

Consolidated Financial Statements
(For the Third Quarter of FY2015)

Consolidated Balance Sheets

(Millions of yen)

	FY2014 As of March 31, 2014	Current Third Quarter As of December 31, 2014
Assets		
Current assets:		
Cash and deposits	19,292	8,162
Notes receivable, accounts receivable from completed construction contracts and other	97,253	90,415
Securities	7,000	12,500
Real estate for sale	1,034	687
Costs on uncompleted construction contracts	7,718	6,385
Costs on real estate business	2,340	2,807
Work in process	630	1,536
Raw materials and supplies	131	135
Other	8,723	14,161
Allowance for doubtful accounts	(4,261)	(1,255)
Total current assets	139,864	135,536
Non-current assets:		
Property, plant and equipment:		
Land	27,669	27,668
Other, net	9,804	10,013
Total property, plant and equipment	37,473	37,682
Intangible assets	237	274
Investments and other assets:		
Investment securities	60,972	67,779
Net defined benefit asset	435	—
Other	3,447	5,748
Allowance for doubtful accounts	(2,768)	(5,139)
Total investments and other assets	62,087	68,388
Total non-current assets	99,799	106,344
Total assets	239,663	241,881

(Millions of yen)

	FY2014 As of March 31, 2014	Current Third Quarter As of December 31, 2014
Liabilities		
Current liabilities:		
Notes payable, accounts payable for construction contracts and other	55,548	48,835
Short-term loans payable	7,524	8,036
Income taxes payable	291	354
Advances received on uncompleted construction contracts	10,610	8,136
Provision	2,927	1,373
Provision for loss on construction contracts	1,876	4,600
Asset retirement obligations	73	77
Other	14,393	17,133
Total current liabilities	93,244	88,547
Non-current liabilities:		
Long-term loans payable	5,208	5,187
Net defined benefit liability	—	79
Asset retirement obligations	51	74
Other	12,365	14,445
Total non-current liabilities	17,626	19,786
Total liabilities	110,871	108,333
Net assets		
Shareholders' equity:		
Capital stock	19,838	19,838
Capital surplus	25,326	25,326
Retained earnings	72,094	72,272
Treasury shares	(12,390)	(12,414)
Total shareholders' equity	104,869	105,023
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	22,753	27,342
Remeasurements of defined benefit plans	1,169	1,182
Total accumulated other comprehensive income	23,923	28,524
Total net assets	128,792	133,547
Total liabilities and net assets	239,663	241,881

Consolidated Statements of Income

(Nine-month Period Ended December 31)

(Millions of yen)

	3Q / FY2014 April 1, 2013 through December 31, 2013	3Q / FY2015 April 1, 2014 through December 31, 2014
Net sales	129,019	145,689
Cost of sales	118,558	134,423
Gross profit	10,460	11,265
Selling, general and administrative expenses	9,666	9,554
Operating income	794	1,711
Non-operating income:		
Interest income	143	79
Dividend income	815	888
Reversal of allowance for doubtful accounts	267	375
Other	557	493
Total non-operating income	1,784	1,836
Non-operating expenses:		
Interest expenses	129	116
Other	11	36
Total non-operating expenses	141	153
Ordinary income	2,437	3,395
Extraordinary income:		
Gain on sales of investment securities	0	158
Other	0	0
Total extraordinary income	1	158
Extraordinary losses:		
Loss on retirement of non-current assets	45	21
Loss on valuation of investment securities	—	24
Other	0	0
Total extraordinary losses	45	45
Income before income taxes and minority interests	2,393	3,508
Income taxes - current	106	334
Income taxes - deferred	(16)	(8)
Total income taxes	89	326
Income before minority interests	2,303	3,182
Net income	2,303	3,182

Consolidated Statements of Comprehensive Income

(Nine-month Period Ended December 31)

(Millions of yen)

