

Conclusion of an Agreement Concerning Management Integration Through Establishment of a Joint Holding Company (Share Transfer) and Formulation of a Management Plan



May 21st, 2010

Daimei Telecom Engineering Corp.

Commuture Corp.

TODENTSU Corporation

I . Summary of the Management Integration

1 Background and Aims of Management Integration

Highly complementary sales bases, business areas and fields of speciality

Pursue
synergistic
effects

Make maximum use of the three
companies' management resources
Strengthen competitiveness and
promote greater efficiency in each
business area

- Establish a nationwide works implementation system
- Promote new technical innovation, take great strides forward as an **“Integrated Engineering and Services Company”**
- Solidify the management base

2 Schedule for Management Integration and Share Transfer

May 19, 2010	Conclusion of a management integration agreement and drawing up of a share transfer plan
June 29, 2010 (tentative)	Approval of resolutions at the Ordinary General Meetings of Shareholders of the three companies
Sept. 27, 2010 (tentative)	Final day of trading of the shares on the Tokyo Stock Exchange (all 3 companies) Final day of trading of the shares on the Osaka Securities Exchange (Commuture)
Sept. 28, 2010 (tentative)	Delisting of shares on the Tokyo Stock Exchange (all 3 companies) Delisting of shares on the Osaka Securities Exchange (Commuture)
Oct. 1, 2010 (tentative)	Establishment of the joint holding company
Oct. 1, 2010 (tentative)	Initial date of listing of the joint holding company on both the Tokyo Stock Exchange and Osaka Securities Exchange

* However, should any unavoidable circumstance arise during the procedures for this share transfer, the schedule may be amended subject to consultation and agreement by the three companies.

3 Share Transfer Ratio

	Daimei	Commuture	TODENTSU
Share transfer ratio	1	0.77	0.24

Note 1:Details of the allocation of shares pertaining to the share transfer The joint holding company will allocate and deliver 1 share of common stock of the joint holding company for 1 share of Daimei common stock, 0.77 shares of common stock of the joint holding company for 1 share of Commuture common stock, and 0.24 shares of common stock of the joint holding company for 1 share of TODENTSU common stock, respectively. However, if there is a significant change in the conditions that form the basis for the calculation of the shares, the above share transfer ratios may change following consultation of the three companies. Furthermore, the number of shares in one unit of shares of the joint holding company shall be 100.

Note 2:Number of new shares to be issued by the joint holding company through the share transfer Ordinary shares: 85,381,866 shares

The above figures were calculated on the basis of the total number of issued and outstanding shares of Daimei (41,112,324 shares), the total number of issued and outstanding shares of Commuture (44,915,329 shares) and the total number of issued and outstanding shares of TODENTSU (40,353,080 shares) as of March 31, 2010. Therefore, these figures may fluctuate.

4 Summary of the Joint Holding Company

Trade Name	MIRAIT Holdings Corporation
Head Office	Koto-ku, Tokyo
Representatives	Goro Yagihashi, President & CEO Fumio Takaesu, Executive Vice President Ken-ichi Nishimura, Executive Vice President
Main Business	Business management and related operations concerning subsidiaries and group companies, which engage in telecommunications network installation work, electrical work, civil engineering work, construction work, and other related works.
Paid-in Capital	7 billion yen
Capital Reserve	2 billion yen
No. of Shares Scheduled for Issuance	85,381,866 shares
No. of Unit Shares	100 shares
Listed Securities Exchange	Tokyo Stock Exchange, Osaka Securities Exchange
Auditor	Toyo Horwath
Custodian of the Register of Shareholders	Mitsubishi UFJ Trust and Banking Corporation
Fiscal Year-end	March

5 Trade Name and Symbol of the Joint Holding Company

■ About the Trade Name

- MIRAIT Holdings Corporation

An integrated engineering and services firm that continues to grow together with its customers, casting rays of light that shine on the path to a future filled with hope: this is MIRAIT. Incorporating the words “**MIRAI**” (future) and “**IT**”, this trade name is a concise expression of our new resolve.

Two Key Words

“**MIRAIT**” ⇒ *Mirai* in Japanese = “Future”

“**MIRAIT**” ⇒ “Information Technology” / “Integration Technology”

■ About the Symbol



The three bold lines represent our “three beliefs”. The golden arch brings these three together, and represents the global expansion of our high-quality enterprise, while the symbol overall resembles an “M”. It also represents the course ahead, as we work to open up a new future.

