

Consolidated Financial Statements
(For the First Quarter of FY2015)

Consolidated Balance Sheets

(Millions of yen)

	FY2014 As of March 31, 2014	Current First Quarter As of June 30, 2014
Assets		
Current assets:		
Cash and deposits	19,292	37,876
Notes receivable, accounts receivable from completed construction contracts and other	97,253	68,786
Securities	7,000	6,999
Real estate for sale	1,034	772
Costs on uncompleted construction contracts	7,718	9,037
Costs on real estate business	2,340	2,520
Work in process	630	1,095
Raw materials and supplies	131	131
Other	8,723	10,189
Allowance for doubtful accounts	(4,261)	(1,136)
Total current assets	139,864	136,274
Non-current assets:		
Property, plant and equipment:		
Land	27,669	27,669
Other, net	9,804	10,112
Total property, plant and equipment	37,473	37,782
Intangible assets	237	202
Investments and other assets:		
Investment securities	60,972	64,137
Net defined benefit asset	435	—
Other	3,447	6,068
Allowance for doubtful accounts	(2,768)	(5,417)
Total investments and other assets	62,087	64,787
Total non-current assets	99,799	102,772
Total assets	239,663	239,046

(Millions of yen)

	FY2014	Current First Quarter
	As of March 31, 2014	As of June 30, 2014
Liabilities		
Current liabilities:		
Notes payable, accounts payable for construction contracts and other	55,548	50,219
Short-term loans payable	7,524	9,103
Income taxes payable	291	83
Advances received on uncompleted construction contracts	10,610	10,393
Provision	2,927	1,378
Provision for loss on construction contracts	1,876	1,502
Asset retirement obligations	73	73
Other	14,393	17,846
Total current liabilities	93,244	90,601
Non-current liabilities:		
Long-term loans payable	5,208	5,194
Net defined benefit liability	—	540
Asset retirement obligations	51	78
Other	12,365	13,264
Total non-current liabilities	17,626	19,077
Total liabilities	110,871	109,678
Net assets		
Shareholders' equity:		
Capital stock	19,838	19,838
Capital surplus	25,326	25,326
Retained earnings	72,094	70,448
Treasury shares	(12,390)	(12,394)
Total shareholders' equity	104,869	103,219
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	22,753	24,870
Remeasurements of defined benefit plans	1,169	1,277
Total accumulated other comprehensive income	23,923	26,148
Total net assets	128,792	129,367
Total liabilities and net assets	239,663	239,046

Consolidated Statements of Income

(Three-month Period Ended June 30)

(Millions of yen)

	1Q / FY2014 April 1, 2013 through June 30, 2013	1Q / FY2015 April 1, 2014 through June 30, 2014
Net sales	36,096	44,810
Cost of sales	33,668	41,144
Gross profit	2,427	3,666
Selling, general and administrative expenses	3,342	3,286
Operating income (loss)	(915)	379
Non-operating income:		
Interest income	22	24
Dividend income	504	546
Reversal of allowance for doubtful accounts	236	475
Other	223	49
Total non-operating income	987	1,096
Non-operating expenses:		
Interest expenses	42	37
Other	3	19
Total non-operating expenses	45	57
Ordinary income	26	1,418
Extraordinary income:		
Gain on sales of non-current assets	—	0
Total extraordinary income	—	0
Extraordinary losses:		
Loss on valuation of investment securities	—	18
Other	0	2
Total extraordinary losses	0	21
Income before income taxes and minority interests	25	1,397
Income taxes - current	29	38
Income taxes - deferred	(5)	0
Total income taxes	24	38
Income before minority interests	1	1,358
Net income	1	1,358

Consolidated Statements of Comprehensive Income

(Three-month Period Ended June 30)

(Millions of yen)

