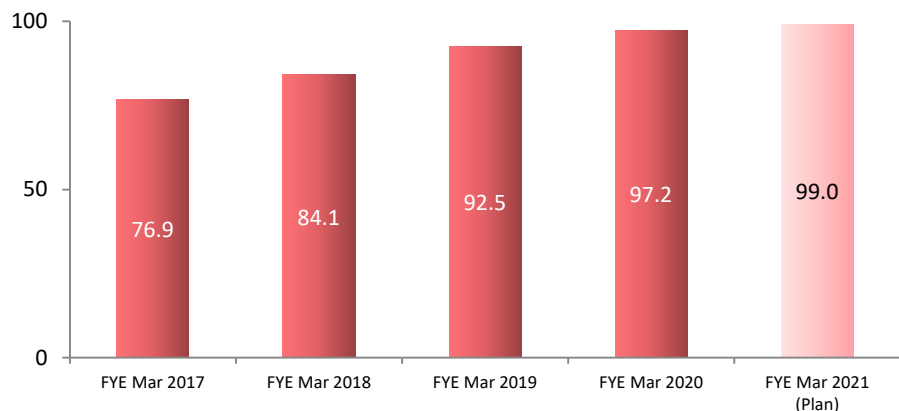
- Cost reduction by user system integration (launch within FY3/2021)
- Improve utilization by sharing ICT tools developed by various group companies

3. Trends in the Multi-carrier Business

- Base station work shifting from 4G to 5G, given expansion of 5G commercial service area ahead of initial plan.
- Increase in work for Rakuten expected given expansion of network across Japan and launch of 5G.
- Aim to maintain sales while growing profits through group-wide collaboration.

Net sales

(Unit: bil. yen)

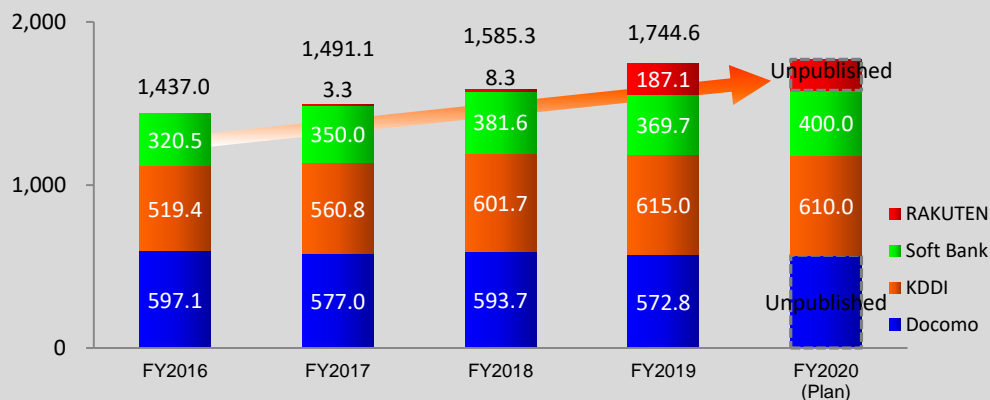


Key initiatives

Initiatives	
Growth in work for advancements in 4G/ new frequencies	<ul style="list-style-type: none"> ● Full launch of Rakuten Mobile ● Promote completion of construction projects when equipment/parts supply issue is resolved ● Resolve concerns regarding suspension of construction projects given postponement of Olympic Games
5G penetration	<ul style="list-style-type: none"> ● Increase in work to build 5G base stations
Expanding business domains	<ul style="list-style-type: none"> ● Promote business to support 5G verification tests (including local 5G networks) and building 5G environment ● Efforts in "infrastructure sharing"
Promoting efficiency	<ul style="list-style-type: none"> ● Improve efficiency by using IT systems for back-office and on-site operations ⇒ Upgrade systems for project and on-site management ⇒ Develop on-site support tools ⇒ Further use of RPA
Efficiency/ group synergies	<ul style="list-style-type: none"> ● Reduce costs through group-wide collaboration ⇒ Use common parts/ equipment, jointly develop measurement equipment, etc. ● Improve efficiency of wireless base station maintenance work by collaborating with fixed communication business ● Train engineers on a nation-wide basis
Global	<ul style="list-style-type: none"> ● Maintain client base and improve profitability through cost cutting (Australia) ● Responding to more diverse customer base (Philippines)

Capital investments by the three major mobile carriers

(Unit: bil. yen)



Source: MIRATI from company information

(Notes) 1.NTT figures based on IFRS from FY2017

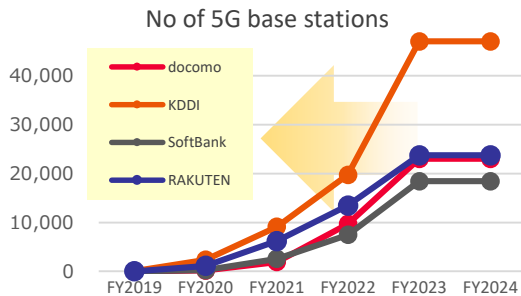
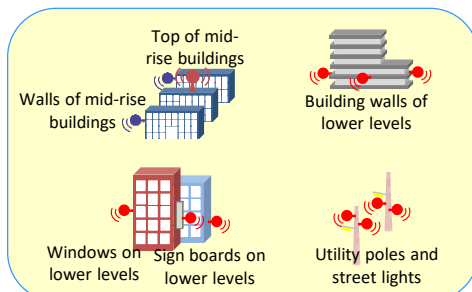
2. SoftBank figures prior to FY2016 reflect capital investments for the domestic telecommunications business of the SoftBank Group

3. Rakuten figures reflect total mobile-related capital investments

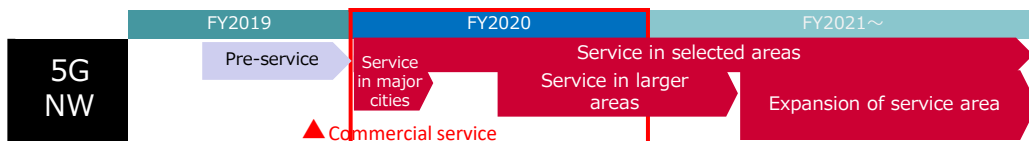
Expand 5G Service Area

Expect work to increase ahead of schedule with the expansion of 5G service area

Anticipated construction locations



Source: Mirait from Ministry of Internal Affairs and Communication

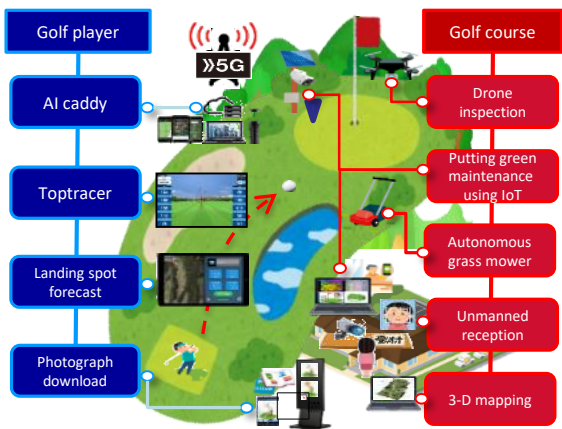


Initiatives in 5G services

《Combining mobile infrastructure and solutions》

- ① Better management of golf courses; verification test with golf course operator
- ② Solution to support local 5G/ 5G-RAN set-up

Future Golf Style

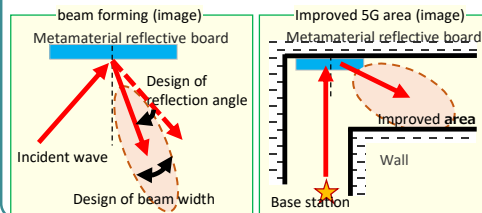


Solution to support local 5G/5G-RAN set-up

Developed "ECHO", reflective board for building 5G areas



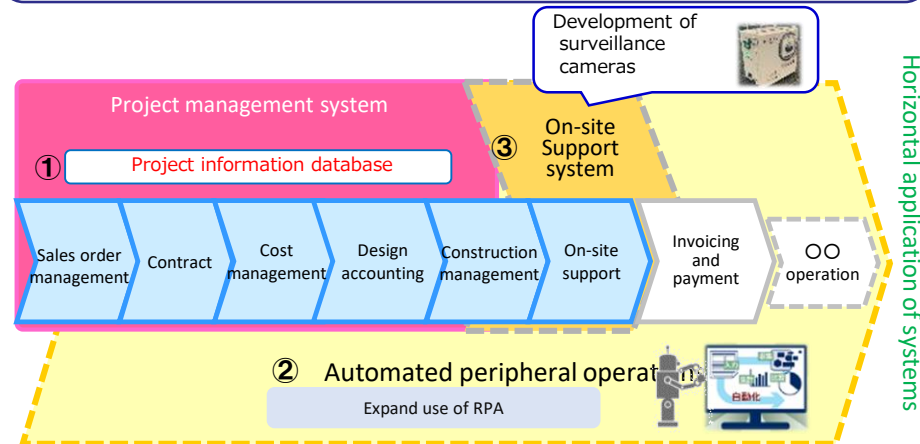
Measuring the basic properties of reflective board



Adopting IT systems in mobile business

《 Promote development of operational tools and systems 》

- ① Development/ implementation of project management system
- ② Automation using RPA and tools
- ③ Develop on-site surveillance camera for base station projects



Horizontal application of systems

Operational synergies through mergers

Launch task force for each carrier to adopt common initiatives across the nation and group

Initiatives to generate synergies

Common/ collaborative use of resources

- Mutual support to maintain utilization of resources, common use of subcontractors
- Joint procurement of measurement equipment, etc.
- Adopt common construction methods and patrolling to enhance work quality

Efficient on-site operations

- Consolidation of branch offices and warehouses
- Group-wide adoption of IT systems
- Common use of RPA scenarios

Collaboration in common operations

- Building of base stations, joint management of maintenance operations
- Expand orders through collaborative sales efforts

Development of human resources

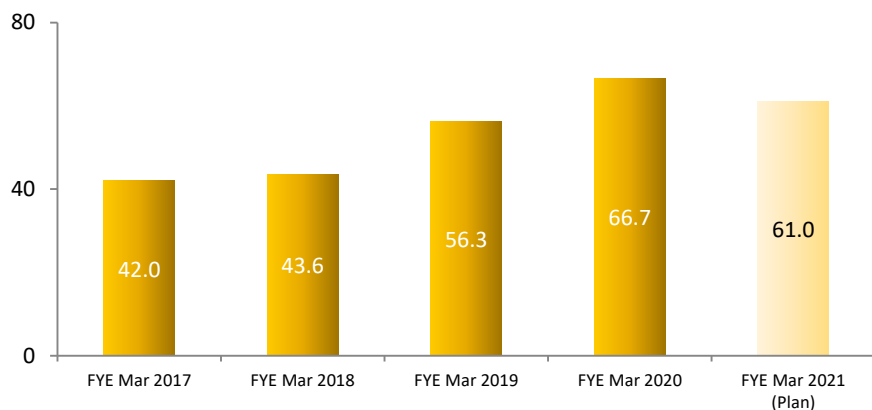
- Sharing of know-how, joint training, etc.
- Exchange of staff

4. Trends in the Environmental & Social Innovation Business

- In solar power, shifting from mega-solar projects to **work for self-consumption solar power systems and O&M business**.
- **Initiative in building smart communities**, including installment of new energy-related facilities. (EV chargers, rechargeable batteries, self-consumption type solar power)
- Generate synergies between existing business and newly acquired Tokaikoei Inc. in water utility facilities work.

