

Corporate Report 2020



MIRAIT Holdings Corporation

CSR Office

5-6-36, Toyosu, Koto-ku, Tokyo, Japan 135-8111

Phone: 81-3-6807-3120 Fax: 81-3-5546-2967

<https://www.mirait.co.jp/en/>

**Overview of
MIRAIT Holdings Corporation**

Date of establishment
October 1, 2010

Head office
5-6-36, Toyosu, Koto-ku, Tokyo, Japan

Representative
NAKAYAMA Toshiki,
President and Chief Executive Officer

Capital
7 billion yen

Stock Listing
1st Section of Tokyo Stock Exchange
(Security code: 1417)

Total outstanding shares
108,325,329

Ratings
Rating and Investment Information, Inc. (R&I) A-
Credit Rating Agency, Ltd. (JCR): A

End of fiscal year
March 31

Number of employees (consolidated)
12,580 (as of March 31, 2020)*

Number of consolidated subsidiaries
75 (as of March 31, 2020)

*Simple tabulation of all companies

List of Group Companies

MIRAIT Corporation
M's Frontier Corporation / DAIMEI TECHNO CO., LTD. / KOKKO SYSTEMS CO., LTD.
Tohoken System Engineering Corp. / Meisei Correspondence CO.,LTD.
Nissin Tsuukou Co.,Ltd. / DAIMEI NETWORK CO., LTD. / DAIMEI TUSAN CO.,LTD.
SINKO ELECTRIC CORP. / MIRAIT-X Corporation / TODENTSU Access Corporation
TODENTSU NETWORK Co.,Ltd / Nissetsu Co., Ltd. / Okisokou Co., Ltd.
Libnet CO., LTD. / TIMETEC Co., Ltd. / Trust System Corporation / HOPE NET Co., Ltd.
Line Connect Corporation / Tokaikoei Inc. / Miyakokensetsu Corporation
NIPPON Sangyo Corporation / NIPPON TOYOCOM Co.,Ltd
DAIMEI SLK (PRIVATE) LIMITED (Sri Lanka)

MIRAIT Technologies Corporation
AST-ENG Corp. / Lapisnet Co., Ltd. / COTONET ENGINEERING Co., Ltd. / Ligare Co., Ltd.
Agility RISE Co., Ltd / Comlead Co., Ltd. / Nishinihondenko Corporation
MiratecDrone Corp. / Ground Create Co., Ltd. / KATAKURA CONSTRUCTION Co., Ltd.
MIRAIT Information Systems Co., Ltd / ACTIS Co.,Ltd / CREiST Inc. / Fucom Corp.
Kinki Denki Corp. / MIRAIT Technologies Australia Pty. Limited (Australia)
MIRAIT PHILIPPINES INC. (Philippines)

TTK Co., Ltd.
Toubu Denwakoji Corporation / Hokubu Densetsu Corporation
Morioka Denwakoji Corporation / Hakkou Tsushinkensetsu Corporation
Sensyu Tsushinkensetsu Corporation / Yamagata Tsushinkoji Corporation
Fukushima Denwakoji Corporation / Tsukada Electrical Construction Co., Ltd

SOLCOM Co.,Ltd.
SOLCOMMEISTER Co.,Ltd. / Yuwakogyo Corporation / Seikenkogyo Co.,Ltd.
Solcom Business Survice Corporation / Chugokutsushinshizai Corporation
Dentsushizai Corporation

Shikokutsuken Co., Ltd.
Ochidenki Corporation

Lantrovision (S) Ltd. (Singapore)
Lantro (S) Pte Ltd / Lantro (Malaysia) Sdn. Bhd. / Lantro (Penang) Sdn. Bhd.
Lantro (HK) Limited / Lantrovision Korea Co. Ltd / Lantro (Shanghai) Co. Ltd
Hangzhou Lantro Co, Ltd / Lantro Phils Inc. / Lantro (Taiwan) Ltd
Lantro Technologies India Pvt Ltd / Vrnet (S) Pte Ltd
Appsilan Asia Pte Ltd / Infilan Pte Ltd / Adnos Solutiens Pte Ltd
Innovative Energy Systems & Technology Pte Ltd / Lantro Myanmar Co., Ltd
PT Lantro Technologies Indonesia / YL Integrated Pte Ltd
Sun Power Electrical Pte Ltd / Nectric Engineering Pte Ltd
Shanghai Changling Communication Equipment Co.,Ltd.
Altro Solutions Pte Ltd / Lantro (Thailand) Co Ltd / Lantro (Vietnam) Co Ltd
Lantro (Cambodia) Co Ltd / Lantrovision Inc

Including consolidated subsidiaries and overseas subsidiaries (as of October 1, 2020)

C O N T E N T S

- 03** President's Message
- 06** Our Businesses
- 07** Value Creation and Performance
- 09** Unfolding the Medium-term Management Plan
- 11** Promote ESG-oriented Management

Building and Maintaining a Comfortable Society

- 13** Bringing the Information and Communications Environment to the Next Stage
- 15** Promotion of Smart Social Infrastructure Management
- 17** Supporting Smart Life Realization
- 18** Making Cities Disaster Resistant

Building and Maintaining Safe and Reliable Technical Capabilities

- 19** Pursuing Quality
- 20** Occupational Safety and Health
- 21** Workstyle Reforms
- 22** Diversity
- 23** Human Resource Development

Building and Maintaining the Trust of Society

- 25** Protecting the Environment
- 27** Social Responsibilities in the Supply Chain
- 28** Helping Local Communities
- 29** Corporate Governance and Internal Control
- 35** Financial and Non-Financial Data
- 38** Status of Shareholders

Editorial Policy

This report outlines the policies, plans, activities, and achievements of the MIRAIT Group to create value in the short, medium and long term. The business and direction of the MIRAIT Group outlined at the beginning of this report explains initiatives to enhance the capital that supports our businesses. In the next section, we include information about the progress of ESG management addressed in the new medium-term management plan by each priority theme. We also work to provide a concise yet comprehensive report about information that includes the management structure as well as the financial and non-financial performance which the organization is striving to strengthen.

Boundary

In this report, we report on the MIRAIT Group as a whole. Please note that numerical data and some of the information published in this report are of the boundary for which such data or information is available at the time of publishing this report, as indicated in the text or in supplementary notices.

Reporting Period

FY 2019 (April 1, 2019 to March 31, 2020)
Note: This report contains some data outside the above period so far as it complies with the editorial policy.

Guidelines Referenced

International Integrated Reporting Framework issued by the International Integrated Reporting Council

Date of Publication

November 2020

Inquiries

CSR Office
MIRAIT Holdings Corporation
5-6-36, Toyosu, Koto-ku, Tokyo, Japan 135-8111
Phone: 81-3-6807-3120

Related Information on our website

CSR Information
<https://www.mirait.co.jp/csr/>
(note: previous reports are also available)
Corporate Information
<https://www.mirait.co.jp/en/company/>
Business Information
<https://www.mirait.co.jp/en/service/>
IR Information
<https://ir.mirait.co.jp/en/>



NAKAYAMA Toshiki

President
and Chief Executive Officer

President's Message

We will keep delivering what is good for society and the planet as a smart infrastructure provider who creates and stewards tomorrow's social infrastructure.

Supporting Society's Core Infrastructure

I introduce the MIRAIT Group to many people as a "smart infrastructure provider that builds and protects the infrastructure of the future." The Group builds, operates, maintains, and manages society's core infrastructure comprised of communications, electricity, transportation, water supply, and energy. Keeping in mind that the state of such an infrastructure will have a great impact on the lives of each and every consumer, the activities of society as a whole, and the conservation of the global environment, we are always committed to doing better work and envisioning the next form of infrastructure. In addition, once a natural disaster causes damage to the infrastructure, it is our duty to hurry in restoring it.

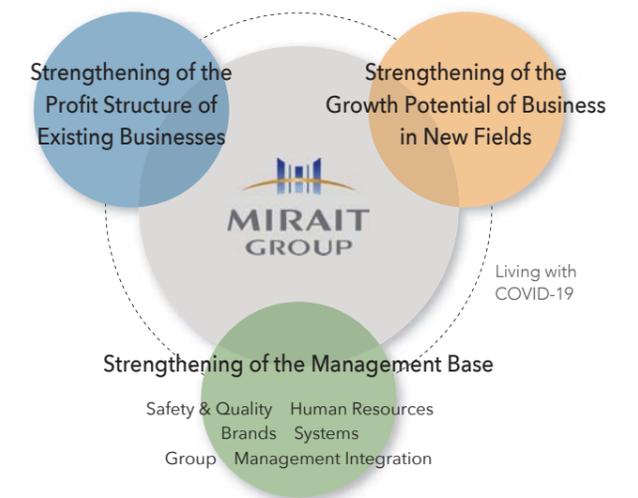
Therefore, the Group's business activities naturally have facets that contribute to the realization of the Sustainable Development Goals (SDGs). I always tell employees to think about the value that their work brings to society and that they should take pride in it.

Strategy for Strong Growth

The MIRAIT Group achieved record high sales and operating income in FYE March 2020. However, COVID-19, which has spread globally since early 2020, has had a tremendous impact on our business markets. In addition, telecommunication carriers in Japan are moving toward increasing investment efficiency, and it is certain that demand for conventional telecommunications construction work will gradually decline. Under such conditions, we have newly formulated a strategy for the Group to achieve strong growth. The three pillars of this strategy are "strengthening of the profit structure of existing businesses," "strengthening of the growth potential of business in new fields," and "strengthening of the management base."

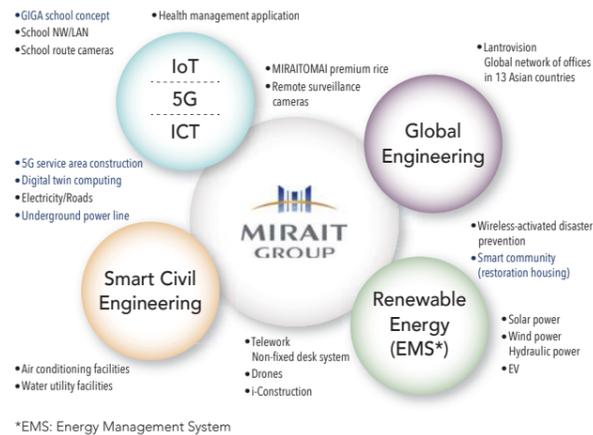
To strengthen the profit structure of existing businesses, we will promote bold business reforms and efficiency. I use the term "DX/AX," or digital and analog transformation, to describe that broad approach. On the digital side, robotics has already made considerable progress in simplifying testing operations. Equipment safety patrols and surveillance are performed remotely using cameras so that morning meetings at work sites can be conducted online. On the analog side, we are promoting organizational efforts to promote streamlining of work and utilization of technology and know-how. Typical examples are simplification of contract procedures, reduction of subcontracting structures, and consolidation of technology centers that are scattered across various regions.

Powerful Growth of MIRAIT Group



As for businesses in new fields, we are focusing our efforts specifically on four growth areas. "IoT/5G/ICT" is a group of technologies that promote a smart society. Our Group has realized efficiency, energy savings as well as safety and security through solutions that integrate these technologies. With their range of applications expanding rapidly, drones are mainly used as "moving sensors", which are a type of IoT device. "Smart civil engineering" leads to the streamlining of construction and maintenance of waterworks, roads, bridges, etc., and is the pre-stage for turning entire cities into smart cities. For example, the Group uses underground sensors to grasp the actual conditions in the ground and performs 3D mapping to make construction more efficient and safe. For "renewable energy" related to power generation through solar power, wind power, and hydraulic power and the spread of electric vehicles, we provide a system that integrates electricity and communication as the operation, monitoring, and maintenance of equipment are becoming more important. "Global engineering," our last area of focus, is being developed in a more diversified manner with Lantrovision, which provides services throughout Asia centered on Singapore, at the core.

The most important issue in strengthening our management base is how to enable the five business companies of the Group to demonstrate teamwork which is, in other words, deepening of the management integration. Until now, the main focus was on sharing the best practices of each company. From now on, however, we will promote the reallocation of roles in consideration of each company's strengths and establish a more rational business



structure. At the same time, we will integrate fixed communication and mobile communication operations and increase the number of skills that engineers possess so that one team can handle a wider range of operations. This means that, for example, recovery work from typhoon damage can be completely handled by one group, making it possible to proceed more quickly.

By putting together the efforts of the three pillars in this manner, we aim to grow into a corporate group that can deliver greater value to society. Although the medium-term management plan sales target of 450 billion yen and operating income target of 27 billion yen (operating income margin of 6.0%) for FYE March 2022 are not easy to achieve, we will aim to achieve these targets without change even in light of the COVID-19 crisis. At the same time, we plan for frontier domain operations to comprise 46% of total sales.

	FYE March 2020	FYE March 2021	FYE March 2022
Net sales	441.1	435.0	450.0
Operating income	21.9	22	27
Operating income ratio	5.0%	5.0%	6.0%

Fostering Engineering capabilities and Developing Human Resources

I believe that the greatest strength of the MIRAIT Group is its "Engineering capabilities." We have steadily accumulated the organizational capacity and human resources to create, operate, and properly maintain equipment and systems that solve problems for our customers. As a result, the Group has a vast amount of experience in both communications and electricity. In addition, we are also focusing on efforts to create advantages unique to us.

To that end, human resource development is important. In addition to setting important qualifications to be acquired by employees, we are also promoting the acquisition of multiple qualifications. The company also opened its first communication tower facility used for training purposes in western Japan. We are refining our technology while clarifying the division of roles between humans and robots.

The company is also working with a wide range of partners to improve our Engineering capabilities. We are also collaborating with US venture companies to establish 5G service area construction technology that raises social expectations. Through careful preparation, we were able to start providing local 5G wireless service area construction solutions that support smart factories from June 2020.

Management ability is also indispensable to demonstrate our Engineering capabilities. One of the initiatives we are currently focusing on is the "MIRAIT Mirai Juku," an education initiative which trains people who support the MIRAIT Group. In the past, people who had knowledge about telecommunications construction sites and technology were in charge of management. However, now that we are developing new business areas, this program will focus on providing employees with broader knowledge, including management and finance, and applied ability to solve new problems. We also emphasize active interaction with the outside world as well as sharing and reflecting on those experiences by the current management team. In this way, we are taking on the challenge of developing skills in new ways and paving the way for a wider range of human resources to enter management.

Testing and Establishment of New Work Styles

The COVID-19 pandemic has raised the question of what types of work styles employees should be following, an issue that all companies face. In the MIRAIT Group, whose main business is engineering, office work is limited and movement of construction sites is essential. It is necessary to continue to answer the question of how to maintain each site while taking measures to prevent infection and coordinating with company offices.

