



Supplementary Materials on Consolidated 3Q Financial Results for FY ending March 2017

(Nine months ended Dec. 31, 2016)

February 9, 2017

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 Jan.1, 2017)

Capital : 3,154 million yen

No. of Employees : 4,208

- 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 Singapore

June 2015: Set up Present Management

October 2008: Newly-established T-Gaia Corporation

- 2008 ● Merged Telecom Park
- 2007 ● Acquired all outstanding shares of Telecom Park
- 2006 (the former name : Telecom Sanyo)
- 2005 ● Listed on the First Section of the TSE
- 2004 ● Merged JRC Mobitec ● Changed company name to Telepark
- 2003
- 2001 ● Listed on the Second Section of TSE
- Acquired all outstanding shares of JRC Mobitec
- Changed company name to Mitsui & Associates Telepark Corp.
- 1995 having merged with Mitsui Electronic Telecommunication Services,
- 1994 Bussan Telecommunication, and Bussan Telecommunication Osaka
- 1992 Established Mitsui Electronic Telecommunication Services

- Merged Calsonic Communication ●
- Acquired all outstanding shares of Calsonic Communication ●
- Merged Sumisho Telemates Hokkaido & Sumisho Telemates Kyushu ●
- Established MS Communications having merged with Sumisho Telemates & MC Telenet ●
- Established Sumisho Telemates ●
- Established MC Telenet ●

Diversified Domestic & International Sales Channel

More than 61



61店舗以上

41-60



41~60店舗



21-40

21~40店舗

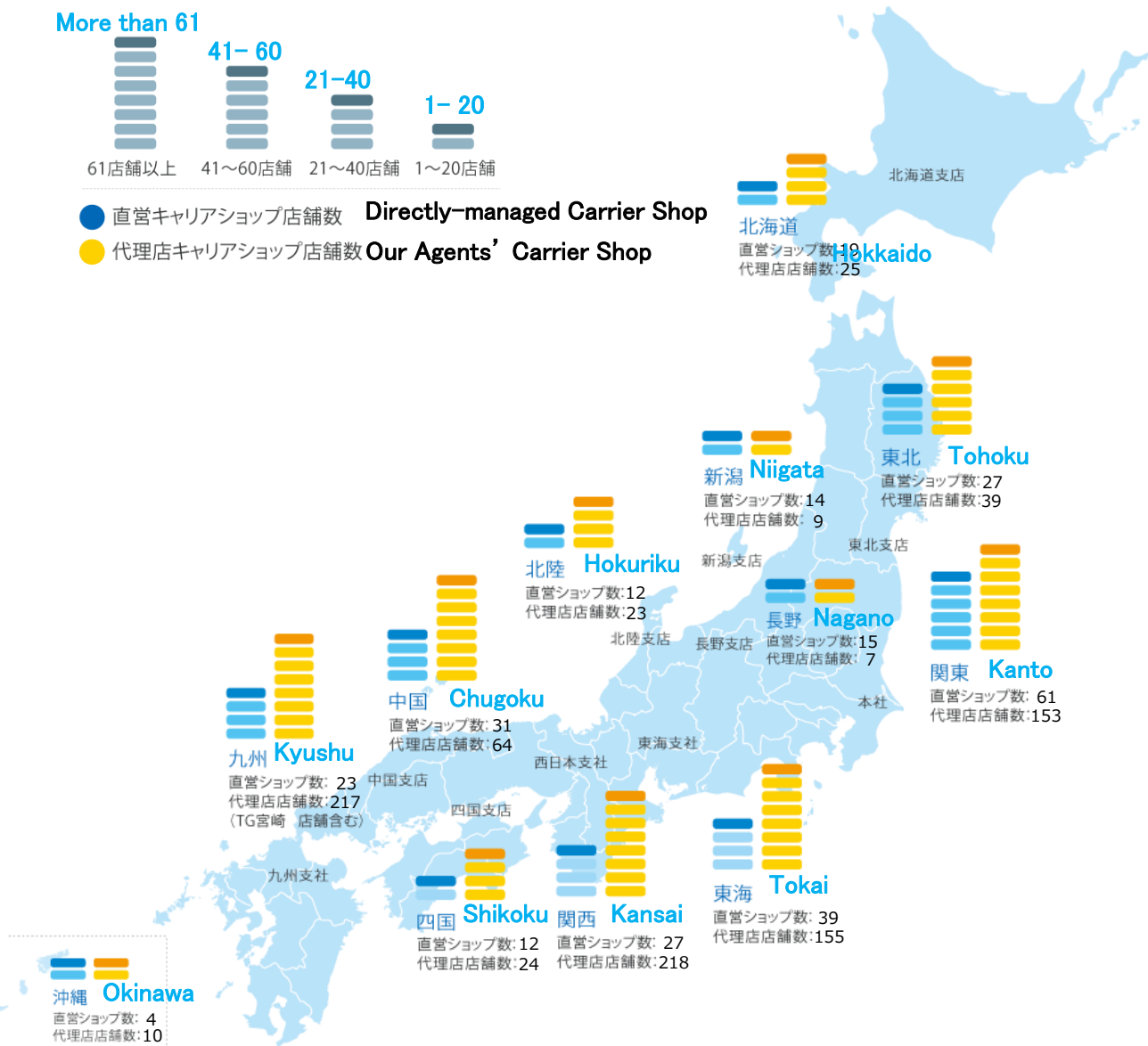
1-20



1~20店舗

● 直営キャリアショップ店舗数 **Directly-managed Carrier Shop**

● 代理店キャリアショップ店舗数 **Our Agents' Carrier Shop**



No. of Carrier Shops (Directly-managed Shop)	
● docomo Shop	278
(incl. 171)	171
● au Shop	430
(incl. 71)	71
● Softbank Shop	456
(incl. 36)	36
● Y! Mobile Shop	58
(incl. 1)	1
● Rakuten Mobile Shop	4
(incl. 4)	4
● UQ Spot	2
(incl. 1)	1
Total:	1,228
(Directly-managed Shop	284)
(As of Dec.,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.)



