



# Supplementary Materials on Consolidated Interim (1H) Financial Results for FY ending March 2017

(Six months ended Sep. 30, 2016)

November 15, 2016

T-Gaia Corporation / TSE 3738

## Disclaimer

---

This material contains statements about the future performance of T-Gaia Corp., which are based on management's assumptions and beliefs taking information currently available into consideration. Therefore, please be advised that T-Gaia's actual results could differ materially from those described in these forward-looking statements as a result of numerous factors, including general economic conditions in T-Gaia's principal markets as well as other factors detailed from time to time.

# Corporate Outline • History



Head Office : Ebisu Neonato 14-18F, 4-1-18, Ebisu, Shibuya-ku, Tokyo

(As of Sep. 30, 2016)

Capital : 3,154 million yen

No. of Employees : 4,264

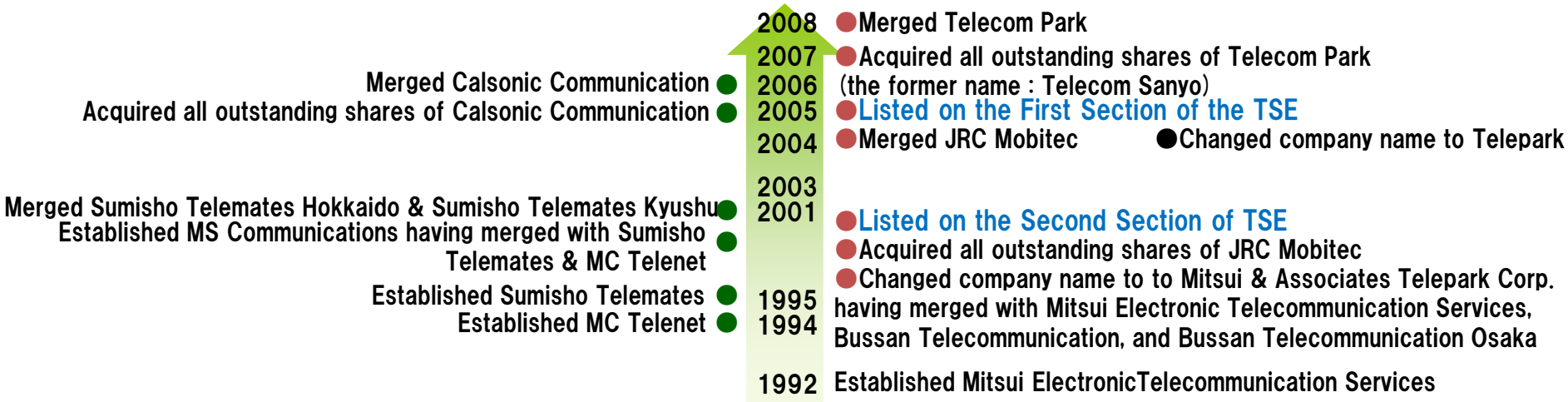
- Business
- (1) Sales & distribution of mobile phones
  - (2) Brokering of telecommunication services incl. broadband access & optical fibers
  - (3) Prepaid settlement services, overseas business & others

Major shareholder : [Sumitomo Corp.](#) (Voting interest: 41.9%)