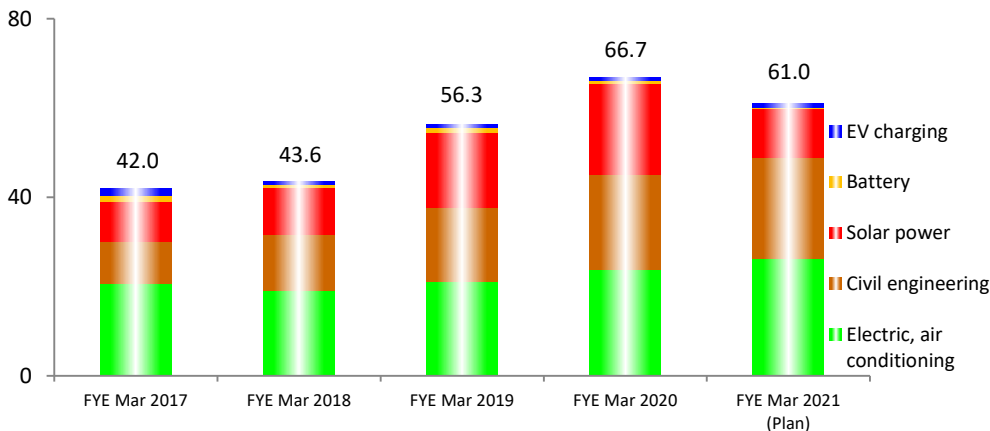
Net sales

(Unit: bil. yen)





Breakdown of net sales

(Unit: bil. yen)



Key initiatives

Initiatives	
New Energy	<p>【Solar power】</p> <ul style="list-style-type: none"> • Roof-top middle solar facilities + rechargeable batteries (self-consumption power systems) ⇒ home centers, transport co., drug stores, etc. • O&M (as of end-3/2020) ⇒ 16 power generation facilities across Japan • Mega-solar construction work ⇒ 8 projects completed in FY2019 (76.7MW) ⇒ 6 projects ongoing (124MW) in various locations nationwide • Building smart communities ⇒ Verify EMS model for local production/ local consumption of electricity using ZEH and EV
Civil engineering, etc.	<ul style="list-style-type: none"> • Expand work to lay power lines underground ⇒ Roads across Japan for emergency transportation ⇒ Tourist areas including Kyoto • Sewage pipeline work for Tokyo ⇒ Acquired Tokaikoei, etc. ⇒ Promote completion of large projects • Work to build NW facilities for overseas carriers  <p>Laying of power lines underground</p>
Electrical/lighting	<ul style="list-style-type: none"> • LED installment work for municipalities • Instalment of lighting facilities in highways • Sales growth through continuous order flows (electrical)  <p>LED installment work</p>

Initiatives in solar power-related business

- From FIT to self-consumption systems + O&M



Roof-top solar power work

- **Self-consumption solar power**
(demand driven by roof-top solar power + rechargeable battery + HEMS)
⇒ work for supermarkets, home centers, housing manufactures

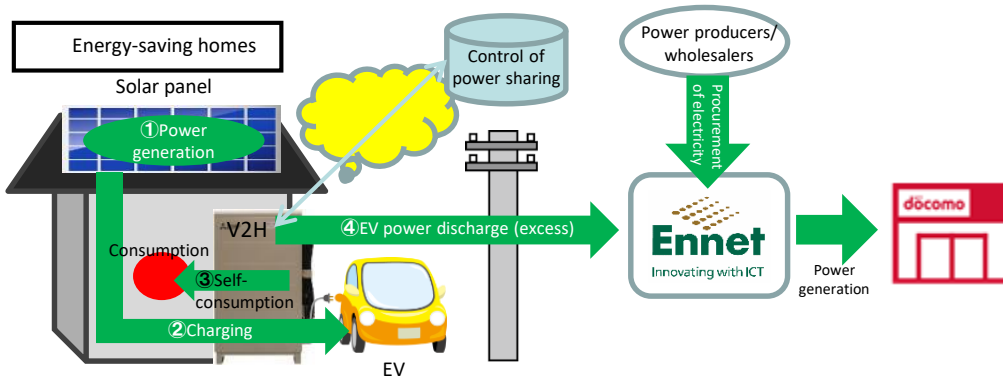


Operation center

- **Solar power O&M**
⇒ Monitoring and maintenance of mega-solar facilities using own operation center

- Initiatives in smart community projects

Achieve stable electricity supply by using excess electricity generated by solar power
Verification test to build communities that produce and consume electricity locally



Initiatives in water utility facility work

- Large project for Tokyo Metropolitan Water Bureau; work for aseismic protection of major water draining conduit



Φ800mm propulsion machine



Water distribution pipe work (female engineer on-site)

Initiatives for underground power line projects

- Project in Ponto-cho, Kyoto to lay power lines underground; adopted various new construction methods for work in narrow roads.
- Won project (under construction) at nearby area (Sanjo-dori) thanks to the success with the Ponto-cho project. (To be completed 3/2021)



Completed (3/2020)



Before completion (present)

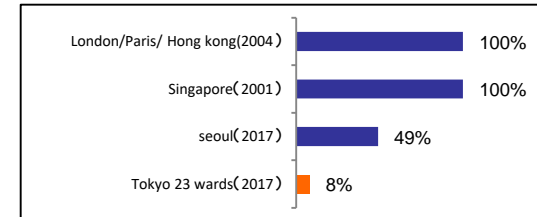
【Kanagawa Pref. National Route No 1: project period 3/2020-3/2035】

- Participation in PFI project for underground power lines (3rd in Japan /1st in East Japan)
- Main line is well known as part of the Hakone Ekiden (marathon relay race) route
- Plan to adopt advanced construction method using CIM such as 3D design



Before construction (present)

<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

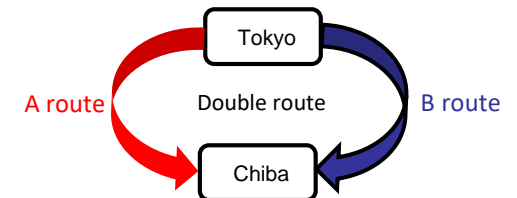
PFI: Private Finance Initiative
CIM: Construction Information Modeling

Initiatives in network construction projects

- Construction of second line for the 50km distance between Tokyo-Chiba area datacenters (project for foreign carrier: 98% completed)



Work to lay conduits

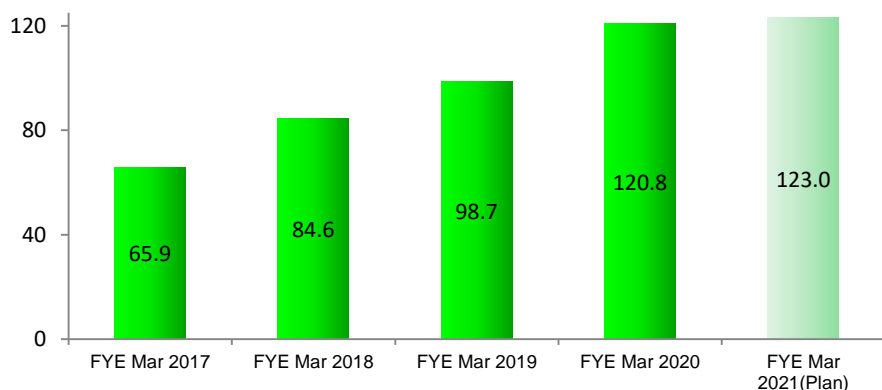


5. Trends in the ICT Solution Business

- Expand new businesses through “selection and concentration” initiatives leveraging the strengths and skills of the Mirait Group to take advantage of the market trends and opportunities.
- Expand electrical facilities work through M&A and generate synergies with existing businesses at Lantrovision.