	1Q / FY2014 April 1, 2013 through June 30, 2013	1Q / FY2015 April 1, 2014 through June 30, 2014
Income before minority interests	1	1,358
Other comprehensive income:		
Valuation difference on available-for-sale securities	2,434	2,117
Remeasurements of defined benefit plans, net of tax	—	107
Total other comprehensive income	2,434	2,224
Comprehensive income	2,436	3,583
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	2,436	3,583
Comprehensive income attributable to minority interests	—	—

Breakdown of Orders (Non-consolidated)

(Millions of yen)

			1Q / FY2014 April 1, 2013 through June 30, 2013			1Q / FY2015 April 1, 2014 through June 30, 2014			Change Increase (Decrease)	% Change Increase (Decrease)	
				%	%		%	%	%		
Construction orders awarded	Civil engineering	Domestic public sector	10,343	83.4	31.0	12,935	68.5	59.3	2,592	25.1	
		Domestic private sector	2,024	16.3		5,695	30.2		3,670	181.3	
		Overseas	37	0.3		241	1.3		203	539.7	
		Subtotal	12,406	100		18,873	100		6,466	52.1	
	Architectural construction	Domestic public sector	4,639	16.8	69.0	2,447	18.9	40.7	(2,191)	(47.2)	
		Domestic private sector	22,933	83.2		10,479	81.1		(12,454)	(54.3)	
		Overseas	—	—		—	—		—	—	
		Subtotal	27,573	100		12,927	100		(14,645)	(53.1)	
	Total	Domestic public sector	14,982	37.5	100	15,383	48.4	100	400	2.7	
		Domestic private sector	24,958	62.4		16,175	50.9		(8,783)	(35.2)	
		Overseas	37	0.1		241	0.7		203	539.7	
		Total	39,979	100		31,800	100		(8,178)	(20.5)	
Net sales	Projects completed	Civil engineering	Domestic public sector	10,211	75.9	[38.6]	13,795	75.3	[42.6]	3,583	35.1
			Domestic private sector	2,793	20.7	37.4	3,256	17.8	41.3	462	16.6
			Overseas	456	3.4		1,268	6.9		811	177.5
			Subtotal	13,462	100		18,320	100		4,857	36.1
	Architectural construction	Domestic public sector	4,464	20.8	[61.4]		10,248	41.4		[57.4]	5,783
		Domestic private sector	16,871	78.8	59.6	14,291	57.8	55.7	(2,579)	(15.3)	
		Overseas	91	0.4		187	0.8		95	103.6	
		Subtotal	21,427	100		24,727	100		3,299	15.4	
	Subtotal	Domestic public sector	14,676	42.1		[100]	24,043		55.8	[100]	9,367
		Domestic private sector	19,664	56.3	97.0	17,548	40.8	97.0	(2,116)	(10.8)	
		Overseas	548	1.6		1,455	3.4		906	165.2	
		Subtotal	34,889	100		43,047	100		8,157	23.4	
	Real estate business and other			1,074		3.0			1,333	3.0	
	Total			35,964	100		44,380	100		8,416	23.4
	Period-end backlog	Civil engineering	Domestic public sector	56,897	78.7	37.9	88,794	85.0	49.7	31,897	56.1
Domestic private sector			12,514	17.3	14,962		14.3	2,447		19.6	
Overseas			2,926	4.0	734		0.7	(2,191)		(74.9)	
Subtotal			72,338	100	104,491		100	32,153		44.4	
Architectural construction		Domestic public sector	51,049	43.1	62.1	57,099	53.9	50.3	6,050	11.9	
		Domestic private sector	66,094	55.8		47,834	45.2		(18,259)	(27.6)	
		Overseas	1,309	1.1		958	0.9		(351)	(26.8)	
		Subtotal	118,452	100		105,892	100		(12,560)	(10.6)	
Total		Domestic public sector	107,946	56.6	100	145,894	69.3	100	37,947	35.2	
		Domestic private sector	78,608	41.2		62,796	29.9		(15,811)	(20.1)	
		Overseas	4,236	2.2		1,693	0.8		(2,542)	(60.0)	
		Total	190,791	100		210,384	100		19,593	10.3	