Three Beliefs

(1) Expand the “breadth” of business domains

⇒ Expand from upstream to downstream processes

(planning and design, construction, maintenance and operations, etc.)

(2) Attain greater “height” in business domains

⇒ Comprehensive proposals incorporating NI + upper layers + lower layers

(3) Work to develop new business domains

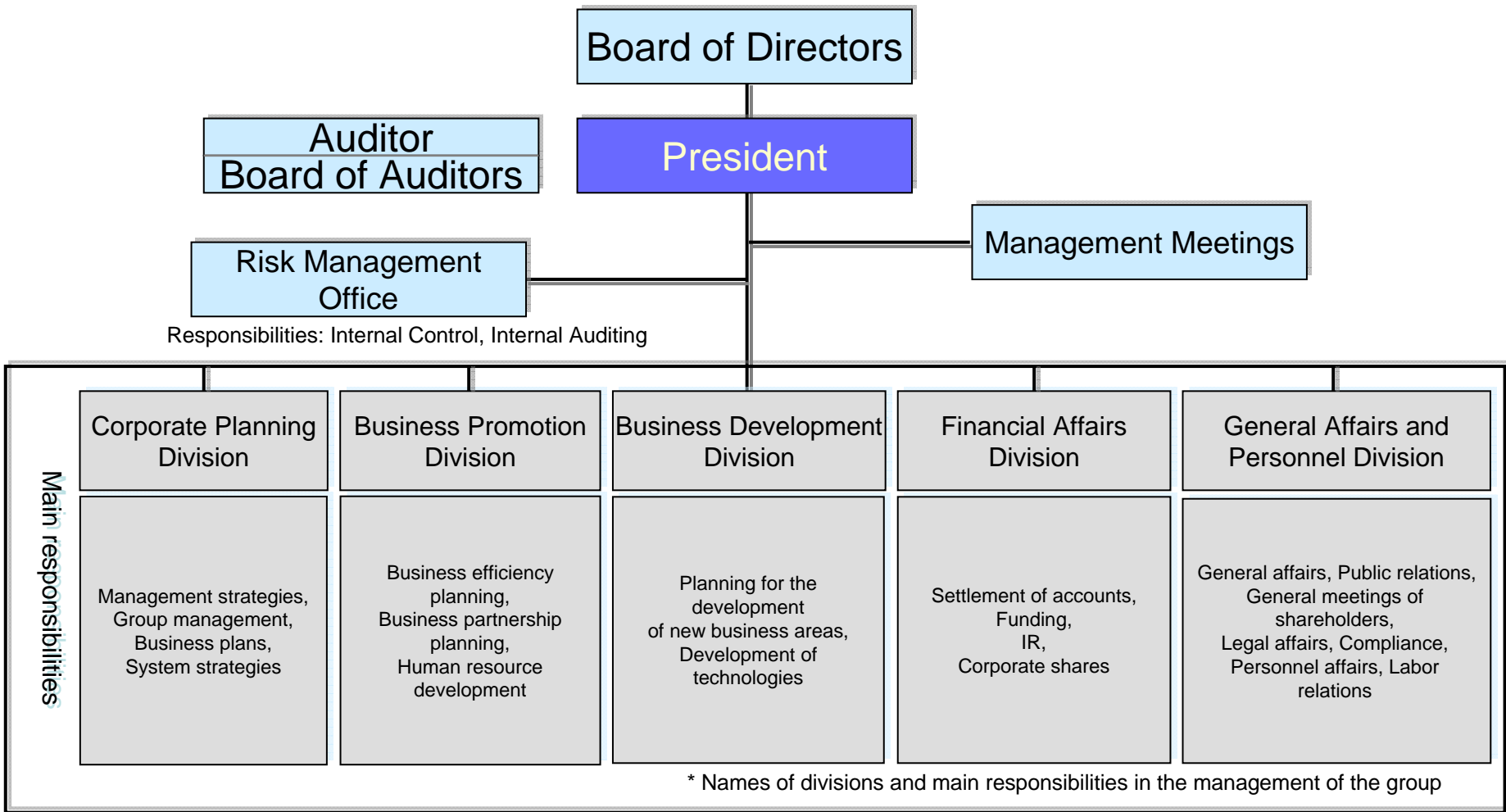
⇒ Contribute to the future creation of an integrated social infrastructure in fields such as electricity, environment and energy.