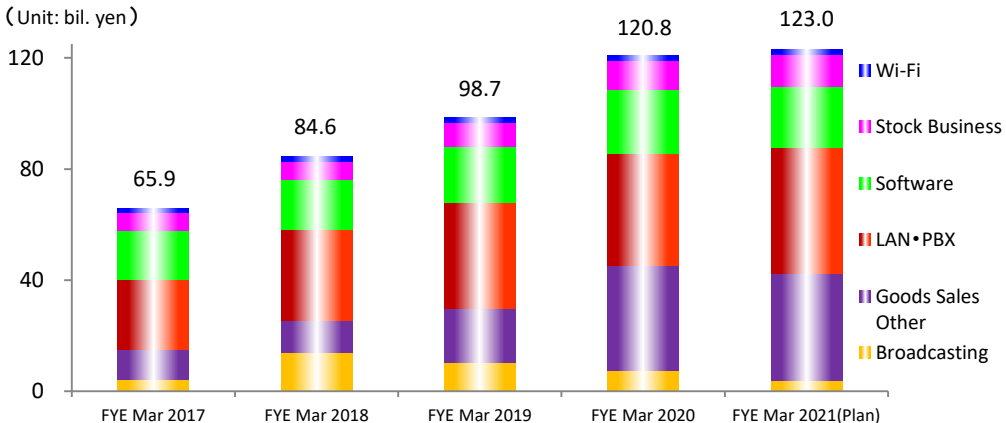
Net sales

(Unit: bil. yen)






Breakdown of net sales

(Unit: bil. yen)



Key initiatives

Initiatives	
LAN/PBX/telecommunications equipment	<ul style="list-style-type: none"> ● Strengthen collaborative sales efforts with Lantrovision (domestic/ overseas) ● ICT work for Olympics/ Paralympics facilities  <p>LAN cabling work</p>
Stock Business/Data Center	<ul style="list-style-type: none"> ● Operate owned/ leased DCs ● Expand services through network DC ● Contact center solutions <p>Promote proprietary product “Casting Table 3.0” (as of end 3/2020) adopted at 81 companies/305 locations</p>  <p>Osaka No.1 Data Center</p>
Cloud/ NW	<ul style="list-style-type: none"> ● Meet corporate customers’ need to adopt advanced technologies <p>⇒NW creation using SD-WAN※</p> <p>※ Software Defined Wide Area Network Improves NW performance and cost reduction through software routing (connection)</p> <p>⇒Use of HCI※ virtualization platform technology</p> <p>※Hyper Converged Infrastructure. Reduces operational burden by adopting simple infrastructure that combines server, storage and virtual functions.</p>
Wi-Fi	<ul style="list-style-type: none"> ● Promote Wi-Fi installation <p>⇒Hotel, retail facilities, stadiums, multi-store users, etc.</p> <p>⇒High-security service (Log storage service, etc)</p> <p>⇒Propose package with NW equipment and surveillance cameras</p>
Drone	<ul style="list-style-type: none"> ● Operation of JUIDA certified drone schools (2 locations) ● Sale of all-weather drones ● Inspection of towers and bridges, surveying of disaster-affected areas  <p>Operation of large drone</p>
Goods sales	<ul style="list-style-type: none"> ● PC and servers to schools (Shikokutsuken) ● Mobile-related goods(Daimei Tsusan)

Initiatives in global business

- Net sales target for Group: 21.4 bil. yen

(of which ICT (Lantrovision): approx. 17.4 bil. yen, multi-carrier: approx. 4.0 bil. yen)



<Business environment/ strategy at Lantrovision>

- Uncertainties in business environment due to impact of COVID-19
- Expanding business and generating synergies with existing businesses through M&A (e.g. electrical facilities work: YL Integrated Pte Ltd)

※ YL Integrated Pte Ltd: net sales 2.0 bil. yen, operating income 200 mil. yen (FYE 6/2019)

(Mobile sensors) Initiatives in drone business

① Human resources/ locations

- ⇒ Approx. 500 pilots were trained in the 3 years up to 3/2020.
- ⇒ Established network of pilots through alliances primarily with partner telecommunication construction companies (11 companies)

② Systems

- Won order for all-weather drone systems from Chubu Regional Development Bureau, and Tohoku Regional Development Bureau
- Won order for drone lease in collaboration with NTT Finance
- Won order for drone kitting/ maintenance from Komatsu



③ Alliances

- Inspection of telecommunication facilities/ station buildings and survey of disaster-affected areas outsourced from NTT Group
- “Surveying of rice field growing conditions” for Farm Eye
- Kobe City Waterworks Bureau: surveying of water quality and algae growth at reservoirs

Initiatives in datacenter business

- Operation of own DC and Rental DC



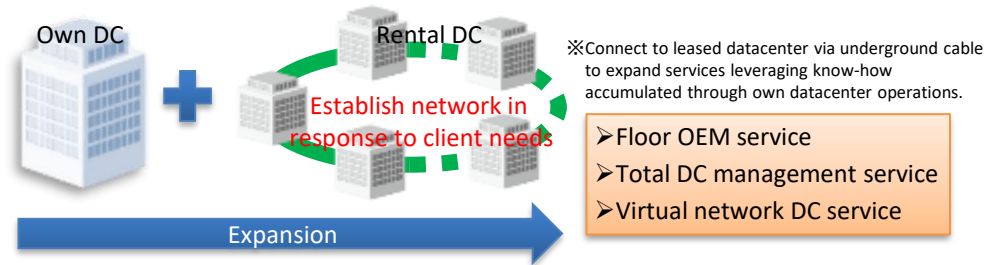
Osaka No.1 Data Center

6/2018: Launched operations at Osaka No 1. Datacenter
5/2019: All floors occupied and running at full capacity

Know-how from Own DC

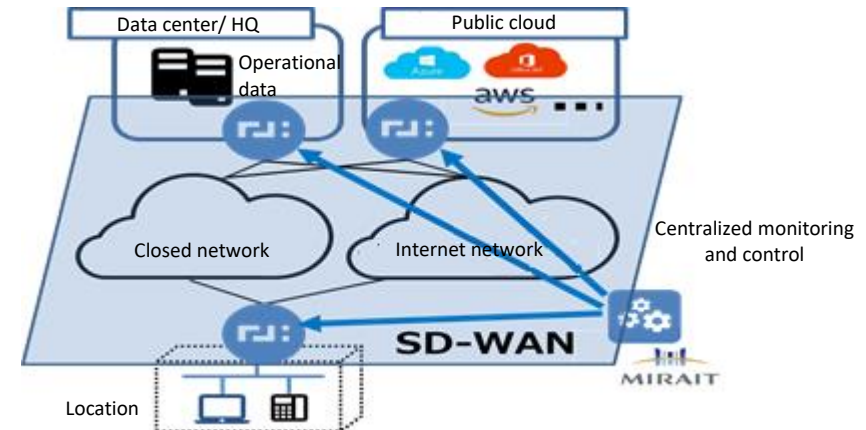
4/2020 Launch of leased DC in Osaka City

- Expand services through network DC



Initiatives in SD-WAN

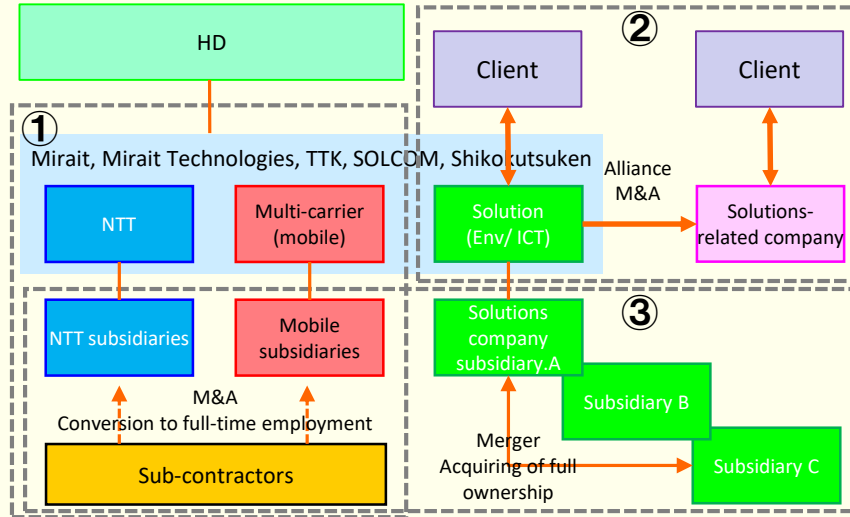
- Respond to corporate customers' needs to adopt advanced technologies.
- Flexible and agile response to changes in client NW environment by providing managed service
- Secure stable income with recurring model
- Embedded in nation-wide service launched by partner company from end-Feb, 2020



6. Initiatives to Build a Stronger Business Base

Strengthening the group's business operations

- Strengthen group-oriented management to enhance work capabilities, client base and profit structure.



- Strengthening NTT and Multi-carrier businesses**
⇒ Acquisition of Toei Telecommunication (6/2019)
- Expanding solutions-related businesses**
⇒ Merger with Tokaikoei and Miyako Construction (Environmental & Social Innovation, effective 10/2019)
⇒ Acquisition of YL Integrated Pte Ltd (Singapore) (Environmental & Social Innovation, effective 4/2020)
- Merger of subsidiaries, acquiring 100% ownership of subsidiaries**
⇒ Mergers: Solcom Meister and Ainet Telecommunications (6/2019)
⇒ Mergers: Nisshin Tsuko and Toei Telecommunication (4/2020)
⇒ Mergers: TTK and TTK Techno (Scheduled for 7/2020)

Strengthening human resources

- Increase in construction/ qualified staff due to recent mergers**

Construction staff
6,900 ⇒ **9,150** (+ 2,250)

Total number of qualifications
11,500 ⇒ **17,000** (+ 5,500)

- Grow the number of qualified staff**

- Identify qualifications of priority
- Encourage staff to attain multiple skills

- Achieve more diversity**

- Hiring and training of engineers to respond to clients' needs
- Strengthen human resources at subsidiaries



KAIZEN Activities and Workstyle Reform

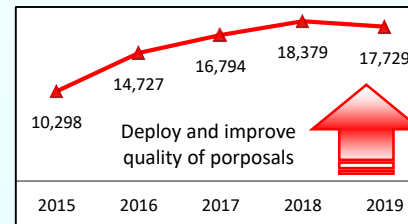
- KAIZEN activities**

- Achieve “zero accidents (Safety)” and “highest Quality” through Kaizen activities by the 12300 employees of the Mirait Group

ANZEN HINSITSU KAIZEN “AKH123” Activity

- Promote autonomous and voluntary Kaizen activities (76 KAIZEN Fellows as of 3/2020)

No. of proposals



Goods and work methods developed and improved through Kaizen proposals; adopting RPA to improve operations



- Workstyle reform**

- Proper management of overtime work and annual paid leave
- Introduction of flexible working hours, irregular workstyles and telework
- Upgrading of operational tools to enhance efficiency (going paperless, reducing business travel)
- Use of ICT to achieve efficiency (RPA, i-Construction)

