

1. Operating performance

(1) Orders received (Non-consolidated) <Table 1> (billion Yen)

	FY2015 (Apr 1, 2015- Mar 31, 2016)		FY2016 (Apr 1, 2016- Mar 31, 2017)		Change	Rate of Change
		(%)		(%)		
Domestic-Public	76.3		89.6		13.3	17.6%
Domestic-Private	25.8		13.8		Δ12.0	Δ46.7%
Overseas	20.5		15.8		Δ4.7	Δ23.0%
Civil Engineering	122.6		119.2		Δ3.4	Δ2.8%
Domestic-Public	12.1		6.5		Δ5.6	Δ46.6%
Domestic-Private	208.2		201.5		Δ6.7	Δ3.2%
Overseas	9.1		3.4		Δ5.7	Δ63.2%
Building Construction	229.4		211.4		Δ18.0	Δ7.9%
Domestic-Public	88.4		96.1		7.7	8.8%
Domestic-Private	234.0		215.3		Δ18.7	Δ8.0%
Overseas	29.6		19.2		Δ10.4	Δ35.4%
Total	352.0		330.6		Δ21.4	Δ6.1%

[Reference] (billion Yen)

Initial budget *	
FY2016 Projection	Change
100.0	19.2
200.0	11.4
300.0	30.6

(Orders from Sumitomo and Mitsui group)	(128.3)	(116.1)	(Δ12.2)	(Δ9.5%)
< Overseas(Include Local corporation) >	(77.1)	(48.7)	(Δ28.4)	(Δ36.8%)

(70.0) (Δ21.3)
*announced on May 13, 2016

<Note 1>

Orders received decreased comparison with the previous fiscal year for both Civil engineering and Building construction. However, in Civil engineering, we received orders for large-scale public works, and in Building construction, we received a stable order from Sumitomo and Mitsui group companies, both of which exceeded our initial budget. Overseas orders received also decreased comparison with the previous fiscal year, but we will keep the policy of strengthening and expanding overseas business.

(2) Statements of Income

Consolidated <Table 2> (billion Yen)

	FY2015 (Apr 1, 2015- Mar 31, 2016)		FY2016 (Apr 1, 2016- Mar 31, 2017)		Change
		(%)		(%)	
Net sales	415.0	100.0%	403.9	100.0%	Δ11.1
Gross profit	39.8	9.6%	46.4	11.5%	6.6
Selling, general and administrative expenses	16.4	4.0%	18.5	4.6%	2.1
Operating income	23.4	5.6%	27.9	6.9%	4.5
Non-operating income(expenses), net	Δ1.6	Δ0.3%	Δ1.7	Δ0.4%	Δ0.1
Ordinary income	21.8	5.3%	26.2	6.5%	4.4
Extraordinary income(losses), net	Δ3.6	Δ0.9%	Δ0.8	Δ0.2%	2.8
Income taxes	7.5	1.8%	7.5	1.9%	0.0
Profit	10.7	2.6%	17.9	4.4%	7.2
Profit attributable to Non-controlling interests	0.8	0.2%	0.9	0.2%	0.1
Profit attributable to owners of parent	9.9	2.4%	17.0	4.2%	7.1

[Reference] (billion Yen)

Initial budget *	
FY2016 Projection	Change
416.0	Δ12.1
36.4	10.0
18.0	0.5
18.4	9.5
Δ1.8	0.1
16.6	9.6
Δ0.8	0.0
5.1	2.4
10.7	7.2
0.7	0.2
10.0	7.0

*announced on May 13, 2016

Non-consolidated <Table 3> (billion Yen)

	FY2015 (Apr 1, 2015- Mar 31, 2016)		FY2016 (Apr 1, 2016- Mar 31, 2017)		Change
		(%)		(%)	
Construction(Civil Engineering)	123.1	38.4%	119.7	39.1%	Δ3.4
Construction(Building Construction)	197.7	61.6%	186.0	60.9%	Δ11.7
Other	0.0	0.0%	0.0	0.0%	0.0
Net sales	320.8	100.0%	305.7	100.0%	Δ15.1
Construction(Civil Engineering)	15.9	12.9%	17.8	14.9%	1.9
Construction(Building Construction)	12.4	6.3%	19.2	10.3%	6.8
Other	0.0	0.0%	0.0	0.0%	0.0
Gross profit	28.3	8.8%	37.0	12.1%	8.7
Selling, general and administrative expenses	11.6	3.6%	13.3	4.4%	1.7
Operating income	16.7	5.2%	23.7	7.7%	7.0
Non-operating income(expenses), net	Δ1.3	Δ0.4%	Δ0.1	Δ0.0%	1.2
Ordinary income	15.4	4.8%	23.6	7.7%	8.2
Extraordinary income(losses), net	Δ2.3	Δ0.7%	Δ1.1	Δ0.3%	1.2
Income taxes	5.1	1.6%	6.4	2.1%	1.3
Profit	8.0	2.5%	16.1	5.3%	8.1

[Reference] (billion Yen)

Initial budget *	
FY2016 Projection	Change
307.0	Δ1.3
12.6	5.2
13.1	6.1
0.0	0.0
25.7	11.3
12.8	0.5
12.9	10.8
Δ0.7	0.6
12.2	11.4
Δ0.2	Δ0.9
4.0	2.4
8.0	8.1

*announced on May 13, 2016

<Note 2>

Although Net sales decreased compared with the previous fiscal year, profit increased drastically compared with the previous fiscal year, mainly due to improvement in profit margin of construction work.