6 Management Structure of the Joint Holding Company (tentative)

	Name	Current post
President, Representative Director	Goro Yagihashi	President, Representative Director, Daimei Telecom Engineering Corp.
Executive Vice President, Representative Director	Fumio Takaesu	President, Representative Director, Commuture Corp.
Executive Vice President, Representative Director	Kenichi Nishimura	President, Representative Director, TODENTSU Corporation
Director	Ikuo Washiyama	Managing Director, TODENTSU Corporation
Director	Junichi Nomura	Director, Daimei Telecom Engineering Corp.
Director	Yusuke Kodama	Director, Commuture Corp.
Director (Outside)	Katsuhiko Tanabe	Attorney and Representative, Tanabe & Partners
Director (Outside)	Yasushi Komono	President, Komono and Stanton Co., Ltd.
Corporate Auditor	Yoichi Takashima	Full-time Corporate Auditor, Daimei Telecom Engineering Corp.
Corporate Auditor	Nobutoshi Takahashi	Managing Director, Commuture Corp.
Corporate Auditor (Outside)	Yoshiaki Ugaki	Executive Vice President, Hibiya Engineering, Ltd.
Corporate Auditor (Outside)	Hiroshi Daikuya	Certified Public Accountant, Director, @Stream Corporation

Note: Yoichi Takamiya (Visiting Professor, Faculty of Management & Information Sciences, Josai International University) is expected to be the reserve corporate auditor.

7 Organization of the Joint Holding Company (tentative)



II . New Group Management Plan

1 Management Environment Surrounding the New Group

◆ Areas in which growth can be expected in the medium and long term

- Progression of NGN
- Expansion of mobile broadband such as LTE
- Investments in advanced information technology in the user facilities
- Investments in the environment and in new energy, such as smart grids, solar power generation, etc.

◆ Future Challenges

- The creation of new values oriented towards advancement of information and communications technology and future expansion of growth areas is an urgent task

2 Basic Management Strategy of the New Group

Become an “Integrated Engineering and Services Company”

◆ Expansion of business areas

- (1) Expand the scope of existing business areas centered on telecommunications infrastructure construction to encompass all aspects from upstream to downstream processes, including planning and design, construction, maintenance and management.
- (2) Provide total solutions centered on network integration (NI) from the upper layer, in areas such as applications, to lower layer services such as device installation and cable construction.
- (3) Contribute to creating a comprehensive social infrastructure including the environment and energy based on the technologies and experience accumulated to date.