7. ESG Initiatives

E

Environment

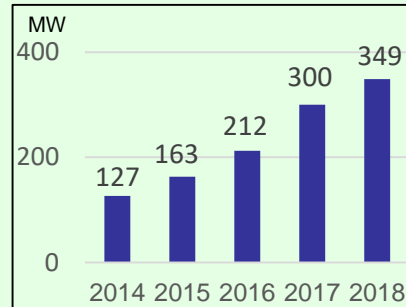
- Contribute to **penetration of renewable energy**
 - ⇒ Solar power EPC business
- Contribute to penetration of **new energy**
 - ⇒ EV chargers
 - ⇒ Rechargeable battery system



EV chargers



Rechargeable battery system



Mirait's track record in solar panel installation work (generation capacity)

- Sale of goods **that are environmentally-friendly**
 - ⇒ TTK belted net fence
 - Protect public facilities from damage due to wind and lightning
 - ⇒ Nano-gate (Solcom)
 - Self-cleaning system for water supply/ drainage pipes
- ISO 14001 certification



TTK belted net fence

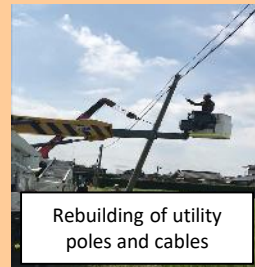


Nano-gate

S

Society

- **Contribute to the local society**
 - ⇒ Building of infrastructure
 - (construction work for telecommunications networks, surveillance cameras, highways, water utility networks, etc.)
 - ⇒ Early rebuilding of infrastructure following major disasters such as typhoon and earthquakes.
 - ⇒ High-accuracy GPS system for Tokyo Fire Department



Rebuilding of utility poles and cables



Recovery work for mobile base stations



Image sent from GPS system

- **Building hard and soft systems for safety**
 - ⇒ Safety patrol
 - ⇒ Cloud-based drive recorders
- **Promoting diversity (hiring women, elderly and disabled individuals)**
 - ⇒ Highest "Eruboshi" certification awarded, etc (Mirait Technologies)

G

Governance

- **Strengthen corporate governance**
 - ⇒ Establish and manage internal control system
 - ⇒ Issues handled by Compliance Committee and Risk Management Committee
 - ⇒ Self-assessment of effectiveness of Board of Directors
 - ⇒ Nomination and Compensation Committee chaired by outside director
- ⇒ Adopted **performance-based stock remuneration plan** for directors and executive officers (excluding outside directors and non-executive officers) (9/2016)
 - Expanded scope to three newly merged companies (12/2019)
- **Secure shareholders' rights and equality**
 - ⇒ Management decisions with a focus on capital costs
 - ⇒ Enhance constructive dialogue with shareholders

IV. Reference Materials

1. Overview of MIRAIT Holdings (As of March 31, 2020)

(1) Company Overview

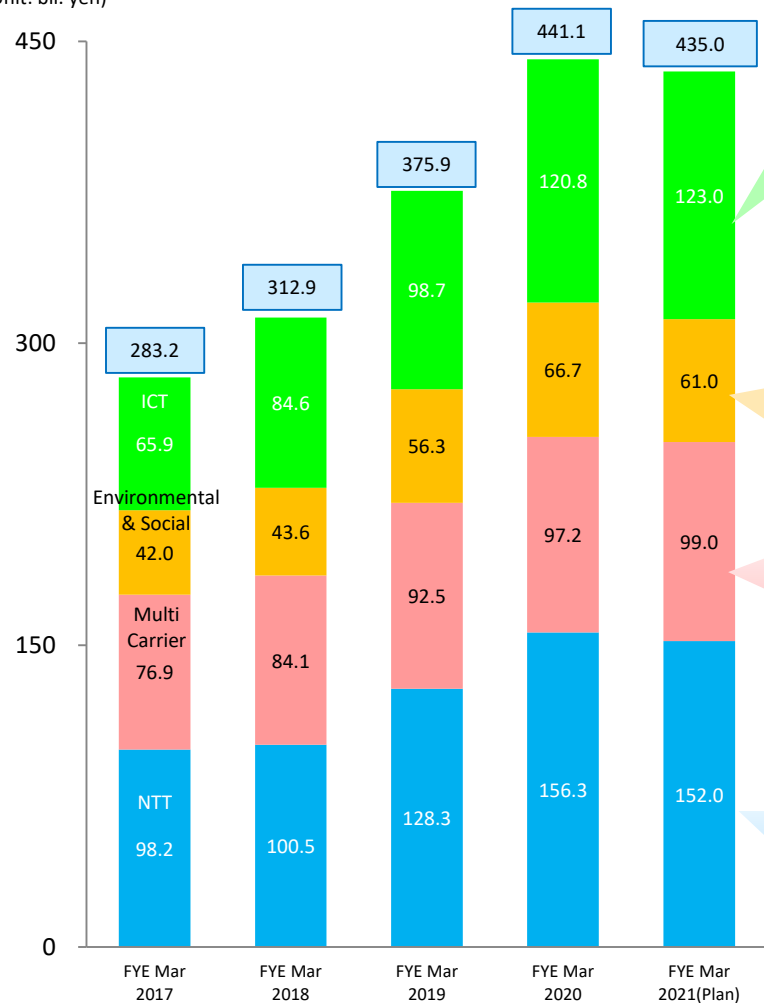
Established	October 1, 2010																					
Paid-in capital	7 billion yen																					
President (CEO)	Masatoshi Suzuki																					
Shares	【Total outstanding shares】 108,325,329 shares																					
Stock listing	1 st Section of the Tokyo Stock Exchange (Code: 1417)																					
Credit ratings	Rating & Investment Information, Inc. (R&I): A- Japan Credit Rating Agency, Ltd. (JCR): A																					
Location	5-6-36 Toyosu, Koto-ku, Tokyo																					
Office network	【Domestic】 49 locations *Total of MIRAIT, MIRAIT Technologies, TTK, SOLCOM and Shikokutsuken 【Overseas】 28 locations (Singapore, Sri Lanka, Australia, Philippines, Myanmar ,etc.)																					
Number of consolidated subsidiaries	75																					
Number of employees	<table border="0"> <tr> <td></td> <td>(MIRAIT Holdings</td> <td>: 100)</td> </tr> <tr> <td></td> <td>(MIRAIT</td> <td>: Consolidated 5,097)</td> </tr> <tr> <td></td> <td>(MIRAIT Technologies</td> <td>: Consolidated 3,059)</td> </tr> <tr> <td>【Consolidated】 12,580</td> <td>(Lantrovision</td> <td>: Consolidated 1,034)</td> </tr> <tr> <td></td> <td>(TTK</td> <td>: Consolidated 1,068)</td> </tr> <tr> <td></td> <td>(SOLCOM</td> <td>: Consolidated 1,546)</td> </tr> <tr> <td></td> <td>(Shikokutsuken</td> <td>: Consolidated 676)</td> </tr> </table>		(MIRAIT Holdings	: 100)		(MIRAIT	: Consolidated 5,097)		(MIRAIT Technologies	: Consolidated 3,059)	【Consolidated】 12,580	(Lantrovision	: Consolidated 1,034)		(TTK	: Consolidated 1,068)		(SOLCOM	: Consolidated 1,546)		(Shikokutsuken	: Consolidated 676)
	(MIRAIT Holdings	: 100)																				
	(MIRAIT	: Consolidated 5,097)																				
	(MIRAIT Technologies	: Consolidated 3,059)																				
【Consolidated】 12,580	(Lantrovision	: Consolidated 1,034)																				
	(TTK	: Consolidated 1,068)																				
	(SOLCOM	: Consolidated 1,546)																				
	(Shikokutsuken	: Consolidated 676)																				
Fiscal year-end	March 31 st of each year																					
Business description	Telecommunications engineering work, electrical work, civil engineering work and building construction work; management of subsidiaries and Group companies																					

(2) Business Overview

- The MIRAIT Group's business is centered on the construction of communication infrastructure (for fixed and mobile communication), but the Group is also engaged in various other businesses in areas such as ICT, the environment, and energy.

Overview of business categories

(Unit: bil. yen)



- Cloud computing, office solutions, Wi-Fi, software, Broadcasting, etc.
- Construction, maintenance and operation of telecommunication systems for general companies, etc.



- Environmental/ new energy, building of social infrastructure, construction and maintenance of electrical and air conditioning facilities



- Construction, maintenance and operation of mobile communication facilities
- NCC fixed communication equipment, CATV work, Global etc.



- Construction, maintenance and operation of fixed communication facilities for NTT