The Group has assigned the first half of FYE March 2021 as Phase 1 and the second half as Phase 2 in order to achieve a balance between work and COVID-19 countermeasures and has been working in stages. In Phase 1, we tested new work styles such as telework, satellite office based work, and personal vehicle based commuting. In Phase 2, we are advancing the establishment of new work styles realizing that the work environment will not be the same as it was before the COVID-19 crisis. Furthermore, based on this experience, we also provide new services that support working remotely.

Moving Forward Toward Becoming a "Good Company"

I believe that the growth of the MIRAIT Group will be achieved by repeating "good work" and becoming a "good company." By continuing to be a company that grows financially, a company where employees can work comfortably, and a company that our business partners want to work with, we should be able to pave the way to a "good future."

October 2020 marked the 10th anniversary of the establishment of MIRAIT Holdings in 2010 and the start of business of the MIRAIT Group. How to achieve results from the business integration that occurred in 2018 is one of our biggest management issues. There is a term in Japanese that means "fluidity and immutability." In line with this, it is important to clearly identify what should be changed and what should not be changed based on the history of each company. After this, we will evolve into a corporate group with independence and comprehensive strength.

I would like to thank all of you for your continued expectations and cooperation.

Building and Maintaining

Starting with telecommunications infrastructure, we build a broad range of systems offering greater convenience in daily life and society as a whole and ensuring greater safety and security (comprehensive engineering: configuration), and maintain them (servicing: maintenance and operation) both in Japan and overseas.

MIRAIT Group Sales

441.1 bil. yen
(FYE March 2020)



Environmental and Social Innovation

The MIRAIT Group builds, maintains and operates solar power generation systems, EV charging stations and storage battery systems to make new energy infrastructures more accessible. In addition, we will contribute to the construction of next-generation environmental and social infrastructures through the elimination of utility poles (undergrounding of electric wires), electrical and air conditioning work, including LED installation, water and sewage work as well as road infrastructure work, such as bridge construction.

ICT Solutions

With our ICT technology, we provide high-quality solutions that respond to a wide range of social and business issues, including introducing LAN/PBX and Wi-Fi, ensuring security, building management advancement, and promotion of operational efficiency. We have begun building and operating data centers and using drones to further expand the breadth of these solutions.

Multicarrier

The MIRAIT Group builds, maintains and operates mobile communications facilities to support the increasing speed and capacity of mobile networks. We are currently conducting constructions for the expansion of 5G service area.

Our Group also builds and maintains fixed-line communications facilities for communication carriers, conducts CATV, and builds and maintains fixed-line and mobile communications facilities overseas (Australia, Philippines, and Sri Lanka).

NTT Operations

The MIRAIT Group builds, maintains and operates the NTT Group's fixed-line communication facilities and provides support to make optical fiber networks even more prevalent. Although initially focused on building those facilities, in recent years we have expanded into facility maintenance and operation as well. When disaster strikes, our emergency repairs and reconstruction safeguard these communication networks.

A Step Forward

Shikokutsuken Co., Ltd. was involved with the construction of five bridge piers of the Iwagi Viaduct, which connects Iwagi Island and Ikina Island in Kamijima Town, Ehime Prefecture, to realize the opening of the entire Yumeshima Kaido route. First phase construction was completed in FYE March 2018, second phase were completed in FYE March 2019, and third phase were successfully completed at the end of 2019.





Foundation of Our Business

The MIRAIT Group continuously enhances a wide range of non-financial capital supporting businesses to heighten medium- to long-term financial performance.

Engineering Capital

We keep both the hardware and software directly used for engineering in good shape while regularly adopting the latest versions.

Major Capitals

- Construction equipment (aerial work platform vehicles, etc.)
- Network/cloud service infrastructure
- Internal information systems

Development Initiatives

- Systematic renewal of construction equipment
- SD-WAN (software-defined networking)
- Construction and operation of our own data center
- Configuration of networked DC*1
- Enhancement of core systems (for i-Construction)
- Operational improvements through active adoption of RPA*2

*1 System to link with leased data centers through underground cables
*2 Operational automation through robotics

Human Capital

The size and quality of human capital is crucial in engineering. With this recognition in mind, the MIRAIT Group works to cultivate its human capital that supports the growth of business in multifaceted ways.

Major Capitals

- Engineers/skilled workers with a high level of problem-solving skills
- Trusted worksite supervisors
- Sales staff who nurture good relationships with customers

Development Initiatives

- Systematic training through a personnel training system
- Bounty system for obtaining professional qualifications
- Support for career advancement through an interview program
- Personnel rotation that encourages experience in diverse businesses and organizational cultures
- Securing and promoting active participation of diverse talents
- Enhancement of engineering personnel (mid-career employment)

Intellectual Capital

The technical capabilities of the MIRAIT Group are a factor affecting its market competitiveness that often remains unseen. We invest our efforts in transforming tacit knowledge into explicit knowledge which can then be shared and succeeded. We are also expanding our intellectual capital through M&A (knowledge and know-how in the water supply field, etc.).

Major Capitals

- Telecommunications construction and other engineering expertise
- Knowledge in specialized relevant fields
- Research and development or processes and techniques of value engineering
- Quality control, occupational safety and health, environmental conservation and other expertise

Development Initiatives

- Operation of various management systems
- Strengthening of construction management capabilities (Use and ongoing revisions of the Worksite Supervisor Handbook)
- KAIZEN Suggestion Activity (reforms and development of articles and methods via suggested improvements)
- Adoption of the latest technology

Organizational Capital

The business operation system of the MIRAIT Group and partner companies is the foundation for business growth in Japan and abroad.

Major Capitals

- Presence in each region and country
- Business sites (sales, construction, and services)
- Partner companies (smooth collaboration)
- Networks with organizations and people related to business

Development Initiatives

- Expansion and deepening of regional coverage
- Strengthening of Group operation systems
- Collaboration meetings and regional cooperation meetings with business partners
- CSR sourcing

Social and Relationship Capital

The trusted relationships with our stakeholders are an "unseen foundation" of the MIRAIT Group's businesses.

Major Capitals

- The brand based on confidence and trust from customers
- Long lasting relationships with telecommunications carriers
- Relationships with customers, other than telecommunication carriers, in various fields
- Collaboration with municipalities and government agencies
- Support from local communities

Development Initiatives

- A long and proven track record
- Clarification of quality standards as well as confirmation and validation of quality in each operation
- Disaster recovery response
- Local contribution efforts/activities to promote communication with local communities

MIRAIT Group companies Earn High Ratings in Technology Contest

On November 8, 2019, MIRAIT Corporation and MIRAIT Technologies Corporation received the Committee Prize (ASP SaaS Category) and the Best Regional Contribution Award (Data Center Category) during the ASPIC IoT AI Cloud Awards 2019 held by ASP-SaaS-IoT Cloud Consortium (ASPIC), a specified non-profit corporation*1.

In addition, 7 teams from 5 MIRAIT Group companies participated in the 10th Access Design Contest (sponsored by the Information & Telecommunications Engineering Association of Japan) held on November 14, 2019, earning prizes from First Place to Fifth Place*2.

In addition, TTK Co., Ltd. won top prize in the General Participation Category of the UAV (Drone) Competition conducted as an event during Engineering Exhibition TOHOKU '19 held at Yume Messe Miyagi (Sendai City, Miyagi Prefecture) on June 6, 2019.

*1 With the aim of developing and establishing IoT, AI, and cloud services to serve as the information infrastructure of society, ASPIC IoT AI Cloud Awards are given to companies that provide such services in Japan that are excellent and useful. The awards support the expansion of IoT, AI, and cloud businesses and user businesses and consists of seven categories.

*2 As the environment of the information and communications industry has diversified, there is a need for technological capabilities that can provide the design, construction, maintenance, and operation of information and communication networks in a cohesive manner. Therefore, the event is held every year for the purpose of improving design technology, level of safety awareness of designers, and information sharing among communications construction companies in Japan.



The data is for FYE March 2020 (as of March 31, 2020)

Data current as of October 1, 2020

Based on rapid changes in the business environment, the MIRAIT Group is implementing a three-year medium-term management plan that began in fiscal 2019 to bring about sustainable growth.

Outline of New Medium-term Management Plan

The business environment surrounding the MIRAIT Group is at a turning point. In Japan's information and telecommunications sector, business is expected to expand with the telecommunications carriers, which are the Group's main customers, and the service expansion of fourth-generation mobile telecommunication systems (4G) through the addition of new frequency bands. Furthermore, fifth-generation mobile telecommunication systems (5G) which we started to provide commercial services for in March 2020 are expected to expand in the future. In regard to the social environment, the social infrastructure developed after the high-growth period, mainly in the Greater Tokyo area, has entered the reconstruction stage. At the same time, we face an aging society with a declining birthrate and shortage of labor. With the arrival of the full-fledged era of IoT, the demand for new solutions is increasing.

As stated in, the MIRAIT Group believes that it must strive to improve management efficiency and productivity of existing businesses, while strengthening the competitiveness of the "frontier domains" in the medium- to long-term, in order to enhance its corporate value and to achieve sustainable growth as a "Comprehensive Engineering and Service Company" amid changes in the external environment. The Group established a new Medium-term Management Plan for the three years starting in the fiscal year ended March 31, 2020 and aims to achieve the targets set forth below.

Our targets for FYE March 2022: net sales of 450 billion yen, operating income of 27 billion yen (operating income ratio of 6.0%), and ROE of more than 8.0%.

*Frontier domains: Future areas of focus (fields in which this Group will take on the challenge of finding new business opportunities) within our Environmental and Social Innovation business and ICT Solution business.

Key initiatives of the Fourth Medium-Term Management Plan

1. Generate new business opportunities	<ul style="list-style-type: none"> Development of solution business by leveraging the expanded regional coverage achieved through management integration Facing the challenge of new business opportunities transcending the conventional framework of business domains and technologies
2. Acceleration of transformation of business structure	<ul style="list-style-type: none"> Accelerate of transformation from carrier business to solution business Promotion of transformation of quality in solution business (emphasis on profit)
3. Enhance productivity and reduce costs through efficient operations	<ul style="list-style-type: none"> Ensuring operation of construction work through stronger ties with partner companies Sharing of systems and consolidation of common operations
4. Strengthen human resources	<ul style="list-style-type: none"> Improvement of productivity and securing of human resources through work style reforms Strengthening and utilization of human resources supporting expansion into new business domains and transformation of business
5. Promote ESG-oriented management and improvement of safety and quality	<ul style="list-style-type: none"> Accurately perceiving business in terms of both risk and opportunity from the perspective of strengthening ESG Establishment of the MIRAIT Group brand responding to customers' needs for peace of mind and reliability in "improvement of safety and quality"
6. Capital policy	<ul style="list-style-type: none"> Maintaining a sound financial standing Management conscious of capital cost Consideration of providing shareholder returns aimed at realization of ROE of 8% or more

Progress to FYE March 2020

During the fiscal year ended March 31, 2020, the Japanese economy continued to recover moderately on the back of strong corporate earnings and improvement in labor market conditions. However, uncertainties have suddenly risen with the novel coronavirus infection (CAVID-19) pandemic.

• NTT Business

In the NTT business, the Group pursued growth in facility management operations and facility improvement proposals and implemented measures such as the consolidation of branch offices to improve profitability, while strengthening its group-oriented management structure. The Group worked as an integrated term to support immediate recovery of telecommunication facilities following Typhoon No.15 and other natural disasters.

• Multicarrier Business

In the Multi-carrier business, the Group strived to win orders for new frequencies in 4G and launch of commercial services in 5G. The Group also took steps to further enhance its technological capabilities and human resources. Specifically, the Group participated in verification tests for new technologies in light of the upcoming full-scale rollout of 5G and established a training facility to develop multi-skilled engineers that are able to handle both fixed-line and mobile telecommunication construction and maintenance work.

• Environmental and Social Innovation Business

In the Environment and Social Innovation business, sales increased as a result of growth in electrical, air conditioning and civil engineering work, in addition to the completion of solar power projects. The group added Tokaikoei Inc. as a subsidiary to expand its business in water utility-related work.

• ICT Solution Business

In the ICT Solutions business, sales increased thanks to the Group's efforts to grow LAN/ PBX-related domestic business, win of a large software development project for a major consumer electronics retailer, full-scale launch of Osaka No. 1 datacenter and increased sales of goods such as mobile-related construction materials and PC/servers for educational facilities. The Group added YL Integrated Pte Ltd, a Singapore-based electrical construction company, as a subsidiary effective April 1, 2020.

• Capital Policy

The MIRIT Group repurchased shares (total of 6.5 million shares/ 10,453 million yen). In addition, the yen-denominated convertible bonds due 2021 were redeemed early on December 30, 2019. All stock acquisition rights were exercised, and treasury stock were transferred to the holders of the convertible bonds.

As for the consolidated financial results, net sales increased by 17.4% year-on-year to 441.1 billion yen, operating income increased by 6.3% year-on-year to 21.9 billion yen. Operating income ratio was 5.0% and ROE was 7.4%.

The frontier domain sales ratio reached 43% for the entire group (46% for companies other than the three integrated management companies).

FYE March 2021 Business Plan

In FYE March 2021, we anticipate an increase in base station installation work and network construction work due to the expansion of 5G commercial services. We will also continue to provide solutions that support new efforts such as local 5G, the GIGA school concept, and popularization of telework. In addition, we will further promote management efficiency by strengthening our group management system.

Specifically, as for the forecast for consolidated financial result, net sales is 435 billion yen and operating income is 22 billion yen.

Targets and Results

	FYE March 2020 Results	FYE March 2021 Planned Figures	FYE March 2022 Targets
Net sales	441.1 bil. yen	435 bil. yen	450 bil. yen
Operating income	21.9 bil. yen Operating income ratio 5.0%	22 bil. yen	27 bil. yen Operating income ratio 6.0%
ROE	7.4%	-	More than 8.0%

MIRAIT Group Key Performance Indicators

The MIRAIT Group uses sales, operating income, operating income ratio, and ROE (return on equity) as objective indicators (KPI) for determining the status of management goals. We recognize that these indicators will be useful for all stakeholders, including shareholders, to evaluate the effectiveness, feasibility, progress, etc. of the Group's management policies and strategies. Operating income and ROE are also used as calculation indicators in the performance-linked stock-based compensation plan.

As it regards the global issue of sustainable development as a priority theme in management, the MIRAIT Group promotes ESG in management and focuses on contributing to the SDGs from a mid- to long-term perspective.

Concepts ESG-oriented Management

The MIRAIT Group has promoted Corporate Social Responsibility (CSR) activities based on the MIRAIT Way, which is made up of the Basic Management Policy, Conduct Guidelines, and The Corporate Ethics Charter. We will win long-term trust from stakeholders by continually engaging in business activities that respond to social demands and expectations is also fundamental to the MIRAIT GROUP.