Related companies: Three domestic companies and companies in China & Singapore

## June 2015: Set up Present Management

## October 2008: Newly-established T-Gaia Corporation



# Diversified Domestic & International Sales Channel

More than 61



61店舗以上



41~60店舗



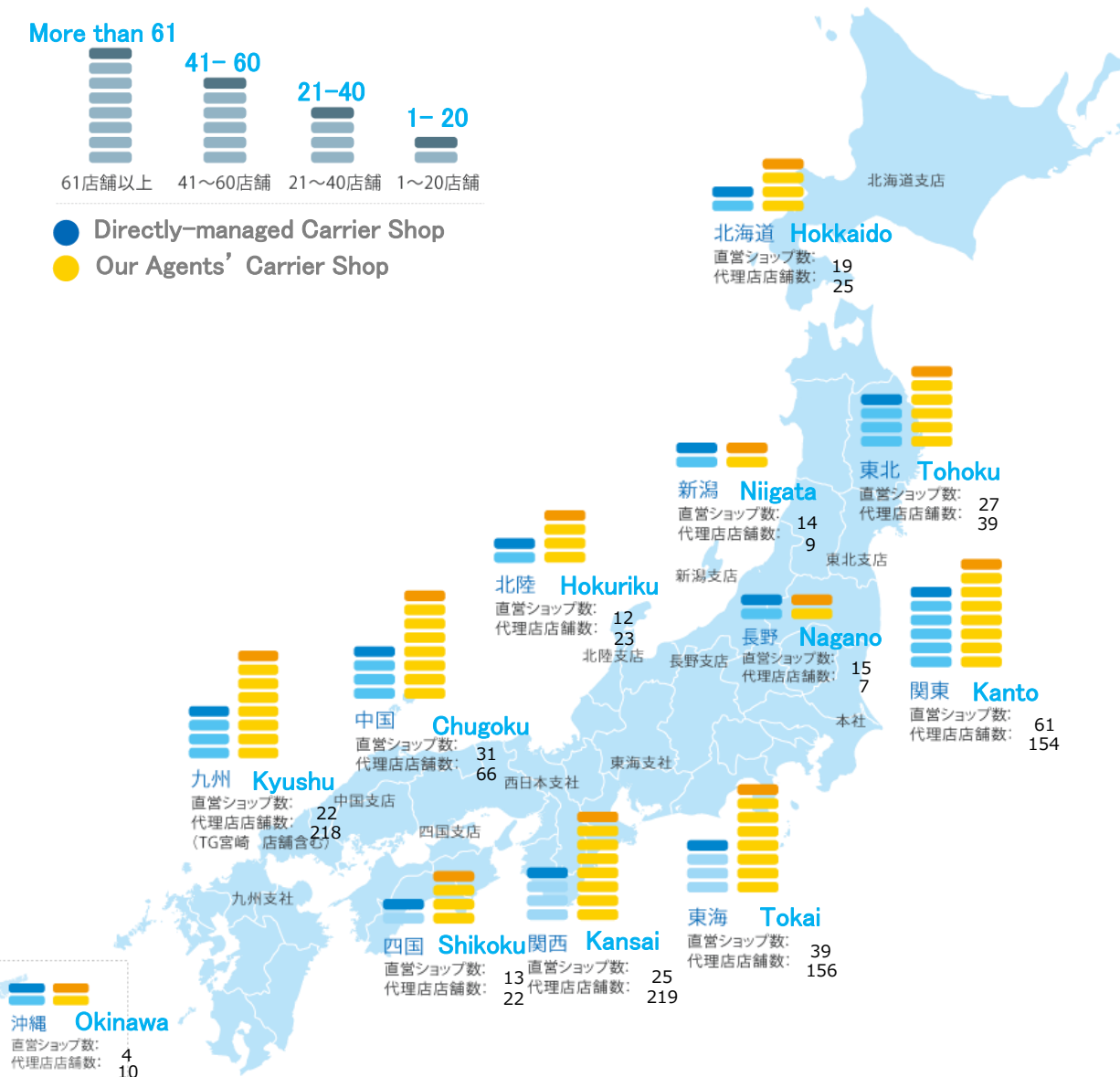
21~40店舗



1~20店舗

● Directly-managed Carrier Shop

● Our Agents' Carrier Shop



No. of Carrier Shops  
(Directly-managed Shop)

● docomo Shop	279
(incl. Directly-managed Shop)	172)
● au Shop	432
(incl. Directly-managed Shop)	70)
● Softbank Shop	457
(incl. Directly-managed Shop)	36)
● Y! Mobile Shop	58
(incl. Directly-managed Shop)	1)
● Rakuten Mobile Shop	3
(incl. Directly-managed Shop)	3)
● UQ Spot	1
(incl. Directly-managed Shop)	0)

**Total: 1,230**

(Directly-managed Shop **282**)

(As of Sep., 2016)

# Upgrading & Expanding Carrier Shops ①

## Docomo Shop Mishimakannami (Shizuoka Pref.)



One of the largest Docomo Shop in Shizuoka Pref.