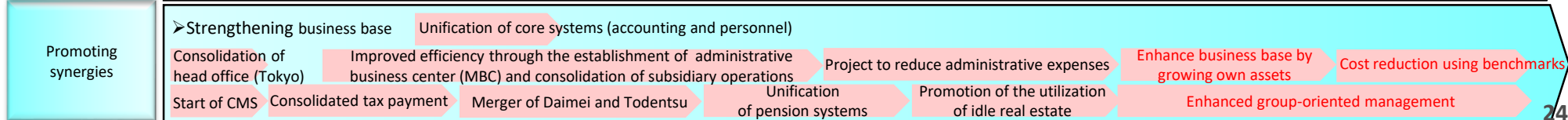
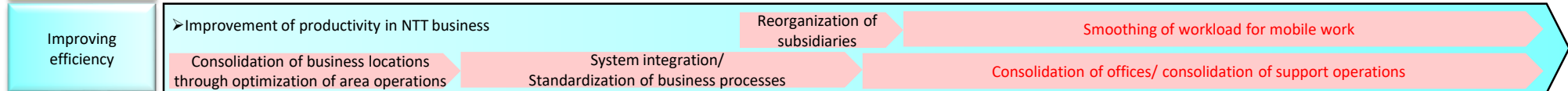
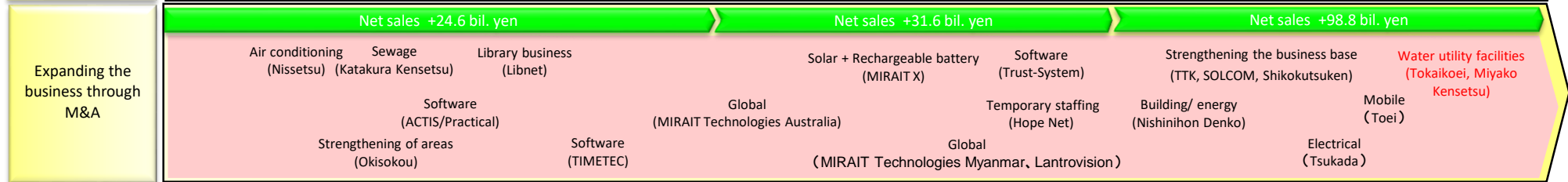
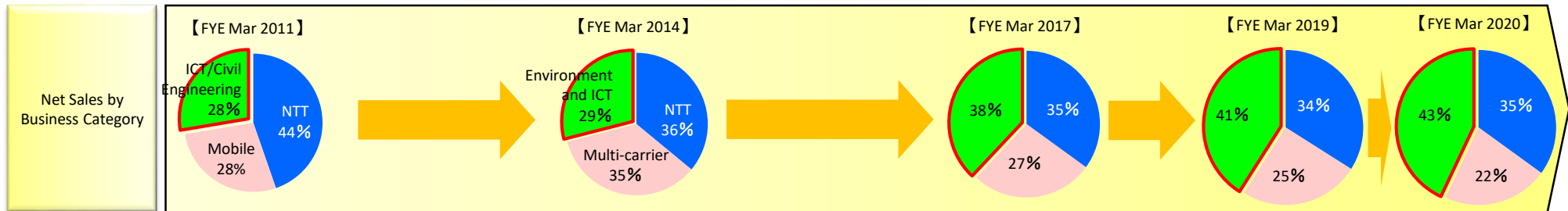
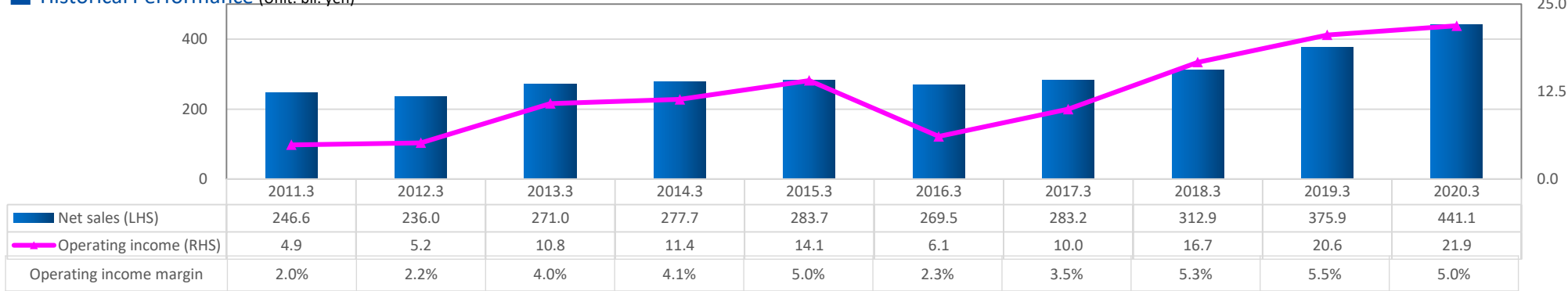
(3) The Company's Initiatives Since Establishment

4th MTP (~ FYE March 2022)
Target: net sales 450, operating income 27 bil. yen. (6.0%), ROE More than 8.0%

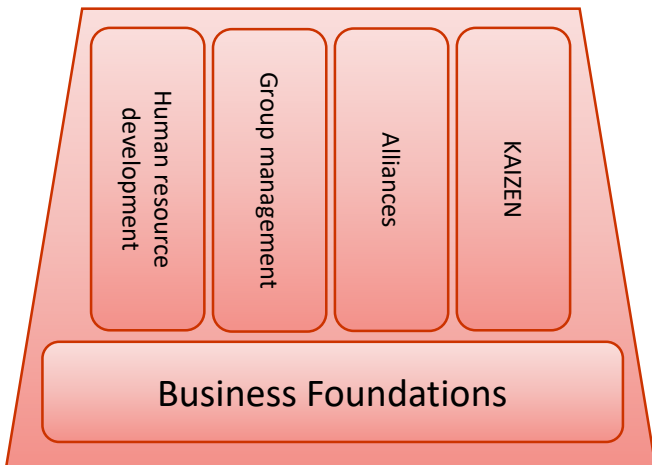
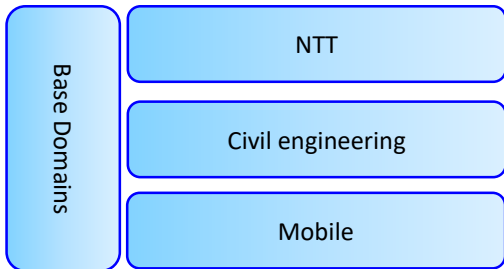
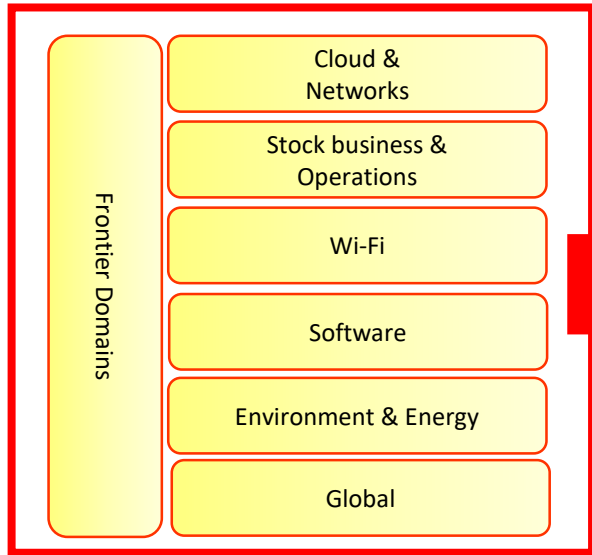


Historical Performance (Unit: bil. yen)

※ Revised in FYE March 2019

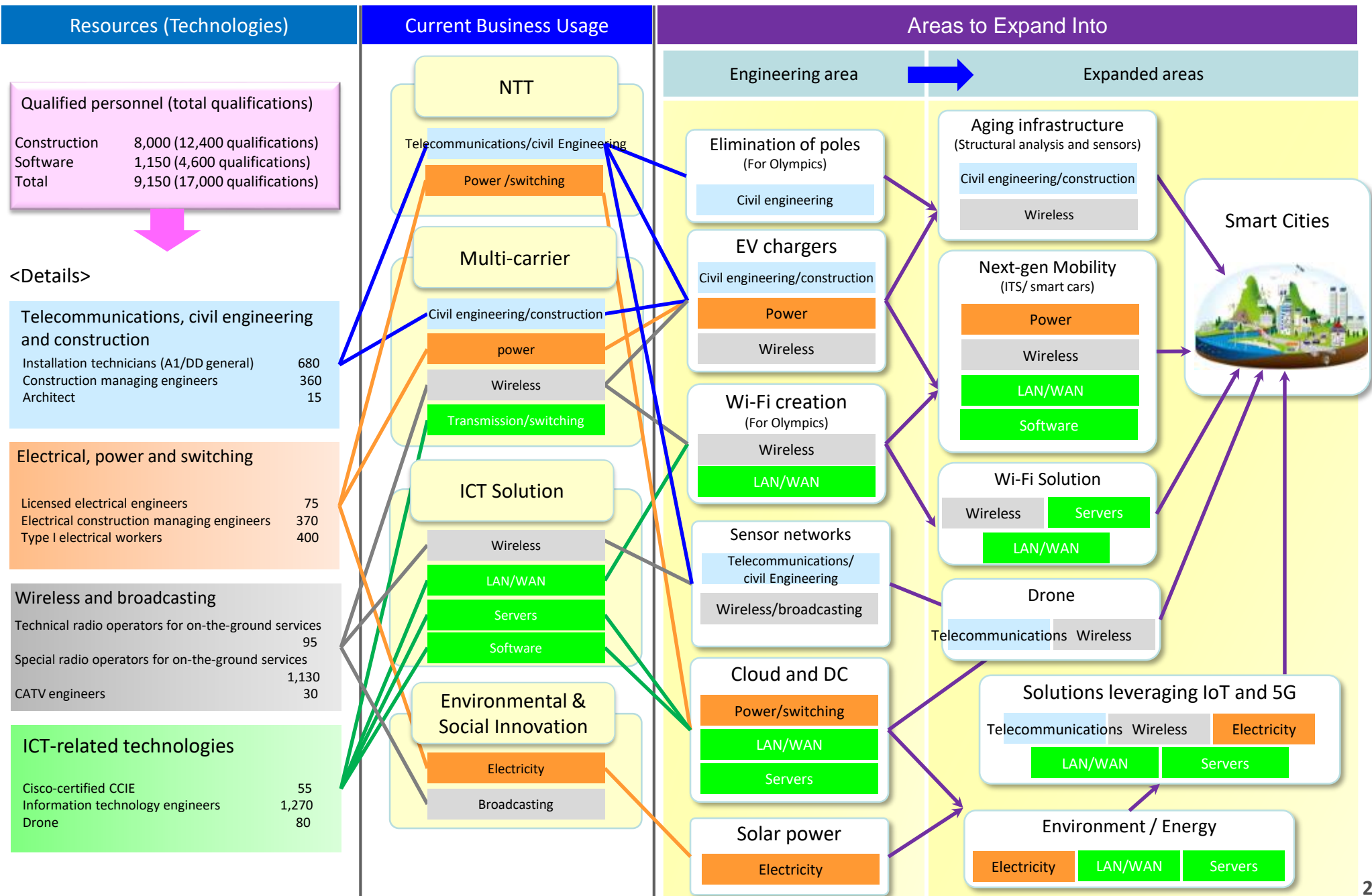


(4) Future Focus Areas (Frontier Domains)



