

Consolidated Financial Statements
(For the First Quarter of FY2014)

Consolidated Balance Sheets

(Millions of yen)

| | FY2013 | Current First Quarter |
|---|----------------------|-----------------------|
| | As of March 31, 2013 | As of June 30, 2013 |
| Assets | | |
| Current assets: | | |
| Cash and deposits | 13,448 | 46,472 |
| Notes receivable, accounts receivable from completed construction contracts and other | 98,240 | 66,778 |
| Securities | 15,000 | 8,500 |
| Real estate for sale | 678 | 667 |
| Costs on uncompleted construction contracts | 8,484 | 10,782 |
| Costs on real estate business | 2,785 | 2,761 |
| Work in process | 349 | 813 |
| Raw materials and supplies | 159 | 153 |
| Other | 6,942 | 7,020 |
| Allowance for doubtful accounts | (4,393) | (4,171) |
| Total current assets | 141,696 | 139,777 |
| Noncurrent assets: | | |
| Property, plant and equipment: | | |
| Land | 26,362 | 27,158 |
| Other, net | 9,477 | 9,890 |
| Total property, plant and equipment | 35,839 | 37,048 |
| Intangible assets | 284 | 268 |
| Investments and other assets: | | |
| Investment securities | 55,591 | 59,120 |
| Other | 3,529 | 3,503 |
| Allowance for doubtful accounts | (2,907) | (2,892) |
| Total investments and other assets | 56,213 | 59,731 |
| Total noncurrent assets | 92,337 | 97,049 |
| Total assets | 234,033 | 236,826 |

(Millions of yen)

| | FY2013 | Current First Quarter |
|--|----------------------|------------------------------|
| | As of March 31, 2013 | As of June 30, 2013 |
| Liabilities | | |
| Current liabilities: | | |
| Notes payable, accounts payable for construction contracts and other | 47,488 | 42,045 |
| Short-term loans payable | 16,416 | 8,481 |
| Income taxes payable | 226 | 64 |
| Advances received on uncompleted construction contracts | 9,145 | 20,323 |
| Provision | 2,395 | 984 |
| Provision for loss on construction contracts | 1,856 | 1,483 |
| Asset retirement obligations | 74 | 74 |
| Other | 17,819 | 23,331 |
| Total current liabilities | 95,423 | 96,789 |
| Noncurrent liabilities: | | |
| Long-term loans payable | 4,128 | 4,128 |
| Provision for retirement benefits | 2,023 | 1,736 |
| Asset retirement obligations | 51 | 53 |
| Other | 10,483 | 11,560 |
| Total noncurrent liabilities | 16,686 | 17,478 |
| Total liabilities | 112,110 | 114,267 |
| Net assets | | |
| Shareholders' equity: | | |
| Capital stock | 19,838 | 19,838 |
| Capital surplus | 25,326 | 25,326 |
| Retained earnings | 70,136 | 68,340 |
| Treasury stock | (12,365) | (12,369) |
| Total shareholders' equity | 102,936 | 101,136 |
| Accumulated other comprehensive income: | | |
| Valuation difference on available-for-sale securities | 18,987 | 21,422 |
| Total accumulated other comprehensive income | 18,987 | 21,422 |
| Total net assets | 121,923 | 122,558 |
| Total liabilities and net assets | 234,033 | 236,826 |

Consolidated Statements of Income

(Three-month Period Ended June 30)

(Millions of yen)

| | 1Q / FY2013 April 1, 2012 through June 30, 2012 | 1Q / FY2014 April 1, 2013 through June 30, 2013 |
|---|---|---|
| Net sales | 40,034 | 36,096 |
| Cost of sales | 37,164 | 33,668 |
| Gross profit | 2,869 | 2,427 |
| Selling, general and administrative expenses | 3,194 | 3,342 |
| Operating income (loss) | (324) | (915) |
| Non-operating income: | | |
| Interest income | 37 | 22 |
| Dividends income | 625 | 504 |
| Amortization of negative goodwill | 70 | — |
| Reversal of allowance for doubtful accounts | 564 | 236 |
| Other | 42 | 223 |
| Total non-operating income | 1,340 | 987 |
| Non-operating expenses: | | |
| Interest expenses | 43 | 42 |
| Foreign exchange losses | 198 | — |
| Other | 7 | 3 |
| Total non-operating expenses | 248 | 45 |
| Ordinary income (loss) | 767 | 26 |
| Extraordinary income: | | |
| Gain on sales of noncurrent assets | 0 | — |
| Total extraordinary income | 0 | — |
| Extraordinary loss: | | |
| Loss on retirement of noncurrent assets | 0 | 0 |
| Loss on valuation of investment securities | 223 | — |
| Loss on valuation of stocks of subsidiaries and affiliates | 103 | — |
| Total extraordinary losses | 327 | 0 |
| Income (loss) before income taxes and minority interests | 439 | 25 |
| Income taxes-current | 39 | 29 |
| Income taxes-deferred | 9 | (5) |
| Total income taxes | 48 | 24 |
| Income (loss) before minority interests | 391 | 1 |
| Net income (loss) | 391 | 1 |

Consolidated Statements of Comprehensive Income

(Three-month Period Ended June 30)

(Millions of yen)

| | 1Q / FY2013 April 1, 2012 through June 30, 2012 | 1Q / FY2014 April 1, 2013 through June 30, 2013 |
|---|---|---|
| Income (loss) before minority interests | 391 | 1 |
| Other comprehensive income: | | |
| Valuation difference on available-for-sale securities | (1,523) | 2,434 |
| Total other comprehensive income | (1,523) | 2,434 |
| Comprehensive income | (1,131) | 2,436 |
| Comprehensive income attributable to: | | |
| Comprehensive income attributable to owners of the parent | (1,131) | 2,436 |
| Comprehensive income attributable to minority interests | — | — |