In addition, we addressed the concept of "ESG management" focused on the impact on medium- to long-term financial affairs together with the announcement of the medium-term management plan in May 2019. We will contribute to the Sustainable Development Goals (SDGs) through all our business activities. We will also work to identify risks and opportunities for our business from a wider perspective and to effectively respond to them, strengthening our ESG.

Promoting ESG-oriented

In ESG-based management, it is extremely important to communicate with stakeholders and respond to the issues discovered based on that communication.

Our CSR Promotion Office and IR Promotion Office play a central role, and we strive to renew our awareness of issues and respond appropriately through a wide range of opportunities, including inquiries from shareholders, investors, and evaluation organizations.

We also share information and coordinate initiatives with Group companies.

Priority Themes and Issues: "Building and Maintaining a Bridge to the Future"

Priority Themes	Priority Issues	Relevant SDGs	Main Activities in FYE March 2020
Building and Maintaining a Comfortable Society Creating Value through Business Activities	<ul style="list-style-type: none"> Construction/maintenance/reform of social infrastructure Smart life evolution Disaster resistant town planning 		<ul style="list-style-type: none"> Building of infrastructure (construction work for telecommunications networks, surveillance cameras, highways, water utility networks, etc.) Efforts aimed at the start of the provision of full-fledged 5G service Early rebuilding of infrastructure following major disasters Wide range of drone experiments and utilization Contribute to penetration of renewable energy (solar power EPC business)
Building and Maintaining Safe, Reliable Technical Capabilities Safety, Quality and Human Resources	<ul style="list-style-type: none"> Continuous improvement of quality and safety Reinforcing technical development capabilities and engineering strength / employee training Resolving labor and safety issues Diversity Workstyle reforms and work-life balance 		<ul style="list-style-type: none"> Strengthen human resources (grow the number of qualified staff, encourage staff to attain multiple skills, achieve mor diversity) Building hard and soft systems for safety (safety patrol, cloud-based drive recorders) Hiring women, elderly and disabled individuals Workstyle reform (proper management of overtime work and annual paid leave, introduction use of ICT to achieve efficiency)
Building and Maintaining the Trust of Society Environmental Protection, Local Communities and Governance	<ul style="list-style-type: none"> Environmental conservation Social responsibility in the supply chain Regional development Corporate governance 		<ul style="list-style-type: none"> Sale of goods that are environmentally-friendly Adopted performance-based stock remuneration plan for directors and executive officers. Expanded scope to three newly merged companies. Management decisions with a focus on capital costs (understanding WACC and reduction of strategically held shares) Enhance constructive dialogue with shareholders (overseas IR, explanatory meetings for individual investors, and online-based explanatory meetings)

Initiatives for SDGs in the MIRAIT Group

SDGs are very closely related to the business activities of the MIRAIT Group. The Group believes that contributing to the SDGs is essential for being a "Comprehensive Engineering & Services Company" that constantly creates new value.

We are aiming to incorporate initiatives for responding more aggressively to the SDGs in future management plans.



Operation of Integrated Management System

As a business that supports the information and communication infrastructure, the MIRAIT Group places particular emphasis on the four areas of worker safety, work quality, environmental protection, and information security. It has created and operates a management system that promotes initiatives in each of these areas. Since 2012, we have been operating the Integrated Management System that deals with those four areas in an integrated manner.

Our Management System Policy, which is the basis of the Integrated Management System, requires all people involved in MIRAIT Group business activities to be aware of CSR and clearly states that each company and department of the MIRAIT Group cooperate together to conduct PDCA management.

Policy on the Management System

To fulfill our business management policies and goals, we will construct, operate, maintain and improve an effective and efficient integrated management system.

- All individuals involved with the MIRAIT Group will acknowledge its corporate social responsibility and seek to strengthen their personal commitment to ethical principles and conduct as well as compliance.
- Each company and division of the MIRAIT Group will support mutual collaboration and effective management activities based on the PDCA (plan-do-check-act) cycle.
- All individuals involved with the MIRAIT Group will participate in education and training to enhance their management capabilities.
- We will regularly assess the effectiveness of this system, including basic policies, and continuously strive for improvement.

Bringing the Information and Communications Environment to the Next Stage

Although 5G opens the path to new possibilities, it also presents various technical hurdles. The MIRAIT Group strives to acquire and develop new technologies in order to become an important entity involved in bringing about the 5G era.

Bringing the Information and Communications Environment to the Next Stage

The information and communications environment that the MIRAIT Group has built, maintained, and renewed is truly a core social infrastructure. This infrastructure is currently undergoing a major transition that occurs once every ten years.

The provision of 5th generation mobile communications systems (5G) commercial services began in Japan in April 2020. 5G offers high speed, high capacity, simultaneous connection with multiple devices, and low latency. Therefore, 5G will

become the industrial and social infrastructure of the era in which IoT (technology that connects everything to the Internet) is fully utilized.

5G will gradually become widespread in the future. The MIRAIT Group has been working on the development of new area construction technology to accelerate the spread of 5G and has been able to provide support solutions at an early stage.

Features of 5G

High speed/High capacity:
10Gbps max.
(More than 10 times faster than 4G)

Low latency: Less than 1 millisecond
(1/10 of the latency of 4G)

Simultaneous connection with multiple devices: one million terminals per square kilometer
(10 times the connection capacity offered by 4G)

Mobile Telecommunications System Evolution (Source: 2020 WHITE PAPER Information and Communications in Japan (Ministry of Internal Affairs and Communications))

	1G	2G	3G	4G	5G
Year for introduction (Japan)	1979-	1993-	2001-	2010-	2020-
Standard	Independent standards		International standardization		
Communications system	Analog	Digital			
Maximum speed (download)	2.4~10kbps	11.2~28.8kbps	0.06~14Mbps	0.04~1Gbps	10Gbps
Switching system	Circuit switching	Both circuit switching (voice) and packet switching (data)		Fully IP-based	
Access system	FDMA	TDMA	CDMA	OFDMA	
Terminals	Automobile telephones /Shoulder phones	Feature phones		Smartphones	
Position	Communications infrastructure		Life infrastructure	Industrial/Social infrastructure	
Functional values	Information conveyance		Information processing	Information/Things control	
Major players	Telecommunications carriers		Content/Application providers	Digital platformers	
	Communications equipment manufacturers				

Note: In this table, 3.5G is included as part of 3G and 3.9G is included as part of 4G.

Establishing 5G Area Construction Technology

In order to actually demonstrate the features of 5G in various situations in various places, there are technical issues that need to be resolved.

One of them is the straightness of radio waves in the high frequency band used by 5G and attenuation due to shielding from buildings, etc. An approach using a reflector has been proposed to reflect 5G radio waves in the same way as with 4G. MIRAIT Corporation evaluated the practicality of metamaterial*1 reflector products developed by the US startup, Metawave Corporation. When we conducted radio wave propagation experiments in the submillimeter wave band*2, we confirmed that the results were at the expected performance level. In addition, we verified the effectiveness of metamaterial reflectors in 5G area construction in detail based on a series of processes including conversion of indoor spaces into 3D data, radio wave propagation simulation, and reflector design.

Based on these technological developments, MIRAIT Corporation started providing companies that introduce local 5G service with local 5G wireless area

construction solutions designed to support activities including consulting, design, construction, and license application geared for 5G service introduction from mid June 2020. At first, we primarily aim to meet the needs of smart factories that visualize the manufacturing process. We provide support for 5G service introduction based on the level of reliability unique to a telecommunications construction company and advanced technology, such as design using 3D technology.

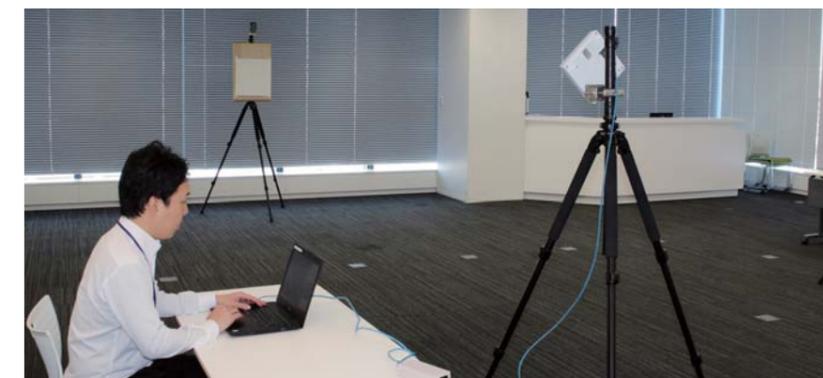
Furthermore, in addition to supporting telecommunications carriers, we will contribute to the efficient and detailed formation of wireless areas using submillimeter waves for 5G, a technology expected to be widely used at locations such as construction sites, logistics sites/warehouses, stadiums, hotels, and office buildings for which the building of private networks is desired.

In addition to creating local 5G wireless areas, we are also working to provide comprehensive network construction that combines LPWA*3 and Wi-Fi.

*1 Metamaterial: An artificial substance that behaves in response to electromagnetic waves, including light, in a way which is not found in substances in nature.

*2 Submillimeter wave band: The name of the high-frequency radio frequency band with wavelengths that are close to a millimeter in length.

*3 LPWA (Low Power Wide Area): A technology that realizes both power savings and long-distance communications.



Measuring the characteristics of equipment used for local 5G wireless area construction

Opening of 5G Communication Tower Facility Used for Training Purposes

In preparation of the full-fledged deployment of 5G, MIRAIT Technologies Corporation opened a communication tower facility used for training purposes for the first time in western Japan in November 2019. It is located at Kansai Hyper Techno Port (on Rokko Island in Higashinada-ku, Kobe).

The purpose of this facility is for engineers to acquire multiple skills (wired and wireless technology related skills) to perform construction and maintenance of antenna equipment, wireless equipment, and wiring equipment at significant heights accurately and safely.

By actively conducting 5G training, we plan to train 180 engineers a year that will be capable of handling everything from construction to maintenance of fixed and wireless communications equipment. In the future, we plan to further develop usage of the facilities to serve as a place to train engineers who can take charge of construction and maintenance, mainly in the western Japan area, by providing engineers of group companies and partner companies with multiple skills.



Promotion of Smart Social Infrastructure Management

As many social infrastructures in Japan will soon need to be renewed, improving the efficiency of infrastructure management has become a serious social issue.

The MIRAIT Group is working to solve this problem by making full use of drone technology.

Remote-based Building Inspections

Since inspections of the walls and roofs of buildings are performed at significant heights, cost and safety are issues. By utilizing a drone, however, there is a possibility that a precise and safe inspection can be performed in a short amount of time.

In collaboration with Nankai Building Service Co., Ltd., a group company of Nankai Electric Railway Co., Ltd., MIRAIT Technologies Corporation conducted a trial drone-based inspection of Suita City Martial Arts Gymnasium SENSINKAN (Building area: Approx. 3,000 m²), a building managed by Nankai Building Service. Drone photography was performed by MIRAIT Technologies Corporation and the tasks of captured image analysis and report creation were performed by Nankai Building Service Co., Ltd. As a result, the cost was less than 10% of the cost of an inspection requiring conventional scaffolding and the inspection period was less

than 20% of the time that conventional scaffolding based inspection would require. With MiratecDrone Corp. playing a central role, we are promoting the use of drones mainly for inspecting the roofs and walls of large-scale buildings.

In addition, TTK Co., Ltd. participated in "DOCOMO 5G Open Partner Program" held by NTT DOCOMO, INC. and conducted a verification test consisting of a remote building exterior wall inspection using 5G, a drone, and AR smart glasses in November 2019. Drone camera images taken and various flight data gathered at the work site and images from the viewpoint of the inspector who operates the drone were transmitted in real time to the control center at a remote location. Based on this information, the control center provided instructions to inspectors at the work site and displayed various manuals on their smart glasses screens.



External building wall inspection using a drone and AR smart glasses

New Management Methods for Water Supply and Drainage Facilities

Water utilities throughout Japan are struggling to secure revenues from water charges as demand for water declines. At the same time, facilities (especially pipes) are required to be renewed and made earthquake-resistant. In addition, since it is difficult for both the public and private sectors to secure engineers and pass on technology, improving productivity is an issue for business continuity. Together with Kurimoto, Ltd., Photoruction, Inc., JFE Engineering Corporation, and MIRAIT Technologies Corporation are collaborating with the Kobe City Waterworks Bureau to develop a new methodology for water pipe construction management operations. By building a cloud-based system, drainage pipe types are entered into mobile terminals and joint check sheets are created automatically, construction documents and information are

shared in real time between contractors, photos are automatically organized and text information is digitized. Also, linking multiple pieces of information and documents eliminates the need for data entry work and matching work.

In addition, MIRAIT Technologies Corporation has proposed taking drone-based water quality inspection samples and surveying algae conditions by drone in order to rationalize the water quality management work at Kobe City Waterworks Bureau reservoirs. With the cooperation of the same bureau, we conducted an experiment in May 2019 at one of the city's water supply reservoirs and confirmed its effectiveness.

Furthermore, in October 2019, SOLCOM Co., Ltd. began offering nano gate, a building water supply and drainage pipe self-cleaning system. Nano gate uses a weak AC

electromagnetic field to prevent water stains and urinary stones from sticking, which can cause rust-based corrosion and germ growth. In addition to extending the life of water supply and drainage pipes, maintenance can be performed at low cost and a low amount of labor at any water section equipment by minimizing the use of powerful detergents and chemicals to the utmost.

On October 31, 2019, MIRAIT Corporation acquired all outstanding shares of Tokaikoei Inc. and its affiliated company, Miyakokensetsu Corporation. Both companies have a deep track record in the construction business with many first-class civil engineering construction management engineers and multiple directly managed waterworks teams. As a result, the MIRAIT Group will promote the expansion and strengthening of its water related businesses.

PROJECT REPORT

Utilization of Drones in the Management of Osaka Castle Park

MIRAIT Technologies Corporation together with NTT FACILITIES, INC., conducted a verification test of an image analysis system using a drone at Osaka Castle Park in March 2019. There are many structures within the park of high historical and cultural value, including Osaka Castle's main tower.

1. Drone-based Park Surveillance

Images were taken twice in some areas of the park, and it was verified whether differences between the first and second shots could be automatically extracted. This technology can reduce patrol inspection operations.

2. Highly Detailed Photography of Castle Stone Wall

By modeling a stone wall with a complex shape in 3D, detailed conditions of the stone wall can be grasped and used as basic information for repair plans. It also contributes to grasping wall conditions during a disaster to formulate a recovery plan. This verification test was conducted viewing the stone wall of Minami Sotobori.