Zone	Smart Office	Smart Town	Smart House
Domain			
Cloud & Networks	<ul style="list-style-type: none"> • Security (Surveillance cameras, network monitoring) • LAN, PBX • Cloud (Servers, Network) • ICT for educational facilities 	<ul style="list-style-type: none"> • Disaster prevention networks • Sensor networks • Drone • IoT (water supply smart meters) • ITS (self-driving) 	
Stock business & Operations	<ul style="list-style-type: none"> • Operation centers (Network maintenance, help desks) 	<ul style="list-style-type: none"> • Data centers • Solar power facility operation and maintenance 	<ul style="list-style-type: none"> • Batteries + solar power maintenance
Wi-Fi	<ul style="list-style-type: none"> • Wi-Fi + digital signage (Digital information stands "PONTANA") • Hotel Wi-Fi (Guest room tablets (ee-TaB Plus)) • Office and educational Wi-Fi 	<ul style="list-style-type: none"> • Stadium Wi-Fi • Convenience store Wi-Fi • Subway Wi-Fi • Local government Wi-Fi 	<ul style="list-style-type: none"> • Home Wi-Fi
Software	<ul style="list-style-type: none"> • Aiming to be the best partner for major SIers (finance, insurance, public sector) • Unique app development (WFM, libraries, Wi-Fi solutions) 		
Environment & Energy	<ul style="list-style-type: none"> • Building related equipment (Solar power, EV chargers, LED, BEMS, access control systems) • Air conditioning 	<ul style="list-style-type: none"> • Disaster prevention measures (Batteries, EV chargers, LED street lights) • Building solar power plants 	<ul style="list-style-type: none"> • Batteries + solar power • Intake of electrical power for entire apartment buildings • HEMS
Global	<ul style="list-style-type: none"> • Carrier business (4 countries) • LAN cabling work (13 countries) 	<ul style="list-style-type: none"> • Pursuit of synergies (Domestic customers, overseas customers, building solutions) 	

(3) Expansion of Business Areas Utilizing Technologies (As of March 31, 2020)



2. Outline of New Medium-term Management Plan

Business environment

- Upcoming era of 5G and advanced mobile services
- Development of new ICT technologies and IoT (cloud, use of drones, etc.)
- Building of leading-edge/ advanced infrastructure in light of the 2020 Tokyo Olympics/ increase in inbound tourists.
- Progress in labor-saving and automation to resolve issue of shortage of labor
- Increase in new energy-related facilities and social infrastructure

Tailwind for the MIRAIT Group

Targets (FYE March 2022)

Net sales	450.0 bil. yen
Operating income	27.0 bil. yen
Operating income ratio	6.0%
ROE	More than 8%

Shareholder return policy

- Stable and consistent payment of dividends.
- Comprehensive decisions to be made taking into consideration the Company's business results and cash position, based on the rough total return ratio of more than 30%.
- Shareholder returns to be considered with the objective of achieving ROE of more than 8%.

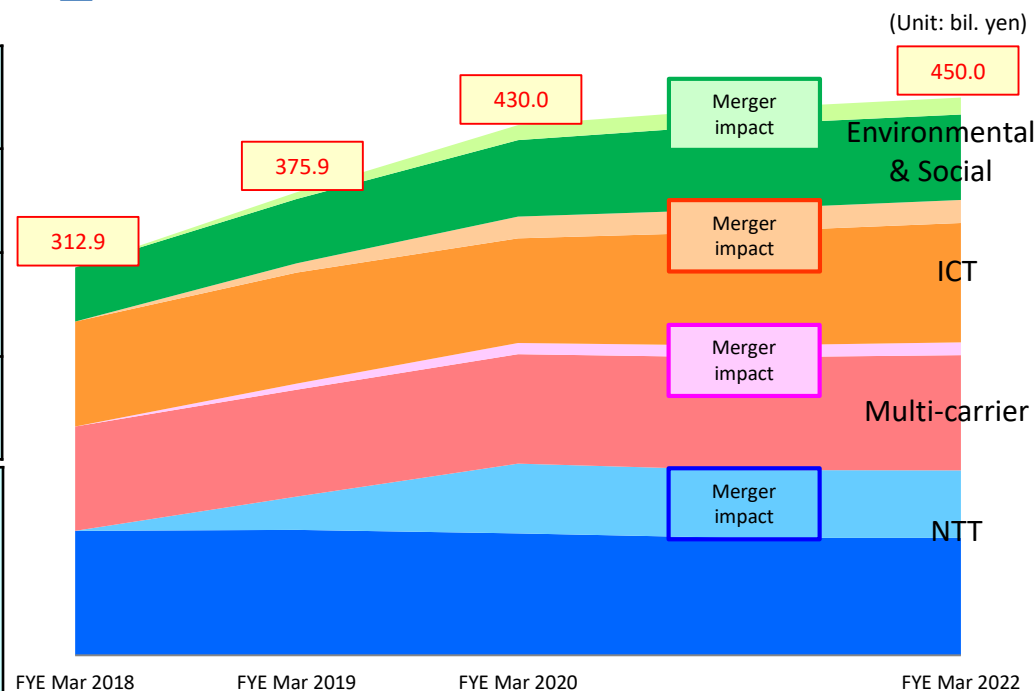
Theme of New Medium-term Management Plan

- Aim to be a company that contributes to the "smart society", through initiatives to enhance competitiveness amid the changing business environment with the upcoming era of 5G, penetration of IoT and launch of new services that combine various technologies.

Key initiatives

- Generate new business opportunities
- Accelerate transformation of business structure
- Enhance productivity and reduce costs through efficient operations
- Strengthen human resources
- Promote ESG-oriented management, safety and quality initiatives
- Capital policy

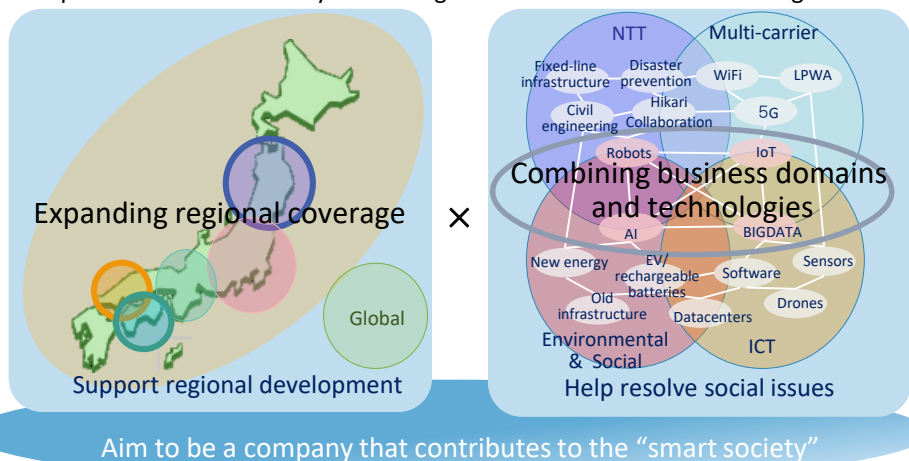
Net sales



3. Key Initiatives under the New Medium-term Management Plan

Generating new business opportunities

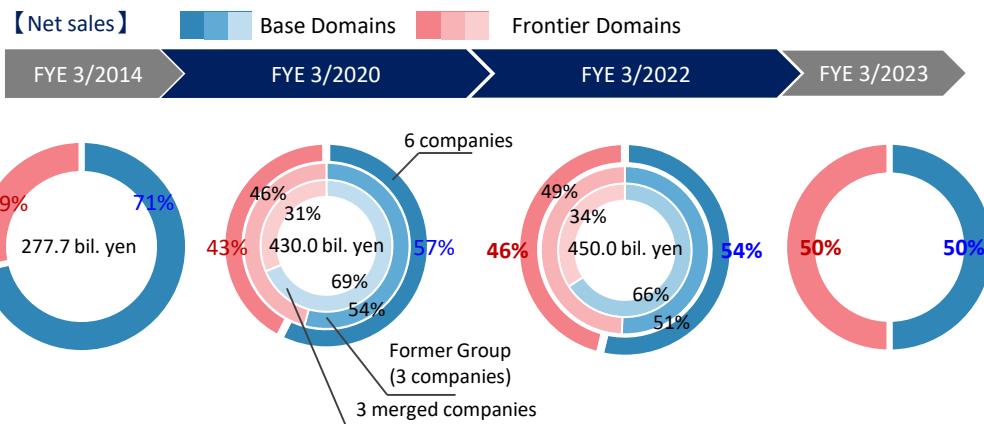
- Support regional development by leveraging the expanded regional coverage achieved through management integration.
- Help resolve social issues by combining business domains and technologies.



Transforming the business structure

- Accelerate the transformation of the business structure (shift from base domains to frontier domains) to achieve business growth, and promote the shift to quality within the frontier domains (profit-oriented).

※ Frontier domains include multi-carrier (global), environmental & social innovation and ICT solutions.



Strengthening human resources

- Become a company that attracts talent - a company that can fully exploit the energy and competency of each employee and as a team, where each employee can feel healthy and motivated at work to discover his/her potential.