Breakdown of Orders (Non-consolidated)

(Millions of yen)

| | | | 1Q / FY2013 April 1, 2012 through June 30, 2012 | | | 1Q / FY2014 April 1, 2013 through June 30, 2013 | | | Change Increase (Decrease) | % Change Increase (Decrease) | |
|-----------------------------|--------------------------------|----------------------------|---|--------|--------|---|--------|---------|----------------------------------|------------------------------------|---------|
| | | | | % | % | | % | | % | | |
| Construction orders awarded | Civil engineering | Domestic public sector | 5,558 | 70.1 | 40.0 | 10,343 | 83.4 | 31.0 | 4,784 | 86.1 | |
| | | Domestic private sector | 2,294 | 28.9 | | 2,024 | 16.3 | | (269) | (11.7) | |
| | | Overseas | 79 | 1.0 | | 37 | 0.3 | | (41) | (52.2) | |
| | | Subtotal | 7,931 | 100 | | 12,406 | 100 | | 4,474 | 56.4 | |
| | Architectural construction | Domestic public sector | 5,550 | 46.6 | 60.0 | 4,639 | 16.8 | 69.0 | (910) | (16.4) | |
| | | Domestic private sector | 6,361 | 53.4 | | 22,933 | 83.2 | | 16,572 | 260.5 | |
| | | Overseas | — | — | | — | — | | — | — | |
| | | Subtotal | 11,911 | 100 | | 27,573 | 100 | | 15,662 | 131.5 | |
| | Total | Domestic public sector | 11,108 | 56.0 | 100 | 14,982 | 37.5 | 100 | 3,874 | 34.9 | |
| | | Domestic private sector | 8,655 | 43.6 | | 24,958 | 62.4 | | 16,303 | 188.4 | |
| | | Overseas | 79 | 0.4 | | 37 | 0.1 | | (41) | (52.2) | |
| | | Total | 19,842 | 100 | | 39,979 | 100 | | 20,136 | 101.5 | |
| Net sales | Projects completed | Civil engineering | Domestic public sector | 9,466 | 69.8 | [37.4] | 10,211 | 75.9 | [38.6] | 745 | 7.9 |
| | | | Domestic private sector | 3,556 | 26.2 | 34.6 | 2,793 | 20.7 | 37.4 | (762) | (21.4) |
| | | | Overseas | 541 | 4.0 | | 456 | 3.4 | | (84) | (15.7) |
| | | | Subtotal | 13,564 | 100 | | 13,462 | 100 | | (102) | (0.8) |
| | | Architectural construction | Domestic public sector | 4,641 | 20.5 | | [62.6] | 4,464 | | 20.8 | [61.4] |
| | | | Domestic private sector | 18,032 | 79.5 | 57.8 | 16,871 | 78.8 | 59.6 | (1,161) | (6.4) |
| | | | Overseas | — | — | | 91 | 0.4 | | 91 | — |
| | | | Subtotal | 22,674 | 100 | | 21,427 | 100 | | (1,246) | (5.5) |
| | | Subtotal | Domestic public sector | 14,107 | 38.9 | | [100] | 14,676 | | 42.1 | [100] |
| | | | Domestic private sector | 21,588 | 59.6 | 92.4 | 19,664 | 56.3 | 97.0 | (1,924) | (8.9) |
| | | | Overseas | 541 | 1.5 | | 548 | 1.6 | | 6 | 1.3 |
| | | | Subtotal | 36,238 | 100 | | 34,889 | 100 | | (1,348) | (3.7) |
| | Real estate business and other | | 2,982 | 7.6 | | | 1,074 | 3.0 | | | (1,907) |
| | Total | | 39,220 | 100 | | 35,964 | 100 | | (3,256) | (8.3) | |
| | Period-end backlog | Civil engineering | Domestic public sector | 46,091 | 64.4 | 39.7 | 56,897 | 78.7 | 37.9 | 10,806 | 23.4 |
| Domestic private sector | | | 20,157 | 28.1 | 12,514 | | 17.3 | (7,643) | | (37.9) | |
| Overseas | | | 5,365 | 7.5 | 2,926 | | 4.0 | (2,439) | | (45.5) | |
| Subtotal | | | 71,614 | 100 | 72,338 | | 100 | 723 | | 1.0 | |
| Architectural construction | | Domestic public sector | 31,114 | 28.6 | 60.3 | 51,049 | 43.1 | 62.1 | 19,934 | 64.1 | |
| | | Domestic private sector | 77,514 | 71.4 | | 66,094 | 55.8 | | (11,420) | (14.7) | |
| | | Overseas | — | — | | 1,309 | 1.1 | | 1,309 | — | |
| | | Subtotal | 108,628 | 100 | | 118,452 | 100 | | 9,824 | 9.0 | |
| Total | | Domestic public sector | 77,205 | 42.8 | 100 | 107,946 | 56.6 | 100 | 30,740 | 39.8 | |
| | | Domestic private sector | 97,672 | 54.2 | | 78,608 | 41.2 | | (19,063) | (19.5) | |
| | | Overseas | 5,365 | 3.0 | | 4,236 | 2.2 | | (1,129) | (21.0) | |
| | | Total | 180,243 | 100 | | 190,791 | 100 | | 10,547 | 5.9 | |