3. Main Castle Tower 3D Model Creation

A 3D model of the main castle tower is created based on images taken diagonally from multiple locations above around the target area, not images taken from above the target area. Grasping the current terrain and building conditions in 3D can be useful for grasping conditions during a disaster to formulate a recovery plan.

We proposed this verification test, which was then adopted, in response to the recruitment by a verification test team organized by Osaka Prefecture, Osaka City, and the Osaka Chamber of Commerce and Industry in consideration of EXPO 2025, which aims to realize "A laboratory for a future society."



Demonstrating the Practicality and Versatility of Drones

In this verification test, we flew at an altitude lower than the takeoff point and above the moat's surface. As a result, this flight demanded more care than a normal flight because the sensors required for stable flight were prone to error. In addition, since the positional relationship with the stone wall and moat's surface could not be confirmed from the position of the pilot, it was important to get an idea about the drone's location by coordinating with the safety operation manager at the monitoring point. Although it was a very difficult flight, we were relieved to be able to carry it out as planned. I hope that this verification test will serve as a catalyst for local governments and businesses to learn about the practicality of drones and imagine how they can be used for various purposes.



MIRAIT Technologies Corporation (Currently MiratecDrone Corp.)

MATSUI Ryusei

Established Drone Specialty Company MiratecDrone Corp.

MIRAIT Technologies Corporation established MiratecDrone Corp. on July 1, 2020 as a new company specializing in the drone business based on its experience and track record in the drone business that it has developed since 2017. We provide a wide range of services centered on the equipment inspection field to meet the needs of infrastructure equipment companies, local public organizations, building management companies, agricultural businesses, and so forth.

In particular, MiratecDrone will conduct business in the three areas of Alliances, Sales & Systems, and Human Resources & Schools. In the central area of Alliances, the company will work to expand not only photography, but also advanced image analysis and surveying services in the areas of infrastructure equipment inspection and agriculture. Furthermore, in the area of Sales & Systems, in addition to the sale and leasing of drone equipment, it will strengthen its business by providing maintenance services and

consulting for the creation of drone operation systems. Moreover, it will provide basic skill training for piloting drones in addition to operating specialized schools for skills such as structural inspection and surveying.

With the company establishment, we started providing Drone Park Manager, a service supporting the management of large parks, Drone Water Checker, a service supporting water quality inspections at reservoirs, and High Quality Turf Management System, a service supporting golf course turf management as new services utilizing the results of trials related to facility inspection.



Supporting Smart Life Realization

By making full use of the technology held by the MIRAITS Group in a wide range of fields including 5G, ICT, and energy systems, we support the realization of a smart life in a multifaceted way that leads to the solution of social issues.

Creating a New Way to Enjoy Golf

Unprofitable operation of golf courses in various parts of Japan has cast shadows over local economies.

MIRAITS Corporation together with NTT Communications Corporation, NTT DOCOMO INC., FUJITSU LIMITED, and Nagano Keikyu Country Club K.K., conducted a verification test of a business solution utilizing 5G at a golf course in November 2019. A 28GHz band 5G communications area is constructed and ball trajectory analysis is performed using the player's shot image.

Then functions are used that display the analysis results on the player's tablet and next-generation display cart and live stream high definition tee shot images taken by a 4K 360 degree camera. We smoothly showed the point where the ball fell and verified the ability to check each other's playing situation in real time with other accompanying players. In addition to improving play turnover rate and usability, we aim to contribute to increasing the number of users through new entertainment experiences.



Screen displays the predicted ball landing location

Increasing Work Efficiency at Nursing Care Sites Through ICT

As the elderly population is increasing, the shortage of long-term care personnel is an issue that is becoming more serious. The Ministry of Health, Labour and Welfare is promoting work efficiency at nursing care sites using ICT and AI.

In collaboration with KONICA MINOLTA, INC., MIRAITS's Hokkaido Branch Office started the sale of HitomeQ Care Support (HitomeQ), which promotes the introduction of ICT at nursing facilities. While HitomeQ

uses sensors to detect behavior and respiratory abnormalities of residents in a living room, it allows the situation to be confirmed via video. In addition, a system for entering care records using a smartphone enables immediate information sharing which helps reduce work time. In May 2019, Teine Lotus Nursing Home, the first nursing facility for which MIRAITS's Hokkaido Branch Office was in charge of HitomeQ construction, opened in Sapporo.

Construction of a Local Production for Local Consumption Energy System

As a response to the demand for decarbonization and the intensification of natural disasters, expectations are rising for local production for local consumption energy system that supplies electricity by distributing relatively small power generation facilities near where energy is consumed.

MIRAITS Corporation, ENNET Corporation, and CCD Co., Ltd. are working together to conduct this field trial, which will be implemented from March 31, 2020 to March 31, 2021, for the interchange of surplus electric power to users in the local community by utilizing solar power generation and electric vehicles (EV). We installed solar power

generation equipment and an EV power conditioner at a conventional energy-saving residence in Karuizawa-cho, Kitasaku-gun, Nagano. Electric power consumption by the family within the residence is covered using solar power generation. The privately owned EV is charged using excess and power is discharged from the EV at a designated time and supplied to the docomo Shop Karuizawa Store operated by CCD through ENNET. We plan to stabilize ENNET's power supply by discharging a certain amount of power from the EV at specific times during the evening when the amount of power generated through solar power generation is reduced.

Promoting New Workstyles

Due to the spread of COVID-19, the introduction of new workstyles and new lifestyles has been strongly encouraged in Japan and abroad.

The MIRAITS Group develops and provides solutions based on experience with COVID-19 countermeasures using ICT. One of these solutions developed by MIRAITS Corporation is Conrepo (Condition Report). With Conrepo, employees provide information including physical condition and work location using a smartphone or PC, the data of which is then aggregated in the system. Aggregated data is always available to managers to check employee health and their work locations. The service was launched in September 2020 after undergoing a verification test involving 3,000 in-house subjects. We also provide telework solutions that propose the optimal combination of connection methods, communication tools, and security measures, as well as fever detection solutions for building entry management.

Making Cities Disaster Resistant

We provide solutions that utilize drones and high-precision sensors as a new social infrastructure to respond more smoothly to natural disasters that are feared to intensify.

Drone Utilization for Natural Disaster Response

The field in which drones are utilized for natural disaster response is expanding year by year. MIRAITS Technologies Corporation, which has a significant track record in the area of drone operation, has been working on the development of drone-based solutions that are useful in the event of a disaster.

In September 2019, we added the Drone Real-time Video Distribution Service to our wide area operation service which utilizes drones. We provide the real-time video transmission system provided by Soliton Systems and the drone aircraft and pilots provided by MIRAITS Technologies Corporation according to user request in a cohesive manner. The disaster site is then shot in real time with a drone and the video is transmitted to a remote base, such as the disaster countermeasures headquarters, and displayed on the map of the shooting location. By utilizing this functionality, even in the event of a sudden disaster, disaster site conditions including the conditions of rivers and mountains can be accurately and clearly shot and transmitted.

Furthermore, on July 1, 2020, we entered

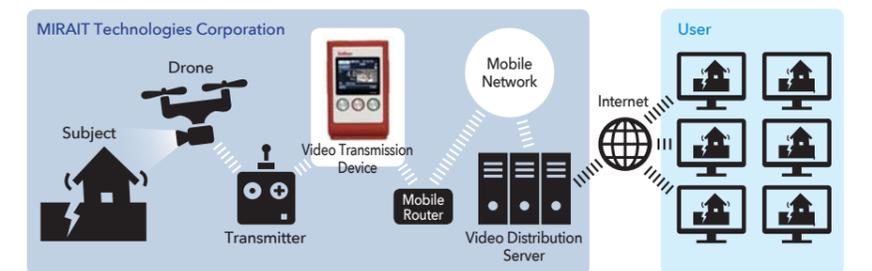
an agreement with Koto Ward, Tokyo for providing cooperative support for the utilization of drones during disasters. When Koto Ward needs to inspect civil engineering facilities using drones at the time of a disaster, MIRAITS Technologies Corporation and MiratecDrone Corp. will be dispatched to take charge of the inspection of civil engineering facilities in the ward. This effort is aimed at early infrastructure recovery.

In Koto Ward, we have been studying the use of drones for bridge inspection with universities and private companies. Since MIRAITS Technologies Corporation is based in

Koto Ward and is engaged in the drone business, it has participated in verification tests and study sessions for bridge inspections using drones in Koto Ward. As a result of the efforts so far, the agreement was concluded after the drone study was found to be effective.

With MiratecDrone Corp. playing a central role, the MIRAITS Group will work to further speed up and advance drone research technology as well as improve its safety, and the entire group will work to strengthen its ability to respond to disasters using drones.

Overview of the Drone Real-time Video Distribution Service



Supporting Disaster Response Through Communication Technology

MIRAITS Corporation is verifying the usefulness of LPWA, a communication technology that realizes long-distance data communication with low power consumption and low cost, due to the growing needs for IoT utilization in recent years. As part of this effort, we establish the LoRaWAN™* network in November 2017 in the Tokyo Bay area (Toyosu, Shinkiba, Edagawa) centered on Toyosu where our Head Office is located.

Utilizing this communication environment, Position Management Proof of Concept (PoC) was implemented with our support as part of a firefighting exercise with the Tokyo Fire Department training team at the Tokyo Fire

Department Shioimi Training Center (Koto-ku, Tokyo) on February 21, 2020. This provides a system for precise tracking of positional information of "people and things" outdoors using high-precision GNSS devices. At fire/disaster sites, it is essential to quickly grasp actual conditions from a broad perspective and provide directions and commands to each participating unit. However, there is a limit to grasping actual condition based on conventional audio reports via radio and visual inspection. In response to the Tokyo Fire Department's search for measures to perform quicker, multifaceted determination of actual

conditions, MIRAITS Corporation built, in an experimental manner, a system utilizing communication technology. MIRAITS will utilize the knowledge gained through this PoC to continually enhance LPWA networking technology and IoT technology with the aim of contributing to disaster response.

* LoRaWAN™: LoRaWAN™ is a communication standard for IoT established by the members of the LoRa Alliance including semiconductor manufacturer Semtech and IBM. LoRaWAN™ is a trademark of Semtech Corporation.

Pursuing Quality

We work to meet customers' expectations and trust with high-quality service and solutions by devising mechanisms, developing people who run them, and creating environments where people can exert their potentials.

Quality Management

The MIRAIT Group has configured and operates a quality management system certified under the ISO 9001, which is an important element of the integrated management system.

Our Quality Policy, the foundation of our quality management system, has three pillars: rapid responses to legal regulations and customer demands; raising customer satisfaction by improving the quality of products and services as well as construction (while making operations efficient); and reducing quality risks. Our internal regulations clarify concrete processes, procedures and criterion. We have also clarified the quality

standards to be complied with for both internal operations and for procurement from our partner companies.

We confirm and verify the quality of each of our works every time. We are also pursuing more accurate and efficient verification processes by using such tools as mobile terminals.

Every fiscal year, each group company sets targets (number of facility accidents, number of detected issues in inspection, customer satisfaction score, etc.) depending on its operations. Results of the progress review inform planning for subsequent fiscal years.

Sharing Safety Awareness

Authorization of workers for high elevation work safety

For engineers to work at high elevations safely and securely, the "Authorization of workers for high elevation work safety" has been in place for both access and network systems.

Number of new candidates for authorization of workers for high elevation work safety (FYE March 2020)

Access system **113**
Network system **22**

Improving Technical and On-site Capabilities

The MIRAIT Group implements training and technical certifications to steadily improve the technical strengths that support service quality.

Strengthening Construction Management Capabilities

To strengthen management capabilities of the worksite supervisors*, the core expert in business operations, "Worksite Supervisor Training" is carried out for newly appointed worksite supervisors and deputy worksite supervisors.

In recent years, with the increase in the number of construction sites and with the diversification and increased complexity of construction works, worksite supervisors who are in charge of construction works are expected to have capabilities of dealing with a wide range of tasks and situations. The "Worksite Supervisor Handbook" that is a culmination of the MIRAIT Group's experience and know-how is used during this training. In addition to learning the basics of construction management such as budgeting and cost control, it fosters pragmatic learning and problem-solving by adopting discussions

and role-playing.

Training Specialized Technicians

Varied training programs are organized to develop specialized technicians at the technician development working group which involves partner companies.

At the mobile skill training, basic knowledge and know-how as well as keys to

safe construction are learned according to the skill and operational duties of each trainee, in 4 groups according to competencies. Trainees can join across the boundaries of business departments. Since 2010 when the training began, a total of 1,384 people have participated and improved their skills.

*Worksite supervisor is one of the supervisory positions to oversee individual works appointed by the MIRAIT Group.

MIRAIT Technologies Corporation Employee Receives The Minister of Land, Infrastructure and Transport's Award for Outstanding Engineering

On October 11, 2019, an employee of MIRAIT Technologies Corporation, ISOGAI Kiminori, received the Minister of Land, Infrastructure and Transport's Award for Outstanding Engineering at the Minister of Land, Infrastructure and Transport's Award for Outstanding Engineering Award Ceremony.

This award is given to construction engineers who are directly engaged in manufacturing on the front lines, possess particularly excellent skills, and make a great contribution to the guidance and training of young employees. This year's award was given by the Minister of Land, Infrastructure and Transport to 456 construction engineers from all over Japan.



MIRAIT Technologies Corporation employee ISOGAI Kiminori holding his award at the award ceremony

Occupational Safety and Health

We introduce and continually improve safety measures with safety as the top priority in operations as our basic policy. The MIRAIT Group also supports employees in maintaining both physical and mental health.

Occupational Safety and Health Management

The companies of the MIRAIT Group operate an occupational safety and health management system certified under the OHSAS 18001. We work in concert to comply with laws and regulations as well as occupational safety and health requirements, reduce and eliminate occupational safety risks through risk assessment and activities to anticipate danger, in addition to raising awareness through educational exchanges in accordance with the Policy on Occupational Safety and Health, which clearly names safety as the highest priority in operations. We continuously improve our performance by setting all actions that lead to accidents resulting in injury or death, traffic accidents and other seriously unsafe incidents as supervision check-points.

Striving Toward the Eradication of Accidents and Improvement of Safety Quality

Getting the basics right in our daily actions is essential to achieve the goal of eradicating accidents and improving safety awareness of our operations.

For on-site workers to better understand safety, we prepare materials such as operational safety handbooks, conduct safety trainings and review results, and make videos of accident scenes and visual presentations of relevant laws and regulations. Fostering safety communication with them, senior managers including the president diligently visit workplaces to raise each worker's awareness of safety.