◆ Business management and group management structure

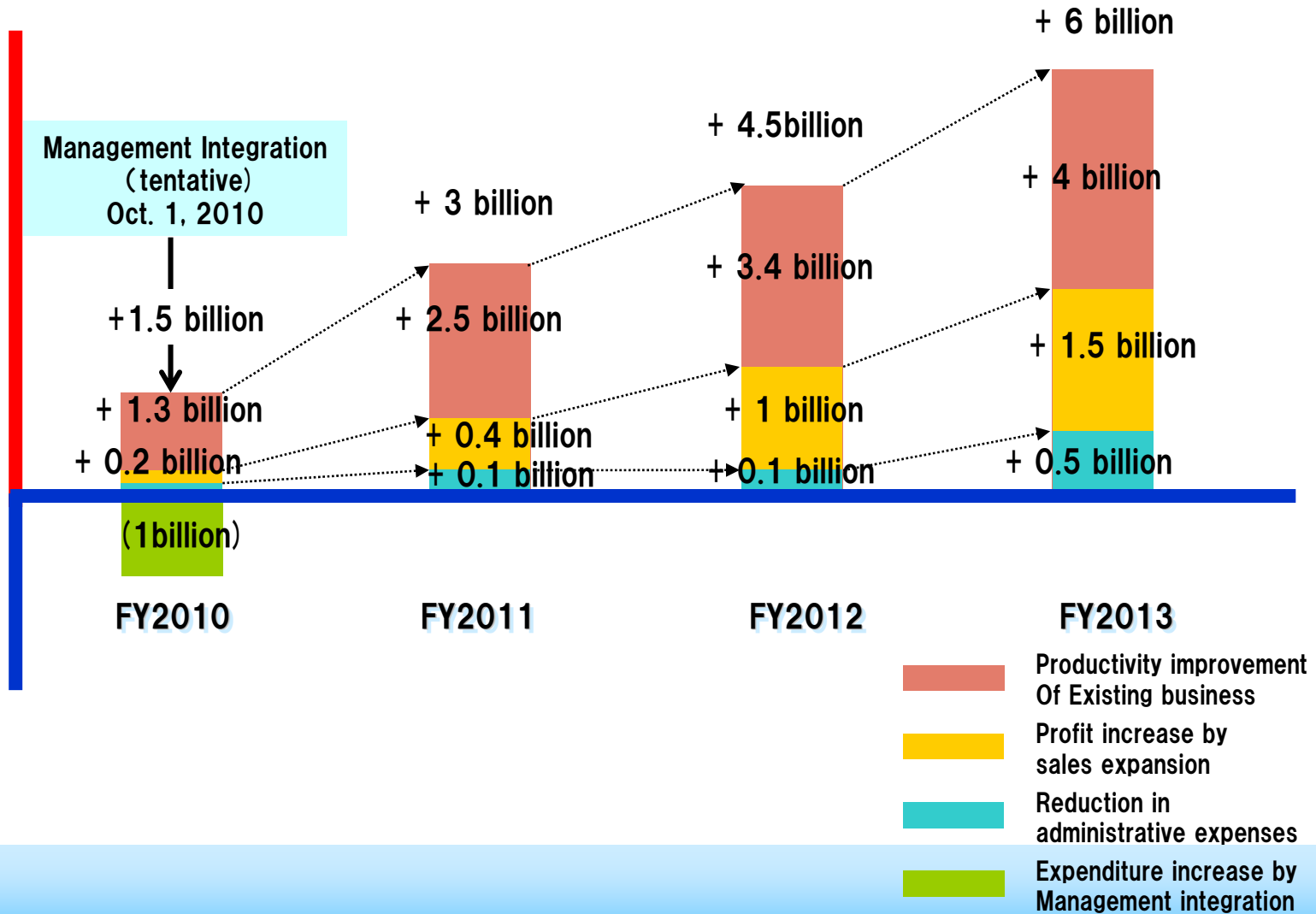
- (1) Strengthen the structure to be able to provide “diverse, advanced services anywhere in Japan as a one-stop service provider”.
- (2) Demonstrate synergies and strengthen the operational base.
- (3) Facilitate transformation of the company to an “Integrated Engineering and Services Company” by strengthening the business strategy functions of the holding company, while considering the optimal organizational framework for demonstrating maximum management integration effects.

3 Management Goals

- Aim for net sales of 280 billion yen and operating income of 12 billion yen in fiscal 2013 (four years after establishing the holding company).
- Establish an operational base that will consistently achieve an operating profit margin of 4% or higher.
- Aim to be an integrated engineering firm; aim to reconstruct the sales portfolio

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Net sales	¥255.3 billion	¥258.0 billion	¥263.0 billion	¥270.0 billion	¥280.0 billion
NTT	¥114.5 billion	¥111.5 billion	¥107.0 billion	¥103.0 billion	¥100.0 billion
Mobile	¥74.9 billion	¥72.0 billion	¥75.0 billion	¥78.0 billion	¥80.0 billion
ICT & Integrated Facilities	¥65.9 billion	¥74.5 billion	¥81.0 billion	¥89.0 billion	¥100.0 billion
Operating Income	¥8.4 billion	¥8.0 billion	¥10.0 billion	¥11.0 billion	¥12.0 billion
Operating Profit Margin	3.3%	3.1%	3.8%	4.1%	4.3%