Reducing waiting time by setting up eleven counters



Accessory & tablet section with abundant product lineup



Spacious waiting space

# Upgrading & Expanding Carrier Shops ②

## au Shop Kita (Kagawa Pref.)



One of the largest au Shop in Shikoku area



Broad space with barrier-free environment



Multipurpose space for local events, etc.



Kids' corner



Waiting space

# Upgrading & Expanding Carrier Shops ③

## Softbank Shop Koshigaya Chuo & Y!mobile Shop Koshigaya Chuo (in Saitama Pref.)



Parallel establishment of Softbank Shop & Y!mobile Shop



Accessory section with abundant product lineup  
(Softbank)



Flagship shop having a floor space of 500 square meters  
(Softbank)



Large-scale kids' space  
(Softbank)

# Products sold in “Smart Labo” shops

- Variety of smart-phone cases



(Original cases)



(High-grade leather cases)

- Audio goods



(Earphones & Headphones)

- Very Popular Character Goods



(Stationery products)



(Battery chargers)

- MVNO-related goods



(Low-price SIM cards & SIM unlock smartphones)

- Products related to Particular Hobbies



(Selfie Stick)



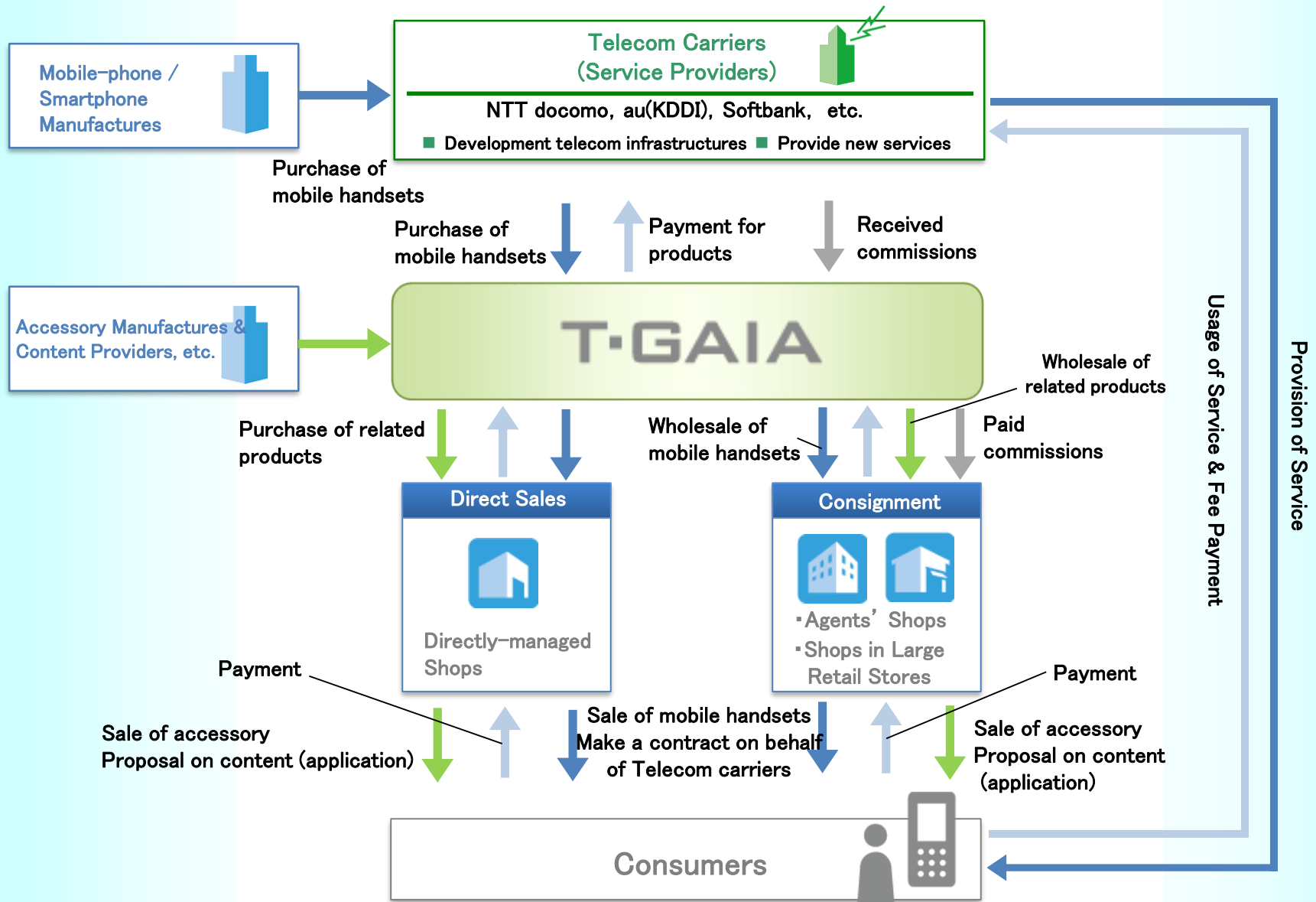
# Key Financial Index

Full-year (Unit: Million yen)	2008/3 TP	2009/3 TG	2010/3 TG	2011/3 TG	2012/3 TG	2013/3 TG	2014/3 TG	2015/3 TG	2016/3 TG
Net Income	41.9	63.6	81.3	75.5	79.3	65.8	68.3	77.4	94.9
Shareholders' Equity (Net Assets)	186.1	259.4	310.6	356.4	280.5	281.7	235.9	291.0	358.1
Return on Equity (ROE)	24.1 %	28.6 %	28.5%	22.7%	28.3%	23.4%	26.4%	29.4%	29.3%