MIRAIT Group Safety Convention

In conjunction with "National Safety Week" in July, we hold annual "MIRAIT Group Safety Convention" in two locations, east and west, with not only group companies but also partner companies taking part, to reconfirm safety awareness and share knowledge on safety measures. (The number of attendants 880 members participated in the Tokyo meet and 616 members in the Osaka meet.) In FYE March 2020, we held presentations from each Group company about examples of safety measures as well as lectures by third-party instructors to raise safety awareness even further.



Danger Simulation Training (Reproducing Rooftop work under Rainy Weather Conditions)

Danger Simulation Training

Aiming to eradicate falling and slipping accidents which account for approximately 40% of all fatal accidents in construction industry, the MIRAIT Group holds danger simulation training for employees (including those of partner companies) at a facility where trainees can experience simulated accidents.

Experience helps trainees better understand the importance of basic actions and safety appliances. We expanded the branch offices to join the training and training items, and had more than 123 trainees in FYE March 2020.

Ensuring Safety During Emergencies

In response to social needs, we have distributed a Pocket Manual for Major Earthquakes and other Disasters to employees in case of major contingencies. It contains a collection of information regarding principles of action to be taken and safety confirmation methods when a disaster occurs.

While protecting employees from the spread of COVID-19 and taking measures to prevent the spread of the virus in the workplace, we also practice using a safety confirmation system and confirm its effectiveness in the practice of flexible workstyles including working from home and remote-based work.

Support of Health Management

In addition to regular health check-ups for all employees, comprehensive medical examinations (for those who have reached a certain age) and specified health guidance are conducted for the benefit of health management by our employees. We also provide recreation facilities in several locations in Japan as opportunities to refresh, and we organize activities that promote health such as the walking events rallies held by the Health Insurance Association.

Mental Health

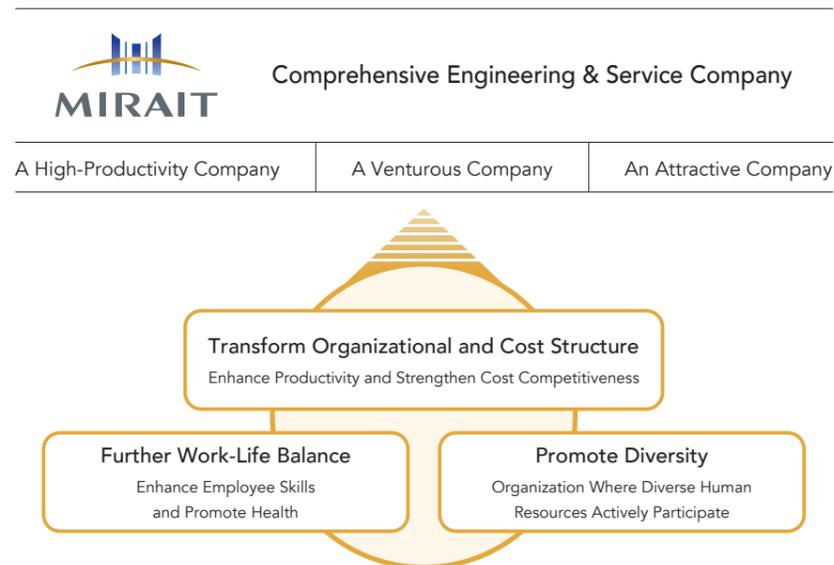
The "stress check system", made mandatory under law from December 2015, aims to provide primary precaution through raising employees' awareness of stress and promoting workplace reform. Before the law was enacted, the MIRAIT Group prepared a Mental Follow-up System (such as consultation desk) based on group analysis after conducting stress check. Each department conducted mental stress training through workplace reform. Efforts are being made toward prevention of mental disorder.

Workstyle Reforms

We strive to provide attractive and worthwhile places to work where every employee with self-discipline can find motivation, perform to their full potential, keep on working with physical and mental health, and feel their own growth, while the organizational capabilities of our teams are exerted to the maximum.

Advancing Efforts Towards Workstyle Reforms

The MIRAIT Group announced its “Workstyle Reform Declaration” by the President to reform workstyles throughout the Group to cultivate sustainable growth as a “comprehensive engineering and services firm” that responds to future changes in the labor market and business environment. We will push forward effective workstyle reforms through the following coherent and integrated approaches: (1) realization of diverse and alternative workstyles, (2) optimization of overtime work and promotion for employees to take leave, and (3) effective empowerment of diverse employees through flexible workstyles.



Initiatives

Realizing Diverse and Alternative Workstyles
Utilizing various ICT tools to serve as COVID-19 countermeasures, major meetings such as the Board of Directors and management meetings as well as events that were conventionally held together can be held remotely to promote working styles that can be implemented at virtually any location. We are also working to improve the efficiency of operations using RPA and other means to improve the environment for productivity improvement.

Optimizing Overtime Work and Promoting Employees to Take Leave
We strive to create workplaces that facilitate better employee health and work-life balance by setting no-overtime days, encouraging employees to leave work on time, and promoting employees to take paid leave in conjunction with the spring and summer breaks as well as new year holidays.

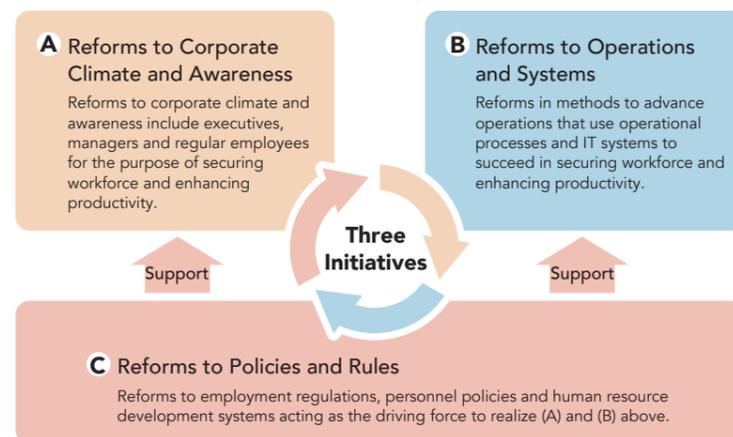
We pursue to reduce total working hours by heightening operational efficiency through promoting KAIZEN (improvement) activities

and ICT use at each workplace, and by monitoring suitable working hours with a PC log system.

Empowering Diverse People Through Flexible Workstyles

We are building workplaces where all the

diverse people can achieve work-life balance and efficiently produce results, by promoting flexible and modified working hours as well as telecommuting (working from home, on business trips, or at satellite offices) using ICT.



Diversity

We respect individual personality and seek to build workplaces where our employees perform to their full potentials, regardless of age, gender, nationality, or handicap.

Empowering Female Employees

We devise action plans and analyze challenges for each group company so that female employees can reach their full potential and pursue their careers in a wide range of arenas. We set targets chiefly on the female ratio of those hired as new graduates and of those in managerial positions, and occupational fields for female employees, striving to increase all these.

In doing so, we seek to promote work-life balance and support those who work as they raise children or nurse family members.

Supporting Those Who Work and Nurse Family

So that employees can continue working with a sense of security for a long time, parental leave (available until the child reaches three years of age) and reduced working hours system (available until the child finishes the third year of elementary school), plans are available corresponding to major life events such as childbirth, infant care or nursing that exceed levels stipulated by law. The childcare leave acquisition rate among female employees is 100% with the leave acquisition rate for childcare and other reasons among male employees at over 70%. We are working

to maintain/improve the childcare leave acquisition rate and are enhancing support measures so that employees on childcare leave can return to work smoothly and play an active role in the company.

MIRAIT Technologies Corporation was awarded the “Kurumin” certification mark by the Minister of Health, Labor and Welfare for companies supportive of those who raise children.



Certified as an “Eruboshi” company

“Eruboshi” is a certification program which awards companies superior in empowering female workers. Companies who formulate and report an action plan to promote women’s performance in the workplace and implement it outstandingly are authorized by the Minister of Health, Labor, and Welfare to use the logo mark. MIRAIT Technologies Corporation met the criteria of all five categories (recruitment, employment

continuity, workstyle, ratio of female managers, and variety of career choices) and received the third level of certification, the highest one. MIRAIT Corporation also satisfies all the criteria for certification.



Presented the 2018 Excellence Award of the Mayor's Prize to a Leading Company Promoting the Active Participation of Women in Osaka City

MIRAIT Technologies Corporation received recognition for its consistent activities as an excellent company working to promote the active participation of women by Osaka City in addition to receiving the Ikumen Award as a company supporting men to help raise their children.



Support for Elderly Employees

In response to the declining birthrate and aging population in Japan, we have established a reemployment system after retirement with the aim of supporting the active participation of senior human resources who hold qualifications in advanced technologies required for the telecommunications construction industry and have created an environment where applicants can continue to play active roles.

We also hold life plan seminars for employees who have reached a certain age and support them with work designing and financial planning after employment extension.

Promoting the Active Role of Local Personnel in Foreign Countries

The MIRAIT Group currently runs overseas bases in 15 countries and regions mainly in Asia-Pacific area where locally hired personnel takes on important roles. Through mutual support such as dispatch of personnel between overseas bases, we seek to enhance overall technical skills of local employees so that each employee can demonstrate his or her full capabilities.

MIRAIT PHILIPPINES INC., conducts activities to deepen its connection and build trust with local communities such as hosting a

Christmas party with children who have disabilities.



Human Resource Development

We support each employee's growth from broad perspectives to systematically reinforce human capitals that will underpin our future.

Personnel Training System

The MIRAIT Group considers human resource development as one of the crucial management priorities. We have designed a personnel training system made up of a "sectorial model system" to enhance specialized professional capabilities for business operations and "stratified model systems" to promote mastery of common knowledge required at each professional level (see the diagram below). Supporting each



employee's growth, we are reinforcing our human base which, in turn, will sustain our prospective businesses. Our human resource development system has been designed for employees to learn skills and knowledge tailored to the role expected of them at each level and stage of their career, from trainings for those who just joined us to those for senior managers. Especially rich programs have been developed for new employees so that they can perform well irrespective of their academic background. Our interview program encourages employees to make daring challenges for professional qualifications as they put in practice goals and career ambitions through discussions with their supervisor. A bonus system that rewards different degree of employees' challenges also accommodate their positive attitude.

Internship Program

An internship for students is held with the aim of supporting the professional lives of Japan's future generation that will be responsible for the country's future. Through first-hand work experiences such as connecting communication cables, operating drones, riding in boom buckets of bucket trucks, and visiting construction sites, we provide opportunities for students to deepen their vocational awareness and become aware of the type of work they are suited for.



Students standing in the boom bucket of a bucket truck

Improving Technical Capabilities

We make every effort to improve technical capabilities of each employee to build high-quality and stable communication facilities and systems in addition to responding more quickly to the ever-changing requirements of society in order to bring satisfaction to customers.

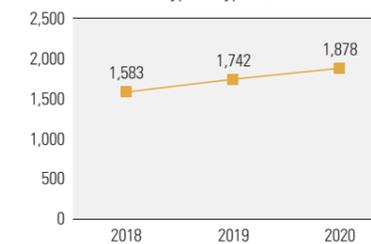
The MIRAIT Group encourages and supports acquisition of professional qualifications in a wide range of fields as proof of the technical strength of the employees.

We actively develop capabilities in the telecommunications, electrical engineering,

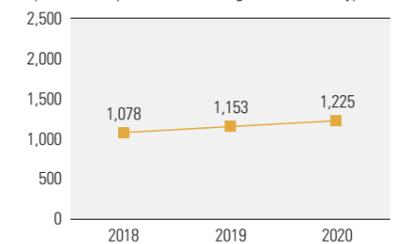
and ICT fields. We also seek to train drone pilots for the expansion of drone-related businesses. We have become a qualified training body that provides skill certification, with our name listed on the website of the Ministry of Land, Infrastructure, Transport and Tourism.

- Technical and Skill Training**
- Broad technical training for multiple skills
- Support for Qualification**
- Goals for professional qualifications set every year at interviews with the supervisor
 - Monetary incentives for acquiring designated qualifications

Electrical workers (Type 1/Type 2)



Technical Radio Operators for On-the-ground Services (Type 1) Special radio operators for on-the-ground services (Type 1)



■ All Employees of MRT, MTC, TTK, SOLCOM, and Shikokutsuken Corporation

Enhancing & Revitalizing the Human Resource Foundation to Support Expansion into New Business Domains and Operational Innovation



Job Training Environment

At such places as Ichikawa Training Center (Ichikawa City, Chiba Prefecture), Kansai Hyper Techno Port (Kobe City, Hyogo Prefecture), the Expert Center (Sendai City, Miyagi Prefecture), and the Technical Center (Hiroshima City, Hiroshima Prefecture),

various equipment has been installed for full-blown skills training and technology development. In addition, we are thoroughly implementing measures to prevent the spread of COVID-19 and are actively conducting online training. From new to

veteran employees, we will continue to improve our technical capability and ability to propose solutions on a daily basis to meet the needs of our customers and contribute to the realization of the needs of society and the times.

Training programs at overseas operations

The MIRAIT Group conducts various training programs for employees hired at their overseas bases. Operating primarily in Singapore, the Lantrovision Group provides cabling design and construction services for data centers and offices at 27 bases in 13 countries and regions. Lantrovision has a full-time staff in charge of human resource development and training and prepares a wide range of programs from basic training

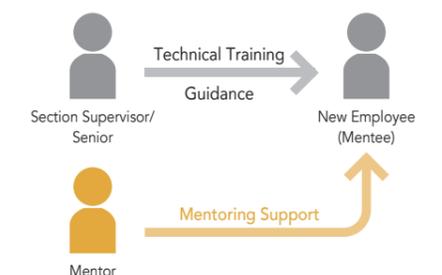
on on-site cable design, construction, and testing to practical training such as bidding, quoting, and contracts. Through these efforts, the company is working to improve their employees' skills and motivation. In addition, we are working to improve customer satisfaction and strengthen our business competitiveness by actively promoting the acquisition of certifications for each cable vendor and strengthening quality control.



Mentoring Program

A senior employee is appointed as the mentor for each new employee, separate from his or her supervisor at the assigned section, for guidance and counseling. With self-awareness and advice gained through dialog, the program helps new employee (mentee) to grow in spontaneous and autonomous ways. With feedback after periodic reports and monthly interviews, both new employees and senior employees serving as the mentor will have chances to grow.

Idea behind the Mentoring Program



Protecting the Environment

We have steadily been reducing energy use, CO₂ emissions and waste in our daily business operations. We also seek to control environmental impacts throughout the life cycle of infrastructure we develop and environmental footprints of our supply chain.

Environmental Management

The MIRAIT Group has acquired EMS (Environmental Management System ISO 14001) certification for our domestic group companies. We have also put in place and run environmental management systems in line with this at overseas group companies one by one.