4 Synergy effect by Management integration (Operating income)



5 Concrete Measures for Synergy Creation

FY2013, contribution of 6 billion yen in operating profits

Category	Item	Major approaches	Synergy	
Increased productivity of existing businesses	Building of optimal construction organizations	Build optimal construction formations suited for the amount of business	¥3.2 billion	¥4 billion
	Streamlining of operations management	Concentration of operations (inspection operations, SO management operations, design/assay operations, customer support operations, etc.) Strengthening of operations support (mutual support in civil engineering and network businesses, mutual exploitation of cooperating companies, etc.)	¥400 million	
	Mutual exploitation of assets for operations	Mutual use of construction bases, branches, materials warehouses, research facilities, systems, vehicles, etc. of each company Cost reduction based on joint purchase, etc. of materials and equipment	¥400 million	
Expansion of sales	Expansion of received orders based on the business synergy effects of the 3 companies	Use the areas of specialty and construction system of the 3 companies to the fullest extent possible to expand received orders Use products (construction function) and marketing channels characteristic of each company	¥900 million	¥1.5 billion
	Active investments of managerial resources in priority areas	Strengthen new areas, such as businesses related to the environment and new energy, and business related to broadcasting, etc.	¥600 million	
Streamlining of common operations	Reduction, etc. of various expenses	Streamlining of mission-critical systems, etc. Streamlining of assets operations Establishment of shared companies responsible for common businesses	¥500 million	
Total			¥6 billion	

6 Business Strategies for Each Business

NTT business

- (1) Establish the optimal construction organizations for each business area
- (2) Mutually use management resources and promote centralization of operations
- (3) Use technologies and know-how to expand the business scope of related fields
- (4) Consider reorganization of the core subsidiaries

Mobile business

- (1) Increase orders of high value-added operations such as network management and maintenance and operations
- (2) Use technologies and know-how to expand the business scope of related areas
- (3) Examine business management methods, and establish an optimal marketing framework and optimal construction organizations