Transform operational and cost structures

Improve productivity to enhance cost competitiveness

Enhance work-life balance

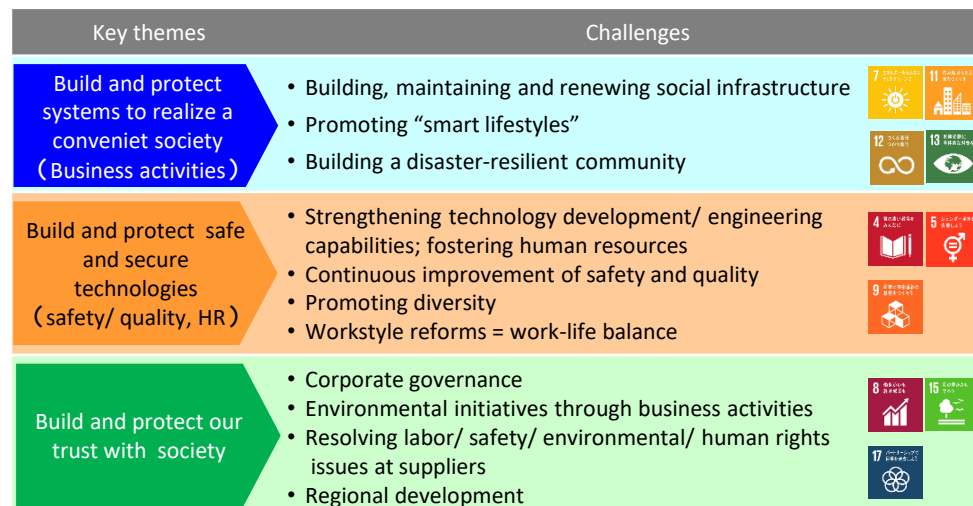
Develop skills and secure the health of each employee

Promote diversity

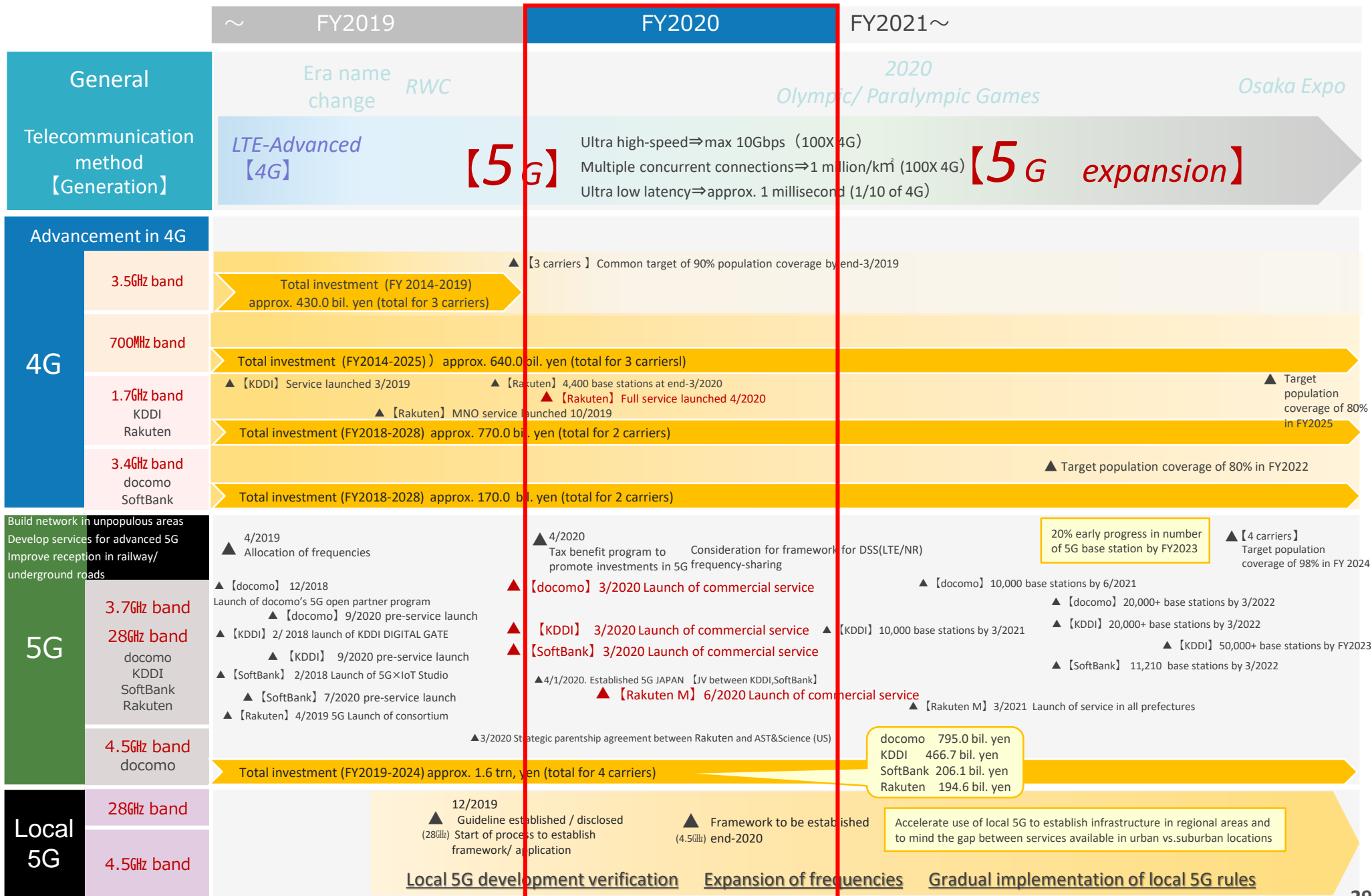
Establish an organization that engages diverse talent

Promote ESG-oriented management

- Contribute to SDGs through all business activities; identify business risks and opportunities from a broad perspective to enhance ESG and to take appropriate measures.

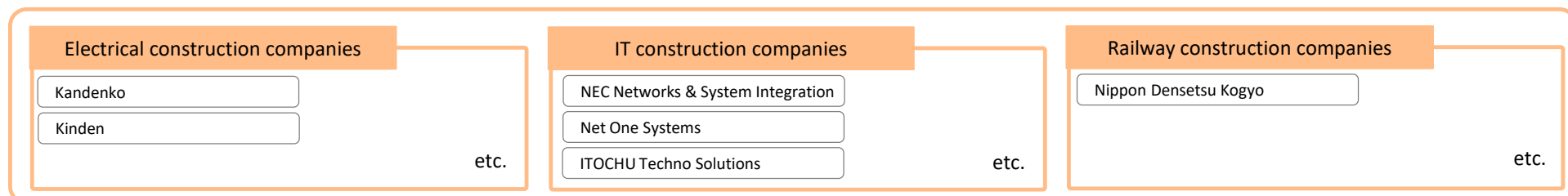
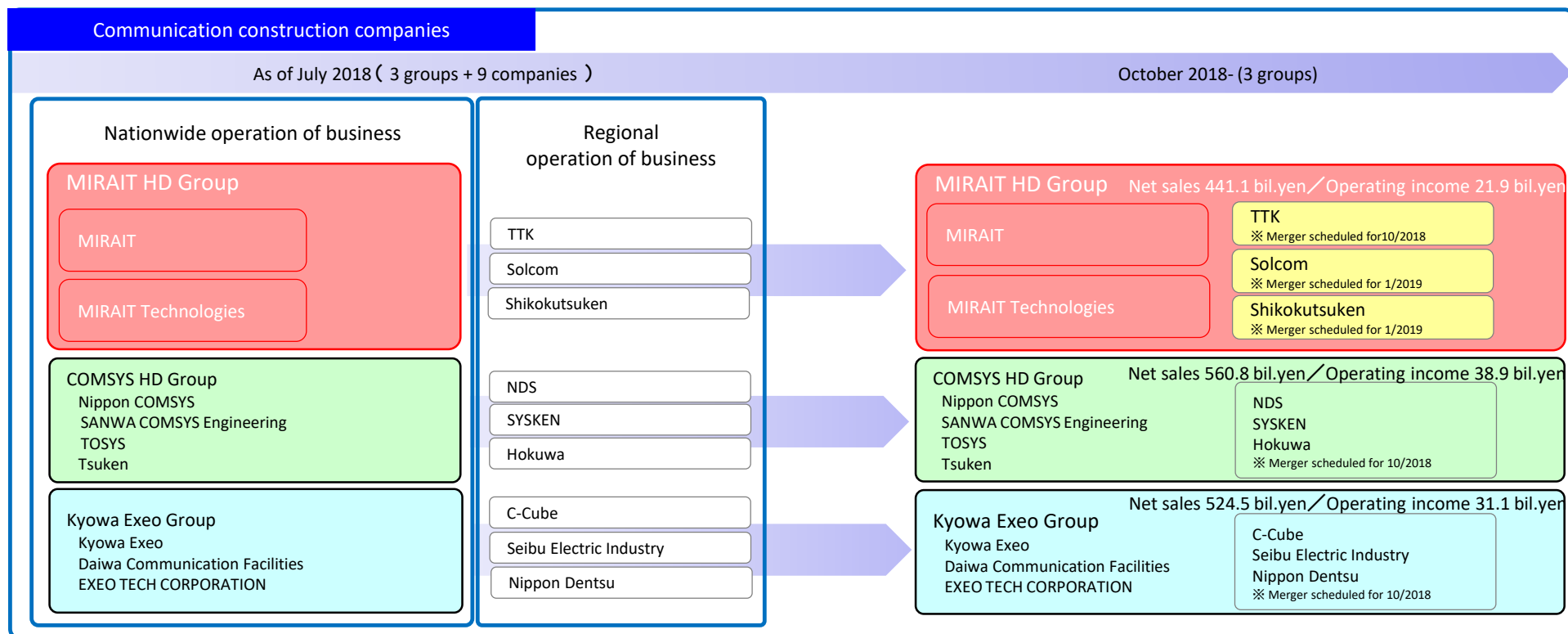


4. Changes in the Market Environment for the Mobile Business



5. Current Industry Conditions (As of March 31, 2020)

- Communication construction companies are made up of three nationwide groups (MIRAIT, COMSYS, Kyowa Exeo), and nine regional companies.
- Nine regional communication construction companies are being merged into the three nationwide groups from October 2018.
- Electrical construction and railway construction companies are also operating communications construction businesses, and some are competitors.



6. Supplementary Financial Information

(1) Historical Performance

※() indicates results for the MIRAIT Group (Mirait, Mirait Technologies and Lantrovision(S) Ltd.) excluding the impact from the merged companies.

Unit: bil. yen	FYE March 2017	FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021 (Plan)
Orders received	323.3	326.3	392.6 (320.4)	446.5 (344.5)	430.0
Net sales	283.2	312.9	375.9 (330.8)	441.1 (344.3)	435.0
Gross profit	33.5	39.7	46.9 (41.3)	52.1 (41.4)	52.6
Gross profit margin	11.8%	12.7%	12.5% (12.5%)	11.8% (12.0%)	12.1%
SG&A	23.4	23.0	26.2 (23.6)	30.1 (24.4)	30.5
SG&A	8.3%	7.4%	7.0% (7.1%)	6.8% (7.1%)	7.0%
Operating income	10.0	16.7	20.6 (17.6)	21.9 (16.9)	22.0
Operating income ratio	3.5%	5.3%	5.5% (5.3%)	5.0% (4.9%)	5.1%
Ordinary income	10.5	17.8	21.9 (18.7)	23.2 (17.6)	23.3
Ordinary income ratio	3.7%	5.7%	5.8% (5.7%)	5.3% (5.1%)	5.4%
Net income	6.4	11.5	(Note) 25.7 (13.5)	15.2 (11.0)	15.5
Net income	2.3%	3.7%	6.8% (4.1%)	3.4% (3.2%)	3.6%

(Note) Upper figure for FYE 3/2019 include extraordinary gains from acquisitions (negative goodwill of 10.0 bil. yen)

* Figures are rounded down to one decimal place.