At each business location, environmental aspects of our operations are identified and impacts are assessed. We then design steps to manage material environmental aspects, formulate action plans for each fiscal year, review progress to find the results and challenges, informing continuous improvement.

We conduct regular audits. One internal and one external audit are held once a year at our business base with ISO 14001

certification. Over the six years from 2014 to 2019, the number of our violation of environmental laws, accidents or pollution that would cause environmental problems, and environmental complaints were all zero (at the domestic group companies).

Sharing Results

We aggregate actual values of our main performance indicators for environmental protection activities (CO₂ emission, electricity consumption, consumption of fuels such as gasoline and kerosene, emission of paper waste, household waste and industrial waste, and green purchasing payments) and monitor and analyze them to promote our activities.

In summer and winter when electricity consumption increases, each workplace sets

its own targets and organizes campaigns to reduce electricity use.

Environmental Goals and Achievement Status

Target	FYE March 2020 Results
Reducing CO ₂ emissions by more than 1% from the previous year	55.1% increase over FYE March 2019*

*Mainly due to an increase in power consumption amount accompanying the start of the provision of our data center service.
Scope: Two companies (MIRAIT Corporation and MIRAIT Technologies Corporation) (use of electricity, heat, and steam supplied by other companies)
Figures by fiscal year are provided on P.37 "Non-financial Data" under the section "Environment."



Solar Power Generator of the Kobe Technical Center

Mitigating Climate Change

Saving and Creating Energy at Construction Centers

At local construction centers, we have been installing LED lighting, demand monitoring systems for power consumption, and rooftop solar power generators, promoting energy conservation.

Annual electrical power output of solar power generators at 13 offices of MIRAIT Corporation and MIRAIT Technologies Corporation (FYE March 2020)

388 thousand kWh

Promoting Power Saving

Most of the energy consumed in offices is electricity. The MIRAIT Group is making unified efforts to promote power saving through multifaceted approaches: more efficient use and reduction of printers and copy machines; power-saving settings of PCs; proper indoor temperature control; switching off unnecessary lighting; and education for controlling elevator use.

Improving Fuel-efficiency of Vehicles

We work to raise company-wide awareness and energy efficiency by introducing low-emission, fuel-efficient vehicles, and by encouraging eco-driving for less environmental impacts and fewer traffic accidents.



Company Car with Eco-Drive Sticker

Supporting Environmental R&D and Environmental Education

The MIRAIT Technology Development Headquarters and NTT Business Headquarters Civil Engineering Division provided supports such as providing experimental samples and teaching experimental methods to confirm the temperature reduction effect of "heat-shielding pavement" in graduate research on the environmental efficiency of Olympic heat countermeasures in the Department of Environmental Systems Sciences, Faculty of Engineering, Musashino University. We also accepted corporate internships in the Tokyo-certified environmental education program for students (ECO-TOP) in which the university participates. MIRAIT Corporation will continue to support research and development related to environmental conservation and education.



Heat-shielding pavement testing

Contributing to Circular Society

Recycling of Construction By-products

We continuously work to minimize the volume of construction by-products that occur at each construction site and to discover ways to recycle by-products that do occur. As part of that effort, we switched from wooden drums on which steel stranded wire is wound and disposed of after one use to a reusable ECO drum – part of a telecommunications

construction industry program – starting in 2008 and, except for a few sizes, use only ECO drums.

Promoting Recycling Construction Spent Products

We promote recycling by collecting uniforms and helmets after they have been used and using a thermal processing (used as heat) by



ECO Drum

contracting a specialized company.

Reducing Paper Use

We are promoting paperless meetings and standardizing procedures for using multifunction devices that eliminate wastefulness.

Comprehensive Environmental Protection Measures

Green Development Guidelines

The MIRAIT Group has established Green Product Development Guidelines compiling the points that should be considered from the product design and development stage with the preservation of the global environment in mind. During development, while both observing related laws and ordinances, we also consider environmental effects over the life cycle of the construction method, product, or service.

Environmental Standards for Evaluating and Selecting Business Partners

In evaluating and selecting business partners, the MIRAIT Group considers their approaches to CSR. We ask about environmental considerations (promotion systems, chemical substance management, CO₂ emission reduction, and industrial waste reduction) as a basis for our decision (see p. 27).

Green Purchasing

We purchase office supplies and paper based on the recommendations of GPN* green purchasing guidelines as much as practicable. The green purchasing ratio for MIRAIT Corporation and MIRAIT Technologies Corporation was 84.4% and 79.0% respectively in FYE March 2020.

*A list of items (per product category) to consider from environmental viewpoints upon making purchasing decisions, prepared by the GPN (Green Purchasing Network).

Biodiversity Conservation

Rural Area and Neighborhood (Satoyama) Conservation Activities

Since 2003, we have participated in satoyama conservation activities organized by the Osaka Green Trust, recruiting volunteers both internally and from partner companies. In FYE March 2020, we joined pruning and thinning

in the Kurumatsukuri Forest of Ibaraki City in metropolitan Osaka as in the previous year to restore and maintain its favorable conditions. We worked to conserve nature and biodiversity and create green and pleasant environments.



Works in the Kurumatsukuri Forest

Businesses to Serve Environmental Protection

Direct and Indirect Contributions

We contribute directly to creating energy infrastructure needed for a low-carbon society through design, construction, operation and maintenance of power generators that utilize renewable energy (especially solar power),

installation and maintenance of LED lighting, installation and maintenance of EV charging stations, and provision of energy management systems and battery systems.

We are also taking an active part in initiatives toward realizing high-efficiency

smart energy systems and smart cities, by such approaches as developing broadband wireless sensor network systems and next-generation mobility.

Social Responsibilities in the Supply Chain

We work to promote social responsibility in the supply chain by considering commitment to CSR when evaluating and selecting business partners.

CSR as Evaluation Criteria for Business Partners

As part of the integrated management system, the MIRAIT Group has internal rules for the purpose of evaluating and selecting business partners. The rules allow us to judge the ability of business partners to supply products and services following our requirements and to ensure procured

products conform to the requirements. Both suppliers of materials, semi-finished products, and measurement instruments and service providers are subject to the rule.

The MIRAIT Technologies Corporation uses common items in evaluating and selecting domestic business partners. Items

directly relevant to customer satisfaction and those for assessing commitment to CSR are included.

We give an overall score on commitment to CSR after interviewing each business partner about their environmental considerations (promotion systems, chemical substance management, reduction of CO₂ emission and industrial waste emission) as well as their contributions to local communities (citizenship activities and dialogue with the communities, NPOs and NGOs). Evaluations are conducted once a year for partners in business relations with us, and as necessary when discussing a new partner. We support corrective actions by partners who were given low scores as a result of evaluation.

The MIRAIT Corporation uses a similar system to conduct comprehensive evaluations of business partners.

Evaluation Items of Business Partners: MIRAIT Technologies Corporation

Item	Overview
Manufacturing certifications	Either the acquisition of the ISO 9001 certification, JIS certification, or establishment of a quality assurance system
Quality (1)	Conformity of products for purchase to company plans
Quality (2)	Any inconsistencies found in receiving inspections
Level of cooperation	Approach in cooperating with requests for product information
Supply capabilities	Availability of manufacturing facilities and inventory
Delivery	No major impact on construction projects due to delayed delivery
Price	Level of compliance with company expectations
CSR	Active introduction of CSR efforts *Comprehensive evaluation through the questions in the table below



Area and Questions to Ask Partner Companies about CSR Activities

Area	Question
1. Environmental considerations	a Has your company put in place an environmental management system (ISO 14001) that it is continually improving?
	b Does your company properly manage chemical substances in product and manufacturing processes?
	c Has your company set targets to reduce CO ₂ emissions and does it work to establish manufacturing, fabrication, distribution and other processes with a low environmental burden?
	d Has your company set targets to reduce industrial waste, and does it process that waste appropriately?
2. Contributions to Local Communities	a Does your company conduct social contribution activities that contribute to the development of the local community?
	b Does your company have a system to engage in a regular dialogue with the local residents, NPOs and NGOs?

Concepts of CSR Procurement

The MIRAIT Group has put in place its own procurement guidelines to incorporate considerations about social challenges and the environment into the supply chain. We seek cooperation from our suppliers in

operations related to building social infrastructure, particularly telecommunications engineering, our main business.

The guidelines in use have focuses on six areas related to CSR: quality, delivery,

improvement activities, management stability, environmental protection, and informational resource management.

Helping Local Communities

As a member of local communities, we actively and consistently plan and carry out programs to make communities more livable and lively.

Support Problem-solving in Local Communities and Society as a Whole

Support for the Tohoku Disaster Area

We participated in the community service activities being carried out in Iwanuma City, Miyagi Prefecture by the Miyagi Dengyo Association (disaster volunteers). The MIRAIT Group continues to be part of these activities that began in 2011, and has built flower beds near the temporary housing, removed debris from farmlands, and planted trees for restoring tsunami control forests.

Donations for Recovery After Typhoon Damage and Damage Caused by the Shuri Castle Fire in 2019

We provided a donation of one million yen to Chiba Prefecture, a location that was particularly damaged by Typhoon No. 15. The typhoon, which occurred in September 2019, became a record storm in the Tokyo metropolitan area. Furthermore, we sent three million yen as a donation to the Japanese Red Cross Society 2019 Typhoon No. 19 Disaster Relief Fund for damage caused by the typhoon that occurred in October of that year. Typhoon No. 19 was one of the strongest typhoons that occurred in the past. We also donated one million yen to Okinawa Prefecture as a donation to

support the recovery and reconstruction of Shuri Castle which was damaged by fire.

Shareholder Benefit Option to Donate to the Special Olympics Nippon

The MIRAIT Group endorses the purpose of the Special Olympics Nippon. From FYE March 2019, we included donations to the organization in the menus for shareholder benefits. This fiscal year, the third time, we received the support of 422 shareholders and donated a total of 761,000 yen. We will keep on contributing to the creation of a society where diverse people can live together.

Utilization of Abandoned Fields and Rice Paddies

In many parts of Japan, abandonment of once cultivated fields and rice paddies is increasing, causing damages by weeds, pests, birds and animals to neighboring farmlands. Murayama Doken Co., Ltd., one of partner companies of the MIRAIT Group, grows rice in formerly abandoned land in Tokamachi City, Niigata Prefecture, to help the local community. The MIRAIT Group supports this activity and internally recruits volunteers for rice planting and reaping.



Harvesting "MIRAITOMAI premium rice"



NTT Chiba Group Inage Beach Clean-up Activities



Goryo Shrine Summer Festival



Toyosu Festa

Communication with Local Communities

Joining Festivals and Clean-up Activities

Traditional festivals around Japan is becoming increasingly difficult to survive as social structures change. The MIRAIT Group companies encourage employees to join local festivals, sometimes as a bearer of mikoshi shrine.

We also continuously take part in local clean-up activities.

Participation in the Toyosu Festa

The MIRAIT Group has participated in the Toyosu Festa held by Koto Ward, Tokyo, every year since our head office moved to Toyosu in 2010. In FYE March 2020, a total of roughly 65 volunteers from Group companies provided handmade air gun games, balloon art performances and freshly-made popcorn.

Corporate Governance and Internal Control

Basic Approaches to Corporate Governance

The MIRAIT Holdings Corporation recognizes the importance of management as a socially-responsible company and has put in place organizational structures and systems to ensure transparency and fairness in decision-making. Building relationships founded in trust with all of our stakeholders is positioned as the most important aspect of management.

We recognize building relationships founded in trust with all of our stakeholders as indispensable to the realization of effective corporate

governance. Therefore, we are enhancing the following to raise effectiveness of our corporate governance:

- Protect shareholder rights and equality among shareholders;
- Collaborate with stakeholders other than shareholders in appropriate ways;
- Disclose information in appropriate ways and secure transparency;
- Deliver on responsibilities, especially that of the board of directors;
- Engage with shareholders

Corporate Governance Structure

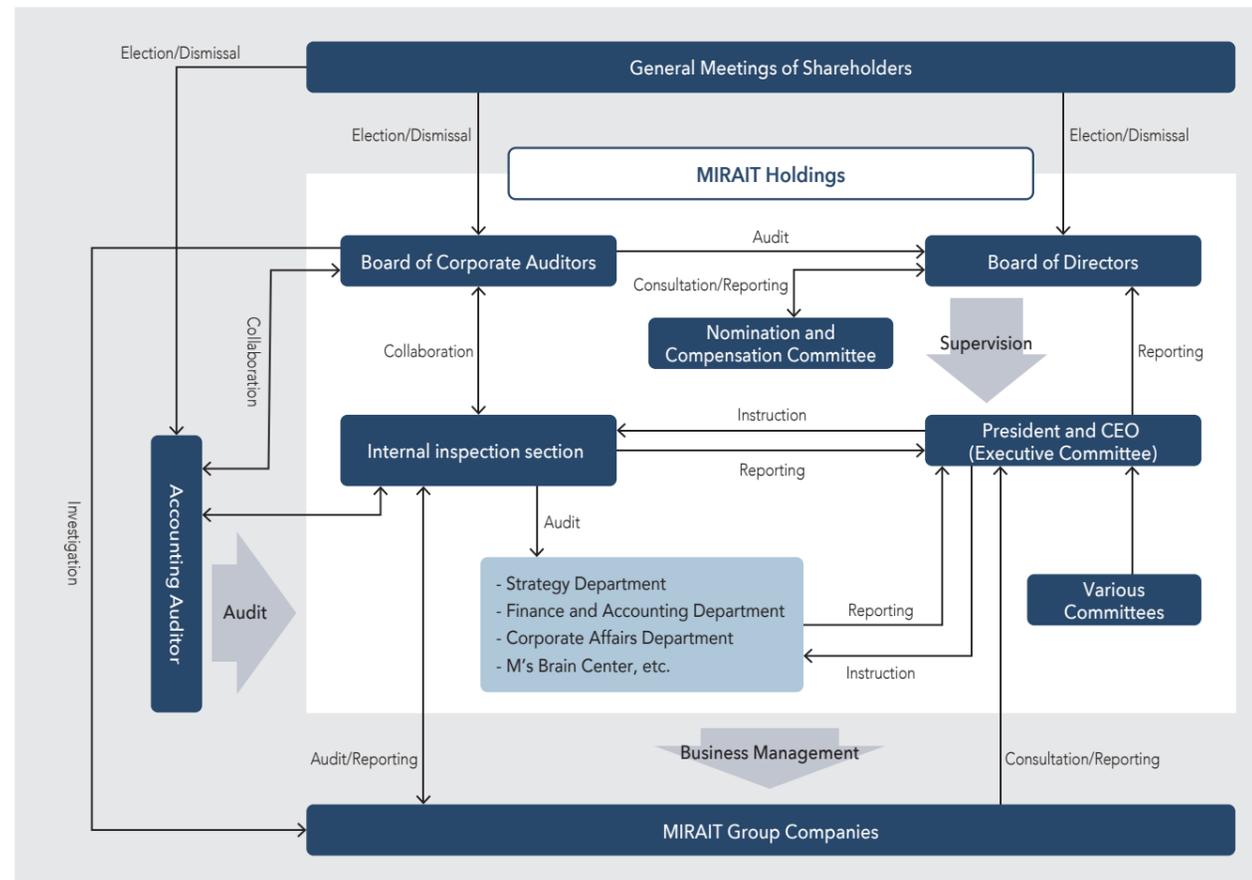
We are a company with auditors, overseen by a board of directors, board of corporate auditors, and accounting auditors.