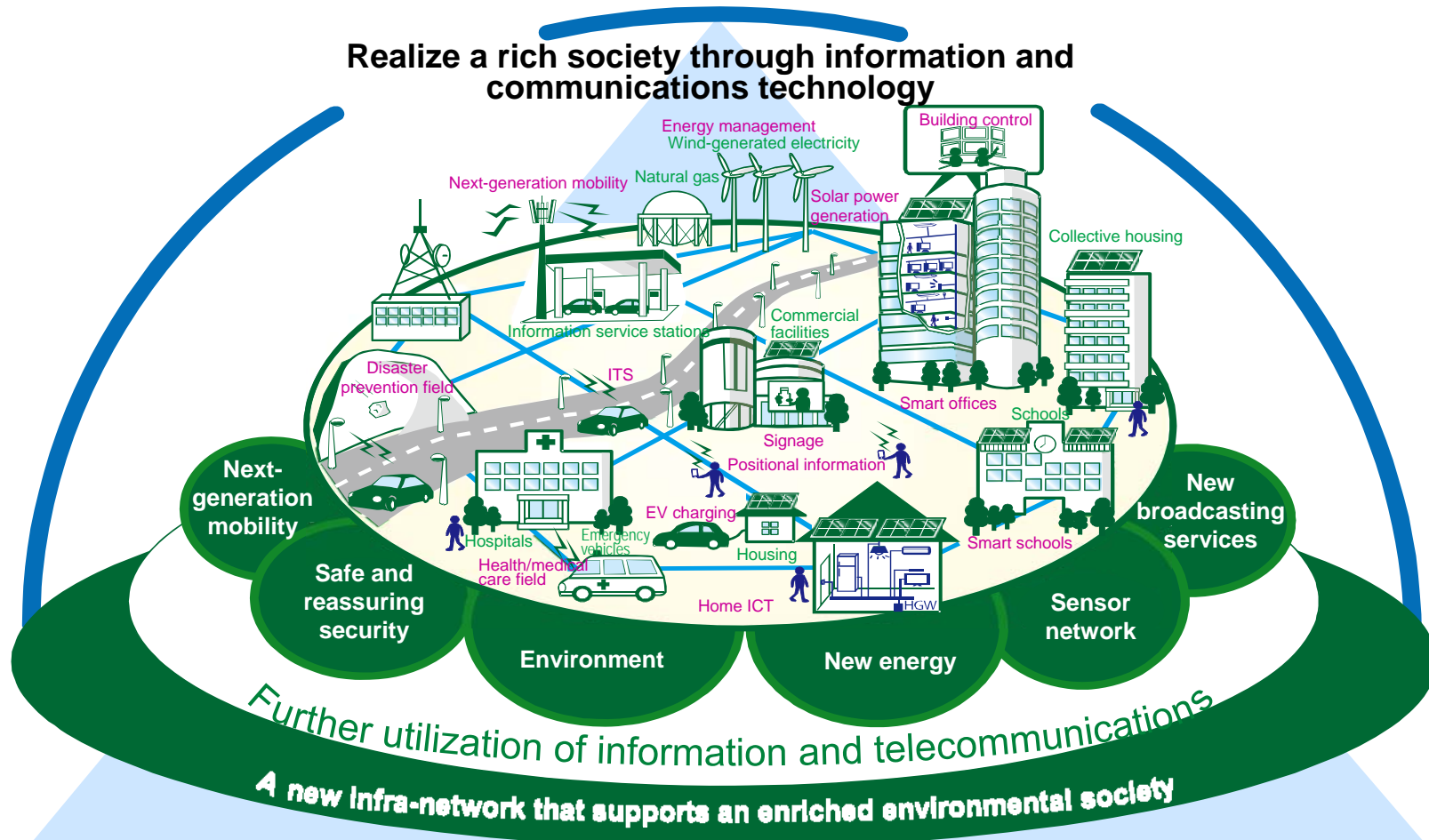
ICT and integrated facilities business

- (1) Create new schemes for promoting cooperative business (JV, new business)
- (2) Expand business areas including development of the solutions business and other new business areas
- (3) Examine the deployment of business initiatives in global markets
- (4) Consider the most appropriate business management structures such as through reorganizing business or entering into partnerships with other corporations

Common operations

- (1) Proceed with integration of various IT systems and promote thorough efficiency and speed
- (2) Establish a CMS and promote effective utilization of funds
- (3) Promote efficiency in resources procurement operations and common operations, and proceed with the establishment of a shared services company
- (4) Undertake a thorough review of real estate and overlapping management resources and promote improvement in asset values and management costs

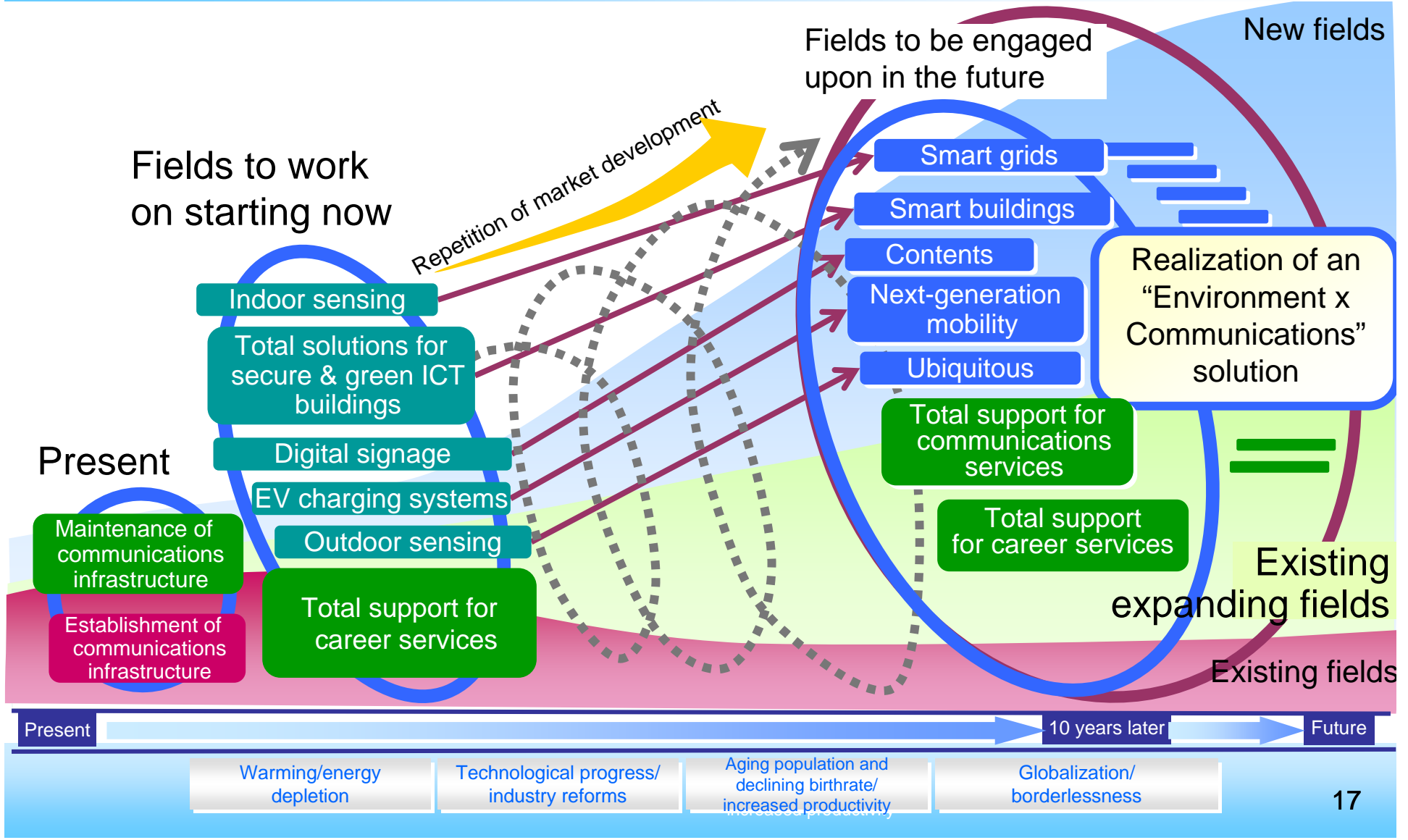
7-1 Business Strategies of an Integrated Engineering and Services Company