	3Q / FY2014 April 1, 2013 through December 31, 2013	3Q / FY2015 April 1, 2014 through December 31, 2014
Income before minority interests	2,303	3,182
Other comprehensive income:		
Valuation difference on available-for-sale securities	8,784	4,588
Remeasurements of defined benefit plans, net of tax	—	12
Total other comprehensive income	8,784	4,600
Comprehensive income	11,087	7,782
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	11,087	7,782
Comprehensive income attributable to minority interests	—	—

Breakdown of Orders (Non-consolidated)

(Millions of yen)

			3Q / FY2014 April 1, 2013 through December 31, 2013			3Q / FY2015 April 1, 2014 through December 31, 2014			Change Increase (Decrease)	% Change Increase (Decrease)	
				%	%		%	%	%		
Construction orders awarded	Civil engineering	Domestic public sector	64,613	89.4	45.8	30,424	71.5	41.7	(34,188)	(52.9)	
		Domestic private sector	7,521	10.4		11,847	27.9		4,326	57.5	
		Overseas	135	0.2		272	0.6		137	101.7	
		Subtotal	72,269	100		42,544	100		(29,725)	(41.1)	
	Architectural construction	Domestic public sector	26,936	31.5	54.2	13,918	23.4	58.3	(13,017)	(48.3)	
		Domestic private sector	58,612	68.5		45,547	76.6		(13,064)	(22.3)	
		Overseas	—	—		—	—		—	—	
		Subtotal	85,548	100		59,466	100		(26,082)	(30.5)	
	Total	Domestic public sector	91,549	58.0	100	44,342	43.5	100	(47,206)	(51.6)	
		Domestic private sector	66,134	41.9		57,395	56.2		(8,738)	(13.2)	
		Overseas	135	0.1		272	0.3		137	101.7	
		Total	157,818	100		102,010	100		(55,807)	(35.4)	
Net sales	Projects completed	Civil engineering	Domestic public sector	38,076	77.6	[39.5]	47,211	78.4	[43.3]	9,134	24.0
			Domestic private sector	9,637	19.6	38.4	11,197	18.6	42.1	1,559	16.2
			Overseas	1,371	2.8		1,834	3.0		463	33.8
			Subtotal	49,086	100		60,243	100		11,157	22.7
	Architectural construction	Domestic public sector	15,616	20.8	[60.5]		33,320	42.2		[56.7]	17,704
		Domestic private sector	59,228	78.9	58.7	45,211	57.3	55.1	(14,017)	(23.7)	
		Overseas	201	0.3		429	0.5		227	112.9	
		Subtotal	75,046	100		78,961	100		3,915	5.2	
	Subtotal	Domestic public sector	53,693	43.2		[100]	80,532		57.9	[100]	26,839
		Domestic private sector	68,866	55.5	97.1	56,408	40.5	97.2	(12,457)	(18.1)	
		Overseas	1,573	1.3		2,264	1.6		690	43.9	
		Subtotal	124,132	100		139,205	100		15,072	12.1	
	Real estate business and other	3,664	2.9	4,016		2.8	351		9.6		
	Total			127,797	100		143,221	100		15,424	12.1
	Period-end backlog	Civil engineering	Domestic public sector	83,302	86.2	44.0	72,867	84.5	46.8	(10,434)	(12.5)
Domestic private sector			11,166	11.6	13,173		15.3	2,006		18.0	
Overseas			2,108	2.2	198		0.2	(1,910)		(90.6)	
Subtotal			96,578	100	86,239		100	(10,338)		(10.7)	
Architectural construction		Domestic public sector	62,193	50.6	56.0	45,496	46.3	53.2	(16,696)	(26.8)	
		Domestic private sector	59,415	48.4		51,983	53.0		(7,432)	(12.5)	
		Overseas	1,199	1.0		716	0.7		(483)	(40.3)	
		Subtotal	122,809	100		98,196	100		(24,612)	(20.0)	
Total		Domestic public sector	145,496	66.3	100	118,364	64.2	100	(27,131)	(18.6)	
		Domestic private sector	70,582	32.2		65,156	35.3		(5,425)	(7.7)	
		Overseas	3,308	1.5		915	0.5		(2,393)	(72.3)	
		Total	219,387	100		184,436	100		(34,951)	(15.9)	