



3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2018  
(April 1, 2017 to March 31, 2018)

(% indicates change from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
Six months ending September 30, 2017	130,000	21.7	2,500	—	2,800	—	1,800	—	22.77
Full year ending March 31, 2018	310,000	9.4	12,500	24.2	13,000	22.7	8,000	24.3	101.22

(Note) Revision of financial results forecasts from recently announced figures: None

\* Notes:

- (1) Significant changes in subsidiaries during the period under review: None
- (2) Application of specific accounting practices for preparing consolidated quarterly financial statements: Yes
- (3) Changes in accounting principles and changes or restatements of accounting estimates:
  - 1) Changes in accounting principles due to revision of accounting standards: None
  - 2) Changes in accounting principles other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Restatements: None
- (4) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury stock):

June 30, 2017	85,381,866 shares	March 31, 2017	85,381,866 shares
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2) Total number of treasury stock at the end of the period

June 30, 2017	6,344,476 shares	March 31, 2017	6,343,431 shares
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3) Average number of shares outstanding during the period

June 30, 2017	79,037,966 shares	June 30, 2016	81,329,959 shares
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\* Implementation status of quarterly review processes

- This quarterly summary of consolidated financial results is not subject to the quarterly review procedures stipulated under the Financial Instruments and Exchange Act.

\* Explanation regarding the appropriate use of performance forecasts, and other items warranting special mention

- The performance forecasts and other forward-looking statements in this report are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Accordingly, actual performance may differ materially depending on various factors.

Consolidated Quarterly Financial Statements

(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	Fiscal Year Ended March 31, 2017	Three Months Ended June 30, 2017
<b>Assets</b>		
Current assets		
Cash and deposits	34,550	43,776
Notes receivable, accounts receivable from completed construction contracts and other	91,623	57,447
Securities	—	3,399
Costs on uncompleted construction contracts and other	17,607	25,547
Deferred tax assets	2,671	2,670
Other	4,915	6,205
Allowance for doubtful accounts	(45)	(7)
Total current assets	151,323	139,039
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,835	10,728
Land	18,643	18,560
Construction in progress	2,387	2,750
Other, net	2,743	2,744
Total property, plant and equipment	34,609	34,784
Intangible assets		
Goodwill	3,137	3,037
Customer related assets	2,289	2,249
Software	1,454	1,318
Other	82	76
Total intangible assets	6,963	6,681
Investments and other assets		
Investment securities	20,865	21,740
Net defined benefit asset	746	768
Deferred tax assets	731	731
Lease and guarantee deposits	1,272	1,258
Other	1,664	1,598
Allowance for doubtful accounts	(122)	(152)
Total investments and other assets	25,157	25,944
Total non-current assets	66,730	67,410
Total assets	218,053	206,450

(Millions of yen)

	Fiscal Year Ended March 31, 2017	Three Months Ended June 30, 2017
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	40,772	29,866
Short-term loans payable	710	239
Income taxes payable	1,023	660
Advances received on uncompleted construction contracts	3,774	5,122
Provision for loss on construction contracts	800	779
Provision for bonuses	4,228	2,764
Provision for directors' bonuses	70	36
Provision for warranties for completed construction	4	5
Other	7,727	7,852
Total current liabilities	59,112	47,327
Non-current liabilities		
Convertible bond-type bonds with subscription rights to shares	16,577	16,572
Long-term accounts payable - other	607	455
Deferred tax liabilities	3,556	3,875
Deferred tax liabilities for land revaluation	41	41
Provision for directors' retirement benefits	70	65
Provision for share-based compensation	52	73
Net defined benefit liability	8,444	8,429
Asset retirement obligations	76	76
Other	677	716
Total non-current liabilities	30,104	30,307
Total liabilities	89,216	77,634
Net assets		
Shareholders' equity		
Capital stock	7,000	7,000
Capital surplus	26,043	26,043
Retained earnings	92,679	92,040
Treasury shares	(5,299)	(5,300)
Total shareholders' equity	120,423	119,783
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,161	4,883
Revaluation reserve for land	(98)	(98)
Foreign currency translation adjustment	(409)	(508)
Remeasurements of defined benefit plans	56	74
Total accumulated other comprehensive income	3,709	4,351
Non-controlling interests	4,704	4,680
Total net assets	128,837	128,816
Total liabilities and net assets	218,053	206,450

(2) Consolidated Quarterly Statements of Income and Comprehensive Income  
Three Months Ended June 30, 2017

(Millions of yen)

	Three Months Ended June 30, 2016	Three Months Ended June 30, 2017
Net sales of completed construction contracts	46,686	60,064
Cost of sales of completed construction contracts	42,867	53,098
Gross profit on completed construction contracts	3,819	6,966
Selling, general and administrative expenses	5,360	5,999
Operating profit (loss)	(1,541)	966
Non-operating income		
Interest income	6	21
Dividend income	235	262
Foreign exchange gains	—	7
Insurance premiums refunded cancellation	5	39
Share of profit of entities accounted for using equity method	11	87
Other	41	66
Total non-operating income	300	485
Non-operating expenses		
Interest expenses	8	7
Foreign exchange losses	271	—
Other	17	21
Total non-operating expenses	297	28
Ordinary profit (loss)	(1,538)	1,423
Extraordinary income		
Other	0	1
Total extraordinary income	0	1
Extraordinary losses		
Loss on sales of non-current assets	0	50
Loss on retirement of non-current assets	5	2
Loss on sales of investment securities	—	13
Loss on valuation of investment securities	31	—
Office transfer expenses	43	—
Other	18	20
Total extraordinary losses	100	86
Profit (loss) before income taxes	(1,637)	1,338
Income taxes	(250)	729
Profit (loss)	(1,387)	609
Profit attributable to		
Profit (loss) attributable to owners of parent	(1,336)	564
Profit (loss) attributable to non-controlling interests	(50)	45

(Millions of yen)

	Three Months Ended June 30, 2016	Three Months Ended June 30, 2017
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	(50)	724
Deferred gains or losses on hedges	(65)	—
Foreign currency translation adjustment	206	(80)
Remeasurements of defined benefit plans, net of tax	(10)	18
Share of other comprehensive income of entities accounted for using equity method	(10)	(16)
<b>Total other comprehensive income</b>	<b>68</b>	<b>646</b>
<b>Comprehensive income</b>	<b>(1,318)</b>	<b>1,255</b>
<b>Comprehensive income attributable to</b>		
Comprehensive income attributable to owners of parent	(1,265)	1,206
Comprehensive income attributable to non-controlling interests	(52)	49