【New corporate value desired of society】

Integrated Engineering and Services Company
that can realize solutions by making full use of information and communications technology and services in integrated fields such as the environment and energy

7-2 Business Strategies of an Integrated Engineering and Services Company



III. Reference : Summary of the Companies Executing the Management Integration

Reference : Summary of the Companies Executing the Management Integration

FYE March,2010

Trade Name	Daimei Telecom Engineering Corp.	Commuture Corp.	TODENTSU Corporation
Established	December 1944	June 1960	February 1946
Head Office	Shinagawa-ku, Tokyo	Nishi-ku, Osaka	Minato-ku, Tokyo
Representative	President Goro Yagihashi	President Fumio Takaesu	President and Representative Director Kenichi Nishimura
Paid-in capital	5.6 billion yen	3.8 billion yen	3.8 billion yen
Number of Shares Issued	41,112,324 shares	44,915,329 shares	40,353,080 shares
Net Assets (Consolidated)	46.5 billion yen	44.5 billion yen	15.2 billion yen
Total Assets (Consolidated)	66.4 billion yen	61.8 billion yen	30.9 billion yen
Fiscal year-end	March	March	March
Employees	3,011	2,702	1,233
Revenues	115.7 billion yen	92.0 billion yen	47.7 billion yen
Ordinary Income	4.8 billion yen	3.5 billion yen	0.8 billion yen
Major Shareholders	Japan Trustee Services Bank, Ltd. Trust Account 12.4% The Master Trust Bank of Japan, Ltd. Trust Account 7.6% State Street Bank and Trust Company 5.8% Japan Trustee Services Bank, Ltd. Trust Account 9 3.4% Furukawa Electric Co., Ltd. 3.1%	Sumitomo Electric Industries, Ltd. 45.2% Sumitomo Densetsu Co., Ltd. 7.2% The Master Trust Bank of Japan, Ltd. Trust Account 3.7% Japan Trustee Services Bank, Ltd. Trust Account 2.3% Solcom Co., Ltd. 1.5%	Mizuho Corporate Bank, Ltd. 5.0% Sumitomo Mitsui Banking Corporation 5.0% Bank of Tokyo-Mitsubishi UFJ, Ltd. 5.0% Mizuho Bank Retirement Trust Fund (Mizuho Bank, Ltd. Account) Re-trust Trustee Asset Management Services Trust 5.0% The Master Trust Bank of Japan, Ltd. Trust Account 4.1%

Cautionary Statement

The projected numerical values described in these distributed materials and discussed at the briefing are future projections based on Daimei Telecom Engineering Corp.'s plans and forecasts at this time.

Actual results may vary substantially from the projections described in these materials and at the briefing as a result of changes in various conditions.

Accordingly, the Company and its management make no guarantee that the projected numerical values described in these materials and at the briefing will be accurate in the future.

