

Consolidated Financial Statements
(For the First Quarter of FY2016)

Consolidated Balance Sheets

(Millions of yen)

	FY2015	Current First Quarter
	As of March 31, 2015	As of June 30, 2015
Assets		
Current assets:		
Cash and deposits	11,931	39,788
Notes receivable, accounts receivable from completed construction contracts and other	101,836	72,595
Securities	16,000	12,500
Real estate for sale	1,317	998
Costs on uncompleted construction contracts	4,961	5,163
Costs on real estate business	2,282	2,461
Work in process	383	1,104
Raw materials and supplies	110	103
Other	9,722	9,940
Allowance for doubtful accounts	(1,583)	(1,241)
Total current assets	146,963	143,414
Non-current assets:		
Property, plant and equipment:		
Land	28,757	29,167
Other, net	10,259	10,410
Total property, plant and equipment	39,017	39,577
Intangible assets	272	252
Investments and other assets:		
Investment securities	71,715	74,656
Net defined benefit asset	1,710	1,734
Other	3,169	3,111
Allowance for doubtful accounts	(2,545)	(2,545)
Total investments and other assets	74,048	76,956
Total non-current assets	113,338	116,786
Total assets	260,302	260,200

(Millions of yen)

	FY2015	Current First Quarter
	As of March 31, 2015	As of June 30, 2015
Liabilities		
Current liabilities:		
Notes payable, accounts payable for construction contracts and other	53,860	45,541
Short-term loans payable	13,657	9,170
Income taxes payable	515	172
Advances received on uncompleted construction contracts	6,916	14,760
Provision	3,636	1,900
Provision for loss on construction contracts	4,878	4,493
Asset retirement obligations	76	76
Other	15,685	20,172
Total current liabilities	99,226	96,287
Non-current liabilities:		
Long-term loans payable	5,181	5,181
Asset retirement obligations	70	71
Other	15,169	16,087
Total non-current liabilities	20,421	21,341
Total liabilities	119,647	117,629
Net assets		
Shareholders' equity:		
Capital stock	19,838	19,838
Capital surplus	25,327	25,328
Retained earnings	74,012	74,021
Treasury shares	(12,546)	(12,569)
Total shareholders' equity	106,632	106,619
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	31,868	33,878
Remeasurements of defined benefit plans	2,153	2,073
Total accumulated other comprehensive income	34,022	35,951
Total net assets	140,655	142,570
Total liabilities and net assets	260,302	260,200

Consolidated Statements of Income

(Three-month Period Ended June 30)

(Millions of yen)

	1Q / FY2015 April 1, 2014 through June 30, 2014	1Q / FY2016 April 1, 2015 through June 30, 2015
Net sales	44,810	42,080
Cost of sales	41,144	37,315
Gross profit	3,666	4,764
Selling, general and administrative expenses	3,286	3,313
Operating income	379	1,450
Non-operating income:		
Interest income	24	20
Dividend income	546	594
Reversal of allowance for doubtful accounts	475	342
Other	49	154
Total non-operating income	1,096	1,111
Non-operating expenses:		
Interest expenses	37	41
Other	19	16
Total non-operating expenses	57	58
Ordinary income	1,418	2,504
Extraordinary income:		
Gain on sales of non-current assets	0	1
Total extraordinary income	0	1
Extraordinary losses:		
Loss on valuation of investment securities	18	—
Loss on retirement of non-current assets	2	6
Other	0	—
Total extraordinary losses	21	6
Income before income taxes and minority interests	1,397	2,500
Income taxes - current	38	102
Income taxes - deferred	0	(4)
Total income taxes	38	98
Profit	1,358	2,401
Profit attributable to owners of parent	1,358	2,401

Consolidated Statements of Comprehensive Income

(Three-month Period Ended June 30)

(Millions of yen)

