Consolidated Financial Results
for the Three Months Ended June 30, 2019 [Japanese GAAP]

August 1, 2019

Company name: MIRAIT Holdings Corporation
Stock exchange listing: TSE
Code Number: 1417
URL: https://www.mirait.co.jp/
Representative: Masatoshi Suzuki, President and CEO
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Scheduled date for filing of quarterly report: August 7, 2019
Scheduled date for commencement of dividend payment: —
Supplementary briefing materials on quarterly results: Available
Quarterly results briefing: None

(Amounts are rounded down to the nearest one million)

1. Consolidated Financial Results for the Three Months Ended June 30, 2019
(April 1, 2019 to June 30, 2019)

(1) Consolidated Operating Results (cumulative)

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2019	83,344	26.2	1,173	(40.8)	1,709	(27.2)	910	(31.9)
Three months ended June 30, 2018	66,067	10.0	1,982	105.1	2,349	65.0	1,337	136.9

(Note) Comprehensive income: Three months ended June 30, 2019 1,715 million yen (-13.9%)
Three months ended June 30, 2018 1,992 million yen (58.6%)

	Net income per share	Diluted net income per share
	yen	yen
Three months ended June 30, 2019	8.99	8.00
Three months ended June 30, 2018	16.88	14.61

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
As of June 30, 2019	308,016	197,669	63.2
As of March 31, 2019	331,462	199,559	59.3

(Reference) Equity: As of June 30, 2019 194,577 million yen
As of March 31, 2019 196,435 million yen

2. Dividends

	Annual dividends per share				
	End of 1Q	End of2Q	End of 3Q	Year-end	Total
	yen	yen	yen	yen	Yen
Fiscal year ended March 31, 2019	—	20.00	—	20.00	40.00
Fiscal year ending March 31, 2020	—				
Fiscal year ending March 31, 2020 (forecast)		20.00	—	20.00	40.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2020
(April 1, 2019 to March 31, 2020)

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
Six months ending September 30, 2019	183,000	30.4	4,200	(16.1)	5,000	(12.1)	3,000	(16.7)	29.76
Full year ending March 31, 2020	430,000	14.4	21,500	3.9	23,000	4.6	15,000	(41.7)	149.34

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

* Notes:

(1) Significant changes in subsidiaries during the period under review: None

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

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

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

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

3) Changes in accounting estimates: None

4) Restatements: None

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

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

June 30, 2019	108,325,329 shares	March 31, 2019	108,325,329 shares

2) Total number of treasury stock at the end of the period

June 30, 2019	7,664,544 shares	March 31, 2019	6,746,565 shares

3) Average number of shares outstanding during the period

June 30, 2019	101,326,371 shares	June 30, 2018	79,195,673 shares

(Note) Total number of treasury stock includes the Company's stock held by the Board Incentive Plan trust under the Company's performance-linked stock remuneration program for directors and executive officers.

* Implementation status of quarterly review processes

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

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

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

Consolidated Quarterly Financial Statements and Notes

(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	Fiscal Year Ended March 31, 2019	Three Months Ended June 30, 2019
Assets		
Current assets		
Cash and deposits	38,206	57,095
Notes receivable, accounts receivable from completed construction contracts and other	133,364	79,432
Costs on construction contracts in progress	28,400	38,824
Investments in leases	4,983	4,691
Other	6,188	5,575
Allowance for doubtful accounts	(58)	(55)
Total current assets	211,085	185,563
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	38,079	37,622
Land	31,707	31,523
Construction in progress	699	809
Other, net	8,354	9,657
Total property, plant and equipment	78,840	79,613
Intangible assets		
Goodwill	3,220	3,119
Customer related assets	2,060	2,054
Software	1,656	1,637
Other	121	133
Total intangible assets	7,058	6,945
Investments and other assets		
Investment securities	27,123	28,019
Retirement benefit asset	2,433	2,491
Deferred tax assets	1,835	2,256
Leasehold and guarantee deposits	1,337	1,360
Other	1,890	1,930
Allowance for doubtful accounts	(144)	(163)
Total investments and other assets	34,476	35,894
Total non-current assets	120,376	122,453
Total assets	331,462	308,016