Dividend on Equity (DOE)	9.5 %	10.3 %	10.8 %	8.5 %	9.8%	10.1%	10.0%	9.8%	9.1
Operating Income to Net Sales	2.0%	2.9%	2.7%	2.4%	2.1%	1.6%	1.8%	2.2%	2.5%

※TP stands for Telepark Corporation and TG stands for T-Gaia Corporation.

※Each figure from 2005/3 to 2011/3 has been based on Non-consolidated basis.

# Business Model ①: Mobile-phone Business 10



# Business Model ②: Enterprise Solution Business

## Mobile-phone Business for Corporate Clients

Telecom Carriers  
(Service Providers)

NTT docomo, au(KDDI), Softbank, etc.

- Development telecom infrastructures
- Provide new services

Purchase of  
mobile handsets

Payment for  
products

Received  
commissions

T·GAIA

Paid  
commissions



Agents

Payment

Sale of mobile handsets &  
various services  
Make a contract on behalf  
of Telecom carriers

Corporate Clients

## Fixed-line Business

Telecom Carriers  
(Service Providers)

NTT East / West, NTT Communications,  
KDDI, Softbank, etc.

- Development telecom infrastructures
- Provide new services

Wholesale of  
optical fibers

Payment for  
wholesale

Received  
commissions

T·GAIA

Paid  
commissions



Agents

Usage of  
Service &  
Fee Payment

Provision of fixed-  
line services  
Make a contract on  
behalf of Telecom  
carriers

Consumers &  
Corporate Clients

Usage of Service & Fee Payment  
Provision of Service

Usage of Service & Fee Payment  
Provision of Service

# Business Model ③: Settlement Service Business 12