(2) Orders Received and Net Sales by Business Category

※() indicates results for the MIRAIT Group (Mirait, Mirait Technologies and Lantrovision(S) Ltd.) excluding the impact from the merged companies.

Orders received Units: bil. Yen	FYE March 2019	FYE March 2020		
	Full-year Results	Full-year Results		
	(a)	(b)	YoY Change (b)−(a)	Percentage change (b)／(a)
NTT Business	137.7 (97.5)	154.8 (97.0)	+ 17.1 (- 0.5)	+ 12.4% (- 0.5%)
Multi-carrier business	95.1 (86.7)	106.2 (93.0)	+ 11.1 (+ 6.3)	+ 11.7% (+ 7.3%)
Environmental & social innovation business	58.4 (43.7)	54.3 (44.6)	- 4.1 (+ 0.9)	- 7.0% (+ 2.1%)
ICT solution business	101.2 (92.4)	131.0 (109.8)	+ 29.8 (+ 17.4)	+ 29.4% (+ 18.8%)
Total	392.6 (320.4)	446.5 (344.5)	+ 53.9 (+ 24.1)	+ 13.7% (+ 7.5%)

FYE March 2021		
Full-year Plan		
(c)	YoY Change (c)−(b)	Percentage change (c)／(b)
149.0	- 5.8	- 3.7%
98.0	- 8.2	- 7.7%
61.0	+ 6.7	+ 12.3%
122.0	- 9.0	- 6.9%
430.0	- 16.4	- 3.7%

Net sales Units: bil. Yen	FYE March 2019	FYE March 2020		
	Full-year Results	Full-year Results		
	(a)	(b)	YoY Change (b)−(a)	Percentage change (b)／(a)
NTT Business	128.3 (101.8)	156.3 (99.8)	+ 28.0 (- 2.0)	+ 21.8% (- 2.0%)
Multi-carrier business	92.5 (87.6)	97.2 (85.2)	+ 4.7 (- 2.4)	+ 5.1% (- 2.7%)
Environmental & social innovation business	56.3 (50.3)	66.7 (57.8)	+ 10.4 (+ 7.5)	+ 18.5% (+ 14.9%)
ICT solution business	98.7 (90.9)	120.8 (101.4)	+ 22.1 (+ 10.5)	+ 22.4% (+ 11.6%)
Total	375.9 (330.8)	441.1 (344.3)	+ 65.2 (+ 13.5)	+ 17.3% (+ 4.1%)

FYE March 2021		
Full-year Plan		
(c)	YoY Change (c)−(b)	Percentage change (c)／(b)
152.0	- 4.3	- 2.8%
99.0	+ 1.8	+ 1.9%
61.0	- 5.7	- 8.5%
123.0	+ 2.2	+ 1.8%
435.0	- 6.1	- 1.4%

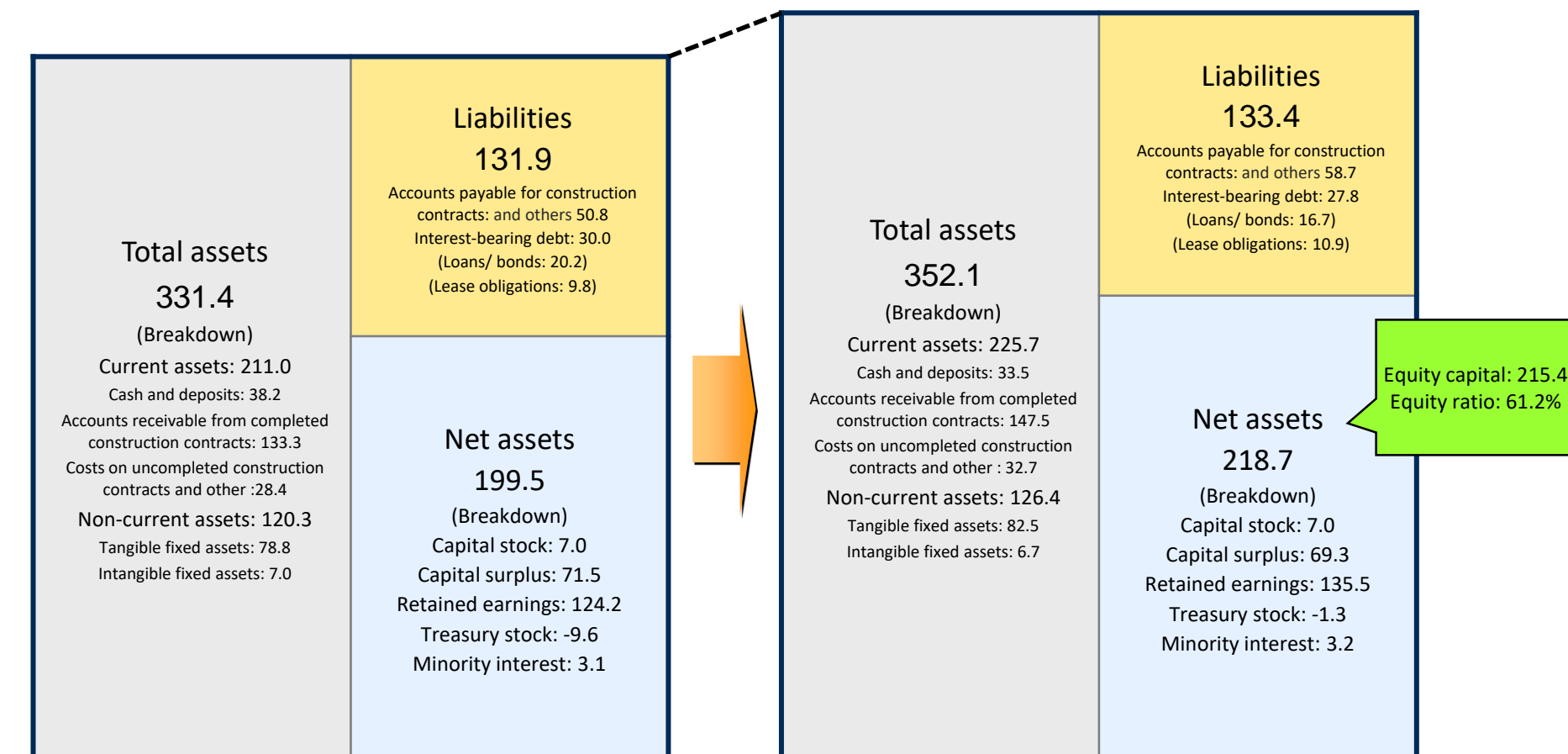
* Figures are rounded down to one decimal place (bil. yen).

(3) Assets, Liabilities and Net Assets

- Total assets: 352.1 bil. yen (up from 331.4 bil. yen) due to increase in accounts receivable from completed construction contracts and non-current assets.
- Liabilities: 133.4 bil. yen (up from 131.9 bil. yen) due to increase in accounts payable for construction contracts, etc.
- Net assets: 218.7 bil. yen (up from 199.5 bil yen) due to increase in retained earnings and decrease in treasury stock (shareholders' equity ratio up from 59.3% to 61.2%).

Balance Sheet as of March 31, 2019
(Unit: bil. yen)

Balance Sheet as of March 31, 2020
(Unit: bil. yen)



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

(4) Changes in Cash Position

Cash Flows

Units: bil. yen	FYE March 2017	FYE March 2018	FYE March 2019	FYE March 2020
Operating cash flow	4.7	12.5	6.4	7.9
Investment cash flow	- 11.1	- 10.0	- 13.5	- 9.1
Financial cash flow	10.4	- 3.6	- 1.9	- 2.8
Free cash flow	- 6.4	2.5	- 7.1	- 1.2

(Note) Free cash flow = operating cash flow + investment cash flow

Cash and Deposits/ Interest-bearing Debt

Units: bil. yen	FYE March 2017	FYE March 2018	FYE March 2019	FYE March 2020
Cash and cash equivalents	33.1	32.2	35.6	31.6
Interest-bearing debt	- 18.1	- 19.0	- 30.0	- 27.8
Net cash	15.0	13.2	5.6	3.8

(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 three months.

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

(5) Key Performance Indicators

Capital Expenditure / Depreciation and Amortization

Unit: bil. yen	FYE March 2017	FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021 (Plan)
Capital expenditure	4.6	12.6	19.3	9.1	7.2
Depreciation and mortization	2.8	3.0	4.0	5.8	4.4

Capital-related Indicators

	FYE March 2017	FYE March 2018	FYE March 2019	FYE March 2020
Equity ratio	56.9%	58.5%	59.3%	61.2%
Return on equity (ROE)	5.2%	8.8%	15.4% (9.4%)	7.4%
Return on assets (ROA)	3.1%	5.1%	9.1%	4.5%

(Note) FYE 3/2019 figures in () exclude the impact of extraordinary gains from recent acquisitions (negative goodwill of 10.0 bil. yen).

(6) Shareholder Return and Shares Outstanding

Shareholder Return Indicators

	FYE March 2017	FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021 (Plan)
Dividend payout ratio	37.6%	24.1%	13.5% (23.6%)	26.7%	27.7%
Total return ratio	76.6%	24.1%	13.5% (23.6%)	95.4%	27.7%

(Note) FYE 3/2019 figures in () exclude the impact of extraordinary gains from the recent acquisitions (negative goodwill of 10.0 bil. yen).

Shares Outstanding

Unit: 1,000 shares

	FYE March 2017	FYE March 2018	FYE March 2019	FYE March 2020
Issued number of shares	85,381	85,381	108,325	108,325
Number of dilutive shares	12,061	12,061	12,098	—
Number of treasury shares	5,985	5,840	6,418	479

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