2. Financial standing

Balance Sheet (Consolidated) <Table 4> (billion Yen)

	As of			Change		As of		
	Mar 31, 2016	Mar 31, 2017	Change			Mar 31, 2016	Mar 31, 2017	Change
Cash and deposits	66.2	68.1	1.9	Notes payable, accounts payable for construction contracts and other	137.8	130.5	Δ7.3	
Notes receivable, accounts receivable from completed construction contracts and other	134.6	143.6	9.0	Short-term and Long-term loans payable	23.4	33.8	10.4	
Costs on uncompleted construction contracts and other	29.5	22.3	Δ7.2	Advances received on uncompleted construction contracts	31.9	24.3	Δ7.6	
Property, plant and equipment	24.6	24.3	Δ0.3	Other liabilities	52.4	50.3	Δ2.1	
Other investments	26.2	25.6	Δ0.6	Total liabilities	245.5	238.9	Δ6.6	
Allowance for doubtful accounts	Δ6.6	Δ6.9	Δ0.3	Capital stock	12.0	12.0	-	
Other assets	19.2	25.2	6.0	Other shareholders' equity and valuation and translation adjustments	30.1	45.0	14.9	
				Non-controlling interests	6.1	6.3	0.2	
Total assets	293.7	302.2	8.5	Total net assets	48.2	63.3	15.1	
				Capital-to-Asset ratio(Consolidated)	(14.3%)	(18.8%)		
				Capital-to-Asset ratio(Non-consolidated)	(12.5%)	(18.1%)		

<Note 3>

Consolidated Total assets as of this fiscal ending has become 302.2 billion yen, and increased 8.5 billion yen from the previous fiscal year ending. Net assets became 63.3 billion yen, Consolidated Capital-to-Asset ratio is 18.8% and Non-consolidated figure is 18.1%

3. Other information

(1) Cash flows (Consolidated) <Table 5> (billion Yen)

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at end of the year
FY2015	10.7	0.8	2.2	57.7
FY2016	Δ3.9	Δ1.6	7.8	59.8

(2) Interest-bearing debt <Table 6> (billion Yen)

	As of			Change
	Mar 31, 2016	Mar 31, 2017	Change	
Consolidated	23.4	33.8	10.4	
Non-consolidated	23.2	33.1	9.9	

(3) Number of Employees <Table 7> (persons)

	As of			Change
	Mar 31, 2016	Mar 31, 2017	Change	
Consolidated	4,238	4,444	206	
Non-consolidated	2,552	2,617	65	

4. Forecast of Operating performance

Consolidated <Table 8> (billion Yen)

	FY2016 Result (Apr 1, 2016- Mar 31, 2017)		FY2017 Projection (Apr 1, 2017- Mar 31, 2018)		Change
		(%)		(%)	
Net sales	403.9		427.0		23.1
Gross profit	(11.5%) 46.4		(9.7%) 41.5		Δ4.9
Operating income	(6.9%) 27.9		(5.1%) 21.6		Δ6.3
Ordinary income	(6.5%) 26.2		(4.6%) 19.7		Δ6.5
Profit attributable to owners of parent	(4.2%) 17.0		(3.3%) 14.0		Δ3.0

[Reference] (billion Yen)

FY2016 Half-year Result	FY2017 Half-year Projection		Change
		(%)	
183.4	197.0	13.6	
(11.8%) 21.6	(9.5%) 18.7	Δ2.9	
(7.1%) 13.1	(4.5%) 8.9	Δ4.2	
(6.5%) 11.9	(4.1%) 8.0	Δ3.9	
(4.4%) 8.1	(2.6%) 5.2	Δ2.9	

Non-consolidated <Table 9> (billion Yen)

	FY2016 Result (Apr 1, 2016- Mar 31, 2017)		FY2017 Projection (Apr 1, 2017- Mar 31, 2018)		Change
		(%)		(%)	
Construction(Civil Engineering)	119.2	39.1%	105.0	34.3%	Δ14.2
Construction(Building Construction)	211.4	65.9%	200.0	62.7%	Δ11.4
Orders received	330.6	100.0%	305.0	100.0%	Δ25.6
Construction(Civil Engineering)	119.7	36.8%	120.0	39.3%	0.3
Construction(Building Construction)	186.0	56.2%	200.0	66.0%	14.0
Net sales	305.7	100.0%	320.0	100.0%	14.3
Construction(Civil Engineering)	(14.9%) 17.8		(10.5%) 12.6		Δ5.2
Construction(Building Construction)	(10.3%) 19.2		(9.0%) 18.0		Δ1.2
Gross profit	(12.1%) 37.0		(9.6%) 30.6		Δ6.4
Operating income	(7.7%) 23.7		(5.0%) 16.0		Δ7.7
Ordinary income	(7.7%) 23.6		(4.9%) 15.6		Δ8.0
Profit	(5.3%) 16.1		(3.8%) 12.3		Δ3.8

[Reference] (billion Yen)

FY2016 Half-year Result	FY2017 Half-year Projection		Change
		(%)	
48.8	43.0	Δ5.8	
93.9	90.0	Δ3.9	
142.7	133.0	Δ9.7	
57.2	60.0	2.8	
89.1	92.0	2.9	
146.3	152.0	5.7	
(15.6%) 8.9	(9.6%) 5.7	Δ3.2	
(10.7%) 9.5	(9.2%) 8.5	Δ1.0	
(12.6%) 18.4	(9.3%) 14.2	Δ4.2	
(8.4%) 12.3	(4.6%) 7.0	Δ5.3	
(8.1%) 11.9	(4.5%) 6.9	Δ5.0	
(5.8%) 8.4	(3.2%) 4.8	Δ3.6	

Disclaimer

Projections contained herein are based on information available as at the date of this announcement, and are subject to risks and uncertainties that may cause the actual results to vary.