As of June 25, 2020, the MIRAIT Holdings Corporation has 10 directors, two of whom are outside directors. We put a more effective and efficient system in place by sufficiently functioning as a holding company while having some board members serve core subsidiary

companies as well.

Additionally, we have set up a system for reciprocal cooperation where the board of corporate auditors together with an internal audit section and accounting auditors each perform independent inspections.

Governance Structure



Policy and Procedures for the Nomination of Candidates for the Board of Directors and Auditors

In the nomination process of candidates for the board of directors and auditors, the MIRAIT Holdings Corporation selects a wide variety of candidates from both inside and outside of the company, consults with the Nomination and Compensation Committee chaired by an independent outside director, and determines the candidates who have excellent personalities, superior insights and high managerial capabilities, at the board of directors' meetings based on the replies from the Committee.

In particular, outside directors who have abundant experience and knowledge across different fields can nominate individuals from the perspective of enhancing the medium- to long-term corporate value of

the firm by providing guidance and managerial supervision, and who can carry out their roles and duties with a specialized and objective viewpoint.

Moreover, as outside auditors we appoint those who have abundant experience and knowledge across different fields, and can with independent and objective views properly monitor the board of directors' managerial decisions, execution of duties, and their observance of laws and ordinances, enhancing transparency of the board and serving greater corporate value.

The rationale for selection of each director and auditor is outlined in the notice of general meeting of shareholders.

Overview of Established Corporate Bodies

Name	Purpose/Authority	Representative	Members	
Board of Directors	Body to determine fundamental management policy for the MIRAIT Group in accordance with laws and regulations as well as the Articles of Incorporation	President and Chief Executive Officer NAKAYAMA Toshiki	Directors	YAMAMOTO Yasuhiro, TOTAKE Yasushi, TSUKAMOTO Masakazu, AOYAMA Koji, HIRABARA Toshiyuki, IGARASHI Katsuhiko, BABA Chiharu, YAMAMOTO Mayumi, SUZUKI Masatoshi
			Auditors	KIRIYAMA Manabu, SEKI Hiroshi, HOSOKAWA Masayoshi, KATSUMARU Chiaki (ISHIKAWA Chiaki)
Nomination and Compensation Committee	Body established as an advisory committee for the board of directors for the purpose of heightening the objectivity in matters related to the nomination and compensation of directors	Director (Outside) BABA Chiharu	Directors	YAMAMOTO Mayumi, NAKAYAMA Toshiki
Board of Corporate Auditors	Body to receive reports as well as discuss and approve important auditing matters	Corporate Auditor KIRIYAMA Manabu	Auditors	SEKI Hiroshi, HOSOKAWA Masayoshi, KATSUMARU Chiaki (ISHIKAWA Chiaki)
			Executive Committee	Body to receive reports and deliberate on vital policies about important matters related to management policies
Compliance Executive Committee	Body to report and advise on compliance issues of the MIRAIT Group and examine measures, such as raising awareness about compliance.	President and Chief Executive Officer NAKAYAMA Toshiki	Managing Executive Officer	MITSUYA Takaaki, KATSUKURA Tomoho
			Operating Companies	TAKAGI Yasuhiro
			Directors	YAMAMOTO Yasuhiro, TOTAKE Yasushi, TSUKAMOTO Masakazu, AOYAMA Koji, HIRABARA Toshiyuki, IGARASHI Katsuhiko
Risk Management Executive Committee	Body to deliberate and determine policies, structure and other matters to drive the effectiveness and efficiency of risk management	President and Chief Executive Officer NAKAYAMA Toshiki	Auditors	KIRIYAMA Manabu, SEKI Hiroshi
			Operating Companies	SASAKI Takao, WATANABE Yuji, MORIOKA Torao, AKASE Kaoru
			Directors	YAMAMOTO Yasuhiro, TOTAKE Yasushi, TSUKAMOTO Masakazu, AOYAMA Koji, HIRABARA Toshiyuki, IGARASHI Katsuhiko

Note:1 BABA Chiharu and YAMAMOTO Mayumi are outside directors. 2 SEKI Hiroshi and KATSUMARU Chiaki (ISHIKAWA Chiaki) are outside auditors.

*Data as of June 25, 2020

Policy and Process to Determine Compensation for Directors

The compensation system for directors first approves the compensation for directors at the Board of Directors' meeting before determining the total amount (the total limit) at the General Meetings of Shareholders. The individual director compensation is determined according to the role and responsibilities of each executive officer. The ratio of performance-linked compensation and fixed compensation for the compensation of directors is approximately 20% for the former and 80% for the latter.

The Nomination and Compensation Committee made up of two independent outside directors and the President and Chief Executive Officer was also established in December 2018 as an advisory body to the board of directors for the purpose of enhancing objectivity and transparency of decisions about the compensation for directors. This committee reports the results of deliberations about such matters as policies for determining how to calculate compensation of executive officers, to assist in decision-making by the Board of

Directors based on those findings.

The total amount of compensation for directors and other remuneration was set as no more than 300 million yen per year (no more than 30 million yen for outside directors, etc.) at the 1st General Meeting of Shareholders held June 28, 2011. In addition, the 6th General Meeting of Shareholders held on June 28, 2016 approved a performance-linked stock-based compensation plan (Board Benefit

Trust) as a separate framework from the above compensation for directors, which provides benefits to executive officers upon retirement in accordance with the regulations on issuing shares to executive officers determined by the Board of Directors.

The introduction of this system further clarifies the link between compensation, corporate performance, and share price so that directors and shareholders not only share the benefits of rising share prices but also the risk of falling share prices. The purpose of this plan is to further heighten awareness about contributions to enhance medium- to long-term business performance and corporate value another level.

For FYE March 2020, we chose consolidated operating income and ROE (return on equity), which should help heighten awareness about contributions to the improvement in business performance and corporate value of Group Companies, as the indicator for performance-linked compensation. Also, for the Board Benefit Trust, based on the standard points given according to the positions of executives, points calculated from the results of the consolidated operating income and ROE are provided to the executives in accordance with the internal regulations on issuing shares to executives.

The consolidated operating income target in the initial business plan for FYE March 2020 was also set at 21.5 billion yen while the actual figure was 21.9 billion yen with an ROE of 7.4%.

Total Amount of Compensation for Each Executive Class, Total Amount of Compensation by Type, and the Number of Eligible Executive Officers (FY 2019)

Executive Class	Total Amount of Compensation (Million Yen)	Total Amount of Compensation by Type (Million Yen)		Number of Eligible Executive Officers (People)
		Fixed Compensation	Performance-linked Compensation	
Directors (excluding outside directors)	138	101	37	11
Auditors (excluding outside auditors)	24	24	—	4
Outside executive officers	38	38	—	4

Appraisal of the Effectiveness of the Board of Directors

The MIRAIT Holding Corporation conducts self-assessments once a year for the effectiveness of the board of directors for all directors and auditors.

More specifically, we conduct a self-assessment through an anonymous questionnaire to primarily evaluate items from the structure and operational status of the board of directors in addition to its responsibility and functions to the state of the board of directors as seen from the point-of-view of outside directors and corporate auditors. The responses to these questions are collected by an external law office with a duty of confidentiality and analyzed by a third-party organization. We verify and assess the current state of the board of directors based on the results of this analysis and continually discuss any problems.

Feedback through surveys has shown the need for more comprehensive deliberation about issues including initiatives for further improving the state and supervisory function of the Board of Directors and the creation of an internal control and risk management system. We are working to sustain and enhance ongoing effectiveness of the Board of Directors through discussion outlets such as the deliberative assembly (set up in FYE March 2018) as a place for a free exchange of ideas about medium- to long-term management strategy and management challenges by members of the Board of Directors.

Furthermore, outside directors and outside corporate auditors will be provided with opportunities including inspections of business establishments and construction sites so that they can deepen their understanding of our business content and current conditions.

Directly Participating in the Formulation and Execution of Plans for the Chief Executive Officer and Other Successors as well as Strategically Cultivating Future Candidates

The MIRAIT Holding Corporation appropriately cultivates plans for future management executives, such as the Chief Executive Officer based on the management policy and other management strategies.

The Board of Directors debates the selection of the Chief Executive Officer based on the advice and findings of the Nomination and Compensation Committee chaired by an outside director.

Members of the Board of Directors (As of June 25, 2020)

 President and Chief Executive Officer NAKAYAMA Toshiki	 Director and Managing Executive Officer General Manager of the Corporate Affairs Department YAMAMOTO Yasuhiro	 Director TOTAKE Yasushi
 Director and Managing Executive Officer Chief Financial Officer TSUKAMOTO Masakazu	 Director and Managing Executive Officer General Manager of the Strategy Department AOYAMA Koji	 Director HIRABARA Toshiyuki
 Director IGARASHI Katsuhiko	 Director (Outside) BABA Chiharu	 Director (Outside) YAMAMOTO Mayumi
 Director and advisor SUZUKI Masatoshi	 Corporate Auditor KIRIYAMA Manabu	 Corporate Auditor (Outside) SEKI Hiroshi
 Auditor HOSOKAWA Masayoshi	 Auditor (Outside) ISHIKAWA Chiaki (KATSUMARU Chiaki)	

Internal Control System

Our board of directors has adopted the Basic Policies for the Internal Control System to ensure the appropriateness of operations of the MIRAIT Group. We have also enacted Administrative Regulations for

Subsidiary Companies and a Group-wide internal control system in our effort to appropriately manage the Group through specific internal controls at our subsidiary companies.

Collaboration between the Corporate Auditors, Accounting Auditors, and the Internal Audit Section

As of June 25, 2020, the Board of Corporate Auditors at MIRAIT Holdings Corporation is made up of four corporate auditors, two of whom are outside corporate auditors. Including one outside corporate auditor, two of these board members are full-time corporate auditors.

In principle, the Board of Corporate Auditors meets monthly and whenever needed. It formulates audit plans, prepares audit reports, appoints accounting auditors, agrees to the compensation of accounting auditors, and makes resolutions, reports, and deliberations throughout the year, such as by examining audits of the content of proposals to the General Meeting of Shareholders.

When auditing the execution of duties by directors, corporate auditors attend Board of Directors meetings to audit board meeting management and content of resolutions. In addition to expressing opinions when necessary, they regularly meet and share opinions with representative directors. Full-time corporate auditors attend important meetings, cooperate with the Internal Audit Department, view important approval documents, etc., interview directors, communicate with the directors and corporate auditors of subsidiaries, and share their

findings with the part-time corporate auditors.

In addition, corporate auditors regularly exchange information with the Accounting Auditor regarding audit plans, quarterly review reports, audit results, quality control systems, etc., and work closely with accounting auditors carrying out monitoring and verification activities to determine appropriateness of accounting methods and the results.

As of June 25, 2020, the internal audit section of the MIRAIT Holdings Corporation is made up of six members. The internal audit section conducts audits of the MIRAIT Holdings Corporation and Group companies with focus on operational audits after assessing the overall internal control systems. We also are strengthening internal control functions such as thoroughly checking the progress of implementing improvements such as auditing guidelines and suggestions.

The corporate auditors and the internal audit section work through mutual collaboration, such as exchanging views about auditing plans, the progress of audits, and problems found in the results of audits by assembling as necessary.

Risk Management

Establishing the fundamental approaches of managing risks for the Group in the Risk Management Regulations, we work to perform effective control over various risk factors, and have established the Risk Management Executive Committee – with the President at its chair – to maintain the effectiveness of the risk management system.

Regarding information security, the group has introduced

Information Security Management Systems (ISMS; ISO/IEC 27001) and will work painstakingly to prevent informational leaks and safeguard assets. When an accident, including information security accident, occurs, “0 Report” is immediately shared with management. To be prepared for a resourceful response, we have set up an in-company accident bulletin reporting system.

Compliance

With the Compliance Regulations in place, the Compliance Executive Committee – with the President as its chair – deliberates on individual problems of the Group as well as manages the progress of promotion activities. We have also distributed our Compliance Manual within the Group to share awareness of business ethics throughout the organization.

Due Payment of Taxes

The MIRAIT Group observes all laws and regulations concerning taxation practices in all countries and regions where it operates, consistently working to maintain and raise its standards of taxation compliance.

Management of Insider Information as well as Timely and Fair Disclosure

The MIRAIT Group discloses accurate information in a timely manner through TDnet and EDINET in accordance with the Disclosure Policy published on the homepage and in other corporate materials. We also make use of mediums such as our corporate homepage (<https://www.mirait.co.jp/en/>) and press releases in an effort to further broaden our dissemination of information. Furthermore, the MIRAIT Group

strives to provide beneficial information that is easy for shareholders and other investors to understand, such as materials used in its IR activities.

We fully and properly manage information according to insider trading regulations when in the possession of important information not yet released to the public domain when talking with all shareholders and other investors.

Efforts to Enhance Communication

The Investor Relations Office undertakes investor relations activities as the department in charge of investor relations under the supervision of the Chief Financial Officer, who is the manager responsible for the handling of information. The managers responsible for investor relations handle consultations with all of our shareholders and other investors as much as possible.

The MIRAIT Group holds financial results briefings twice a year for analysts and institutional investors and distributes the information on its website, etc. to provide a look at these briefings. In addition to providing important information in English in a timely manner to overseas institutional investors, we also engage in overseas IR activities in the North American, European and Asian regions. Our

representatives also work to explain matters fully at these financial results briefings and in our overseas IR activities to encourage constructive dialogue with all of our shareholders and other investors.

In addition, the MIRAIT Group participates accordingly in presentations to individual investors and other events held by brokerage firms.

We also provide feedback such as the opinions and views received through venues such as financial results briefings and individual consultations as well to the primary parties concerned with the Group.

Furthermore, the Group also sends MIRAIT Report booklets that include business performance and topics to all of the shareholders twice a year.