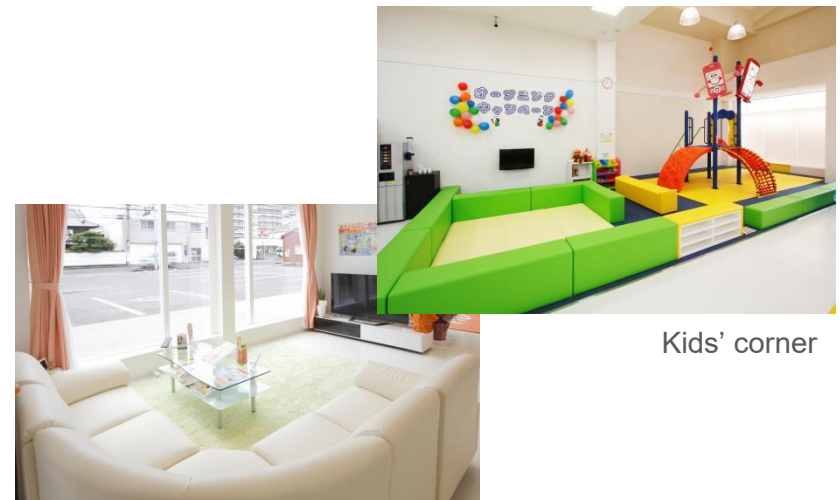
One of the largest au Shop in Shikoku area



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)

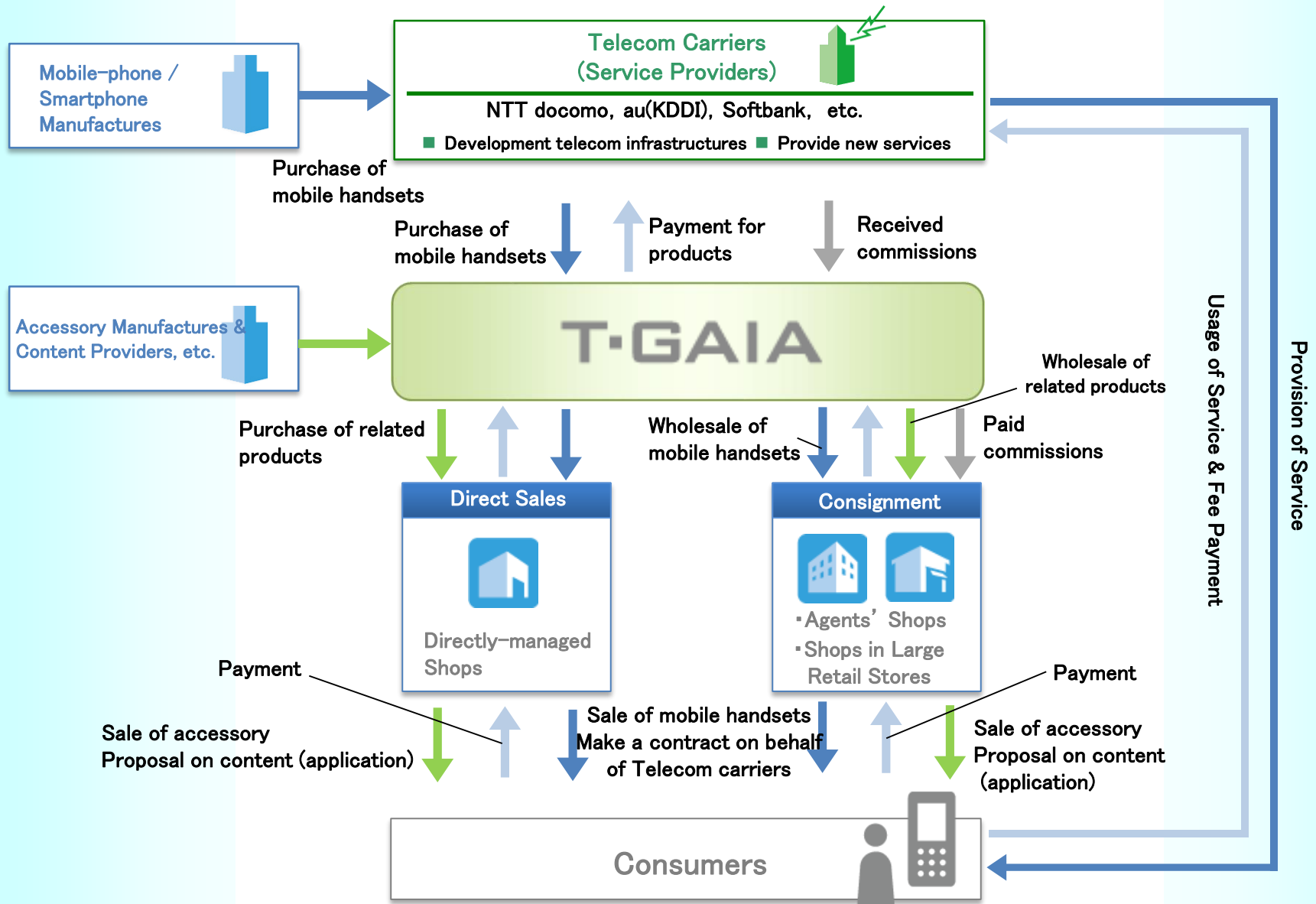
Key Financial Index

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