	1Q / FY2015 April 1, 2014 through June 30, 2014	1Q / FY2016 April 1, 2015 through June 30, 2015
Profit	1,358	2,401
Other comprehensive income:		
Valuation difference on available-for-sale securities	2,117	2,009
Remeasurements of defined benefit plans, net of tax	107	(80)
Total other comprehensive income	2,224	1,928
Comprehensive income	3,583	4,330
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	3,583	4,330
Comprehensive income attributable to non-controlling interests	—	—

Breakdown of Orders (Non-consolidated)

(Millions of yen)

			1Q / FY2015 April 1, 2014 through June 30, 2014			1Q / FY2016 April 1, 2015 through June 30, 2015			Change Increase (Decrease)	% Change Increase (Decrease)	
				%	%		%		%		
Construction orders awarded	Civil engineering	Domestic public sector	12,935	68.5	59.3	11,015	62.0	46.4	(1,919)	(14.8)	
		Domestic private sector	5,695	30.2		6,050	34.1		354	6.2	
		Overseas	241	1.3		688	3.9		446	184.9	
		Subtotal	18,873	100		17,754	100		(1,118)	(5.9)	
	Architectural construction	Domestic public sector	2,447	18.9	40.7	6,281	30.7	53.6	3,833	156.6	
		Domestic private sector	10,479	81.1		14,209	69.3		3,729	35.6	
		Overseas	—	—		—	—		—	—	
		Subtotal	12,927	100		20,490	100		7,562	58.5	
	Total	Domestic public sector	15,383	48.4	100	17,296	45.2	100	1,913	12.4	
		Domestic private sector	16,175	50.9		20,259	53.0		4,084	25.2	
		Overseas	241	0.7		688	1.8		446	184.9	
		Total	31,800	100		38,244	100		6,444	20.3	
Net sales	Projects completed	Civil engineering	Domestic public sector	13,795	75.3	[42.6]	13,597	77.8	[43.8]	(197)	(1.4)
			Domestic private sector	3,256	17.8	41.3	3,701	21.2	41.9	445	13.7
			Overseas	1,268	6.9		186	1.0		(1,081)	(85.3)
			Subtotal	18,320	100		17,485	100		(834)	(4.6)
	Architectural construction	Domestic public sector	10,248	41.4	[57.4]		8,452	37.7		[56.2]	(1,795)
		Domestic private sector	14,291	57.8	55.7	13,716	61.1	53.7	(575)	(4.0)	
		Overseas	187	0.8		260	1.2		73	39.5	
		Subtotal	24,727	100		22,430	100		(2,296)	(9.3)	
	Subtotal	Domestic public sector	24,043	55.8		[100]	22,050		55.2	[100]	(1,992)
		Domestic private sector	17,548	40.8	97.0	17,417	43.6	95.6	(130)	(0.7)	
		Overseas	1,455	3.4		447	1.2		(1,007)	(69.3)	
		Subtotal	43,047	100		39,915	100		(3,131)	(7.3)	
	Real estate business and other			1,333		3.0	1,846		4.4	512	38.4
	Total			44,380	100	41,761	100	(2,618)	(5.9)		
	Period-end backlog	Civil engineering	Domestic public sector	88,794	85.0	49.7	81,630	77.5	47.2	(7,164)	(8.1)
Domestic private sector			14,962	14.3	23,109		22.0	8,147		54.5	
Overseas			734	0.7	528		0.5	(206)		(28.1)	
Subtotal			104,491	100	105,268		100	776		0.7	
Architectural construction		Domestic public sector	57,099	53.9	50.3	56,772	48.2	52.8	(326)	(0.6)	
		Domestic private sector	47,834	45.2		60,696	51.5		12,861	26.9	
		Overseas	958	0.9		300	0.3		(658)	(68.7)	
		Subtotal	105,892	100		117,768	100		11,876	11.2	
Total		Domestic public sector	145,894	69.3	100	138,402	62.0	100	(7,491)	(5.1)	
		Domestic private sector	62,796	29.9		83,805	37.6		21,008	33.5	
		Overseas	1,693	0.8		828	0.4		(864)	(51.1)	
		Total	210,384	100		223,036	100		12,652	6.0	