Efforts to Vitalize the General Meetings of Shareholders

The MIRAIT Holdings Corporation actively endeavors to ensure vitalization of the General Meetings of Shareholders and smooth voting practices on matters through visualization and early dissemination of convocation notices, online voting, and the creation of English convocation notices (abridged editions) among other measures.

In order to deepen the understanding of shareholders who could not attend the 10th General Meeting of Shareholders held on June 24, 2020, we distributed a video on our website and through other means about the meeting as well as related business reports.

Message from Our Outside Director

With the dawn of the 5G era, the importance of the communication and information infrastructure is increasing as the Covid-19 pandemic is expected to accelerate the transition to becoming a society in which work is performed remotely. In order for our company, which plays a role in the communication and information field, to respond appropriately to such rapid changes in the business environment and fulfill its social responsibilities, it goes without saying that it is important to establish solid corporate governance that serves as the foundation of management. Based on this recognition, the company is making diligent efforts such as establishing a voluntary nomination and compensation committee and conducting an evaluation of the effectiveness of the Board of Directors. This year we welcomed a female outside director in response to the social demand for diversity in management. Therefore, I believe that our efforts are starting to show results. Looking at the future, since there is an urgent need to further ensure the results of the management integration implemented in 2018, I believe that establishing an appropriate group management system in response to this is an important issue. I will continue contributing to the company by utilizing the knowledge and experience that I possess as an outside officer.

I was newly appointed as Outside Director in June 2020. We have introduced various measures and are effectively implementing them in order to realize the purpose of the corporate governance code, which is established for the sustainable growth of the company and the enhancement of corporate value over the medium to long term. As a sound incentive, a performance-linked stock compensation system has been established for officers and the Nomination and Compensation Committee chaired by an outside director has been set up for constructive deliberations. Prior explanations are provided on agenda items so that outside officers can actively contribute to discussions at the Board of Directors and fulfill their responsibilities. As a consideration for further deepening understanding of company business, outside officers are also provided with opportunities for conducting on-site inspections. Two women have joined the company as outside officers and there is a need to realize a level of diversity as required by the corporate governance code. The company's willingness to improve governance is commendable. I hope that the company will continue to make efforts to add merit to the system, and I would like to help in doing so.

April 2005 Deputy President (Representative Director), Mizuho Trust & Banking Co., Ltd.
 June 2007 Corporate Auditor (Full-time), Japan Energy Corporation (currently JXTG Nippon Oil & Energy Corporation)
 June 2012 Corporate Auditor (Full-time), JX Nippon Mining & Metals Corporation
 June 2015 Outside Director, Saitama Resona Bank, Limited
 Outside Corporate Auditor, Tohoku Electric Power Co., Inc.
 June 2017 Outside Director (Member of Audit Committee), Resona Holdings, Inc. (to present)
 June 2018 Director of MIRAIT Holdings Corporation (to present)
 Outside Director and Corporate Auditor, Tohoku Electric Power Co., Inc. (to present)

Outside Director
BABA Chiharu



April 1984 Registered as an Attorney at law
 Joined Takeo Ishiguro law firm
 September 1990 Established Ginza Sogo law firm
 January 2005 Established Ginza Shin Meiya law firm
 December 2010 Public Interest Member of the Central Labour Relations Commission
 January 2019 Member of the Financial System Council, Financial Services Agency (to present)
 June 2019 External Audit & Supervisory Board Member, Morinaga Milk Industry Co., Ltd. (to present)
 June 2020 Outside Director of MIRAIT (to present)

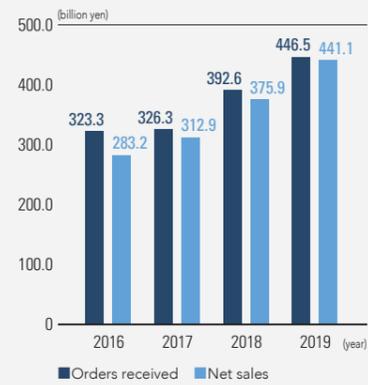
Outside Director
YAMAMOTO Mayumi



We strive to maintain a sound financial footing and make accurate financial information promptly available by various means including via our website and brochures. By doing so, we hope that our Group will continue to be a corporate organization that is supported and trusted by society.

*The latest information can be found at our website (<https://www.mirait.co.jp/en/>)

Orders received/Net sales



Gross profit/Gross profit margin



SG & A/SG & A ratio



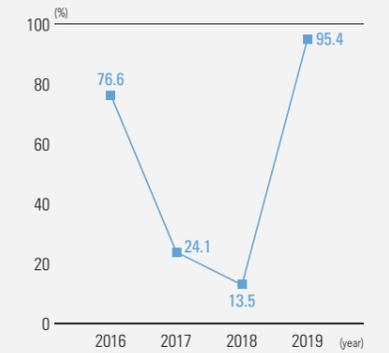
Dividend per share



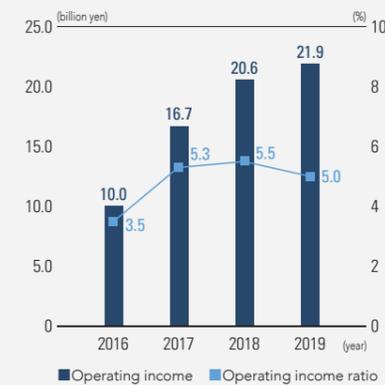
Dividend payout ratio



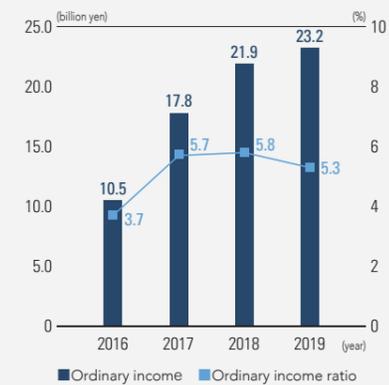
Total return ratio



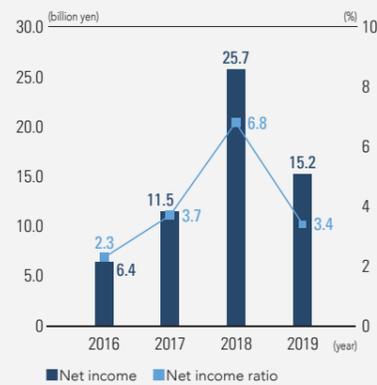
Operating income/Operating income ratio



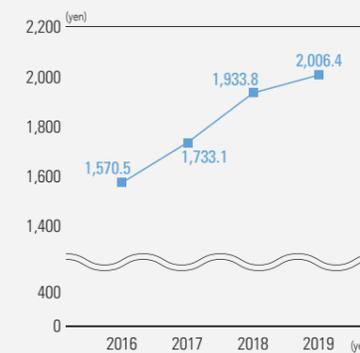
Ordinary income/Ordinary income ratio



Net income/Net income ratio attributable to owners of parent



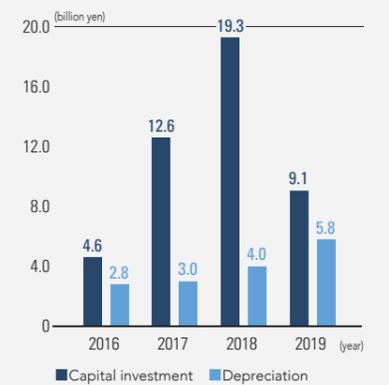
Net assets per share



Net income per share



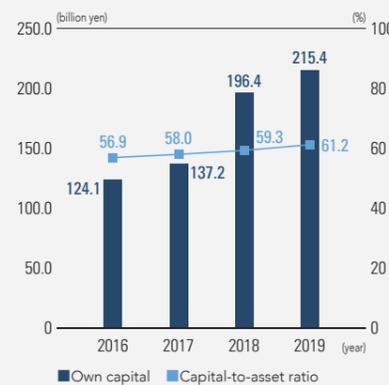
Capital investment/Depreciation



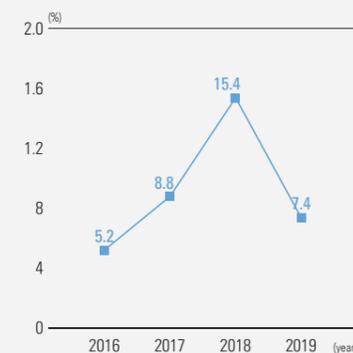
Total assets/Net assets



Own capital/Capital-to-asset ratio



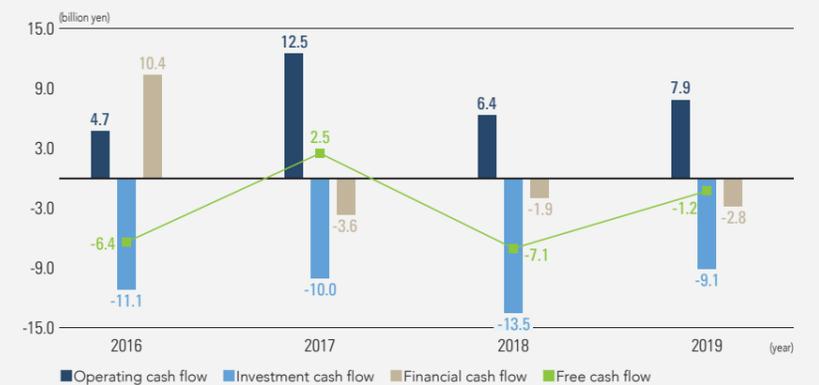
Return on equity (ROE)



Cash and equivalents/Interest bearing debt



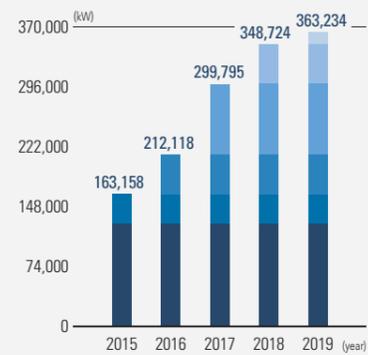
Cash Flow



Net income attributable to owners of parent in FYE March 2019 includes extraordinary profit (10 billion yen) that accrues from the management integration

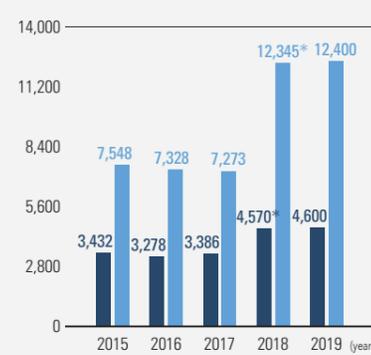
The MIRAIT Group also prepares and discloses material non-financial data from its business activities, taking steps to widen its scope.

Provision of renewable energy***



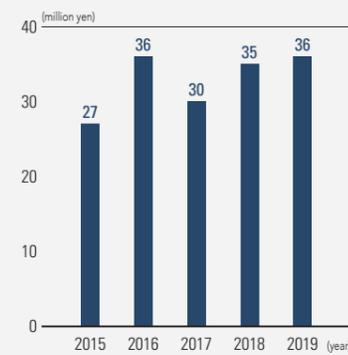
*Generation capacity (cumulative total) of our group construction facilities

Number of Qualifications*



*Number of software qualifications
■ Number of construction qualifications

Corporate citizenship spending



Occupational Safety and Health

	FYE March 2016	FYE March 2017	FYE March 2018	FYE March 2019	FYE March 2020
Occupational accident frequency rate**	0.00	0.18	0.19	0.00	0.18

Diversity

	FYE March 2016	FYE March 2017	FYE March 2018	FYE March 2019	FYE March 2020
Ratio of women in new graduate hires	19.5%	23.9%	24.6%	16.7%*	23.1%*
Ratio of women in managerial positions	2.1%	2.7%	2.9%	2.7%*	2.7%*
Female directors (officers) and number of outside directors	1	1	1	2*	3*
Rate of parental leave taken by female employees**	100%	100%	100%	100%	100%
Rate of annual paid leave	53.8%	53.3%	57.1%	64.7%**	63.0%**

Environment

	FYE March 2016	FYE March 2017	FYE March 2018	FYE March 2019	FYE March 2020
CO ₂ emissions (t-CO ₂)***	7,117	7,095	8,359	8,868	13,755

About the Numerical Data

Not indicated: Value is the total for MIRAIT Holdings Corporation, MIRAIT Corporation, and MIRAIT Technologies Corporation – the three companies
*: Value is the total for MIRAIT Holdings Corporation, MIRAIT Corporation, MIRAIT Technologies Corporation, TTK Co.,Ltd., SOLCOM Co.,Ltd. And Shikokutsuken Co.,Ltd. - the six companies

** : Non-consolidated (MIRAIT Corporation only)

***: Total for MIRAIT Corporation and MIRAIT Technologies Corporation

The latest information can be found at our website (<https://www.mirait.co.jp/en/>)

Total authorized shares: 330,000,000

Total outstanding shares: 108,325,329 shares (including 479,590 treasury shares)

Number of shareholders: 23,777 (excluding treasury shares)

Major shareholders

Name	Number of shares held (in hundreds)	Ownership (%)
Japan Trustee Services Bank, Ltd. (trust account)	109,288	10.13
Sumitomo Electric Industries, Ltd.	95,605	8.87
The Master Trust Bank of Japan, Ltd. (trust account)	73,563	6.82
Sumitomo Densetsu Co., Ltd.	24,886	2.31
MIRAIT Holdings Employee's Stock Option Plan	19,487	1.81
SSBTC CLIENT OMNIBUS ACCOUNT	18,458	1.71
J. P. MORGAN BANK LUXEMBOURG S.A. 1300000	16,899	1.57
NORTHERN TRUST CO. (AVFC) RE FIDELITY FUNDS	16,556	1.54
Japan Trustee Services Bank, Ltd. (trust account 5)	16,387	1.52
JP MORGAN CHASE BANK 385151	14,581	1.35

*1 The ratio of shares held is calculated after subtracting the treasury shares (479,590).

*2 The number of shares held shown is rounded down to the nearest 100 shares and the ownership is calculated by rounding off to two decimal places.

Share distribution by owner (excluding treasury shares)

Number of shares by owner	(shares)	ratio	Number of shares by owner	(shares)	ratio
Financial institutions	36,769,369	34.1%	Financial institutions	58	0.2%
Financial Instruments business operators	1,074,370	1.0%	Financial Instruments business operators	38	0.2%
Other corporations in Japan	18,797,695	17.4%	Other corporations in Japan	305	1.3%
Foreign corporations, etc.	27,307,321	25.3%	Foreign corporations, etc.	238	1.0%
Individuals/other	23,896,984	22.2%	Individuals/other	23,138	97.3%
Total (excluding shares owned by the company)	107,845,739	100%	Total (excluding shares owned by the company)	23,777	100%