(Millions of yen)

	Fiscal Year Ended March 31, 2019	Three Months Ended June 30, 2019
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	50,894	40,516
Short-term borrowings	3,602	453
Income taxes payable	4,667	860
Lease obligations	2,958	3,254
Advances received on construction contracts in progress	5,549	5,247
Provision for loss on construction contracts	515	541
Provision for bonuses	7,035	3,799
Provision for bonuses for directors (and other officers)	148	45
Provision for warranties for completed construction	9	11
Other	13,525	12,032
Total current liabilities	88,908	66,762
Non-current liabilities		
Convertible bond-type bonds with share acquisition rights	16,544	16,539
Long-term accounts payable - other	159	149
Deferred tax liabilities	1,285	1,830
Deferred tax liabilities for land revaluation	41	41
Provision for retirement benefits for directors (and other officers)	180	167
Provision for share-based compensation	194	216
Retirement benefit liability	17,213	17,338
Asset retirement obligations	114	115
Lease obligations	6,873	6,904
Other	385	279
Total non-current liabilities	42,994	43,584
Total liabilities	131,903	110,347
Net assets		
Shareholders' equity		
Share capital	7,000	7,000
Capital surplus	71,559	71,613
Retained earnings	124,287	123,160
Treasury shares	(9,684)	(11,269)
Total shareholders' equity	193,163	190,504
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,028	3,637
Revaluation reserve for land	(98)	(98)
Foreign currency translation adjustment	(493)	(272)
Remeasurements of defined benefit plans	836	807
Total accumulated other comprehensive income	3,272	4,073
Non-controlling interests	3,123	3,092
Total net assets	199,559	197,669
Total liabilities and net assets	331,462	308,016

(2) Consolidated Quarterly Statements of Income and Comprehensive Income

Three Months Ended June 30, 2019

(Millions of yen)

	Three Months Ended June 30, 2018	Three Months Ended June 30, 2019
Net sales of completed construction contracts	66,067	83,344
Cost of sales of completed construction contracts	58,134	74,690
Gross profit on completed construction contracts	7,932	8,654
Selling, general and administrative expenses	5,950	7,481
Operating profit	1,982	1,173
Non-operating income		
Interest income	21	29
Dividend income	286	466
Surrender value of insurance policies	23	7
Share of profit of entities accounted for using equity method	43	14
Other	50	103
Total non-operating income	425	621
Non-operating expenses		
Interest expenses	0	9
Foreign exchange losses	27	54
Other	30	20
Total non-operating expenses	58	84
Ordinary profit	2,349	1,709
Extraordinary income		
Gain on sales of non-current assets	0	394
Gain on sales of investment securities	183	—
Total extraordinary income	184	394
Extraordinary losses		
Loss on retirement of non-current assets	0	21
Loss on sales of investment securities	—	31
Other	3	4
Total extraordinary losses	3	57
Profit before income taxes	2,530	2,046
Income taxes	1,155	1,133
Profit	1,375	913
Profit attributable to		
Profit attributable to owners of parent	1,337	910
Profit attributable to non-controlling interests	38	2

(Millions of yen)

	Three Months Ended June 30, 2018	Three Months Ended June 30, 2019
Other comprehensive income		
Valuation difference on available-for-sale securities	1,441	610
Foreign currency translation adjustment	(747)	223
Remeasurements of defined benefit plans, net of tax	(39)	(29)
Share of other comprehensive income of entities accounted for using equity method	(37)	(1)
Total other comprehensive income	617	802
Comprehensive income	1,992	1,715
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,963	1,711
Comprehensive income attributable to non-controlling interests	29	3