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1 Trends in Key Management Indicators

(1) [Consolidated] Key Management Indicators

	(Unit)	2014	2015	2016	2017	2018
Net sales	(Millions of yen)	371,216	369,702	379,258	407,994	377,020
Operating profit	(Millions of yen)	12,077	18,518	25,456	37,018	35,714
Ordinary profit (loss)	(Millions of yen)	11,258	18,120	23,301	36,239	34,767
Profit (loss) attributable to owners of parent	(Millions of yen)	16,414	7,240	14,983	26,277	23,862
Total assets	(Millions of yen)	260,646	269,720	300,368	318,387	329,780
Net assets	(Millions of yen)	54,381	64,622	76,978	100,744	122,400
Interest-bearing debt	(Millions of yen)	39,419	33,687	41,375	41,234	39,923
Capital expenditure	(Millions of yen)	1,266	784	2,690	3,068	2,531
Depreciation	(Millions of yen)	1,212	1,081	1,073	1,198	1,799
Current ratio	(%)	131.5	141.4	152.8	159.3	168.4
Equity ratio	(%)	20.6	23.7	25.4	31.4	36.9
Return on assets (ROA)	(%)	5.6	6.8	8.2	11.7	10.7
Return on equity (ROE)	(%)	37.7	12.3	21.4	29.9	21.5
Debt/Equity (D/E) ratio	(Times)	0.7	0.5	0.5	0.4	0.3
Price earnings ratio	(Times)	4.01	17.54	6.76	5.26	6.21
Net assets per share	(Yen)	290.96	345.56	411.76	541.43	651.77
Basic earnings (loss) per share	(Yen)	96.47	39.17	81.03	142.30	128.97
Diluted earnings per share	(Yen)	88.59	39.12	80.96	131.60	119.41

(2) [Non-consolidated] Key Management Indicators

	(Unit)	2014	2015	2016	2017	2018
Net sales	(Millions of yen)	349,779	351,393	360,510	382,553	349,944
Operating profit (loss)	(Millions of yen)	10,578	17,105	23,793	35,387	34,266
Ordinary profit (loss)	(Millions of yen)	9,964	16,932	21,987	35,007	33,842
Profit (loss)	(Millions of yen)	15,850	6,566	14,468	25,588	23,419
Total assets	(Millions of yen)	247,982	255,532	285,539	302,820	313,368
Net assets	(Millions of yen)	50,913	59,067	71,420	93,902	115,500
Capital stock	(Millions of yen)	12,000	12,000	12,000	12,000	12,651
Number of common shares issued	(Thousands of shares)	185,209	185,209	185,209	185,209	187,160
Treasury shares	(Millions of yen)	95	68	56	303	295
Interest-bearing debt	(Millions of yen)	38,263	32,617	40,390	40,335	39,109
Research and development expenses	(Millions of yen)	1,926	1,829	2,177	2,732	3,611
Current ratio	(%)	128.6	138.1	149.6	155.8	165.4
Equity ratio	(%)	20.5	23.1	25.0	31.0	36.9
Return on assets (ROA)	(%)	5.2	6.7	8.1	11.9	11
Return on equity (ROE)	(%)	40.4	11.9	22.2	31.0	22.4
Debt/Equity (D/E) ratio	(Times)	0.8	0.6	0.6	0.4	0.3
Price earnings ratio	(Times)	4.15	19.34	7.00	5.41	6.33
Net assets per share	(Yen)	275.48	319.40	386.11	508.84	619.27
Basic earnings (loss) per share	(Yen)	93.16	35.52	78.24	138.56	126.57
Diluted earnings per share	(Yen)	88.55	35.48	78.18	128.15	117.19

2 Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: millions of yen)

	2014	2015	2016	2017	2018
(ASSETS)					
Current assets					
Cash and deposits	70,773	79,660	100,617	88,699	110,768
Notes receivable, accounts receivable from completed construction contracts and other	111,297	108,987	102,692	122,933	105,434
Securities	0	0	15,999	19,999	29,999
Costs on uncompleted construction contracts	5,191	6,527	6,280	4,800	5,320
Other inventories	4,727	4,390	5,565	5,404	3,932
Deferred tax assets	4,094	1,695	2,105	3,591	3,135
Other	9,938	14,613	12,252	17,448	14,694
Allowance for doubtful accounts	(55)	(10)	(10)	(12)	(12)
Total current assets	205,969	215,864	245,502	262,864	273,272
Non-current assets					
Property, plant and equipment					
Buildings and structures	18,155	17,486	17,814	19,146	20,424
Machinery, vehicles, tools, furniture and fixtures	8,305	8,437	8,822	9,089	10,193
Land	19,575	18,898	17,933	16,309	15,212
Other	594	300	857	1,185	302
Accumulated depreciation	(17,920)	(17,994)	(18,525)	(19,222)	(19,512)
Total property, plant and equipment	28,710	27,128	26,902	26,508	26,619
Intangible assets	1,202	1,314	1,900	2,440	2,166
Investments and other assets					
Investment securities	15,558	20,463	20,734	20,537	21,807
Long-term loans receivable	744	638	558	500	458
Deferred tax assets	3,836	1,502	2,040	2,195	2,095
Other	4,881	4,819	4,976	3,364	3,382
Allowance for doubtful accounts	(255)	(2,010)	(2,246)	(23)	(21)
Total investments and other assets	24,764	25,413	26,063	26,574	27,721
Total non-current assets	54,677	53,855	54,865	55,522	56,507
Total assets	260,646	269,720	300,368	318,387	329,780

(Unit: millions of yen)

	2014	2015	2016	2017	2018
(LIABILITIES)					
Current liabilities					
Notes payable, accounts payable for construction contracts and other	100,169	96,747	100,728	102,504	88,461
Short-term loans payable	26,302	19,751	17,323	21,825	21,879
Current portion of bonds	326	351	451	391	362
Current portion of convertible bond-type bonds with share acquisition rights	—	—	—	—	8,714
Income taxes payable	—	3,855	5,996	7,464	4,715
Advances received on uncompleted construction contracts	25,758	30,667	30,354	23,953	25,404
Provision for warranties for completed construction	1,304	1,765	2,472	3,624	2,262
Provision for bonuses	1,015	1,864	2,308	2,318	2,635
Provision for loss on construction contracts	3,052	4,408	3,622	606	351
Other	20,514	19,266	23,647	23,221	29,753
Total current liabilities	178,443	178,677	186,903	185,909	184,541
Non-current liabilities					
Bonds payable	846	832	831	440	569
Convertible bond-type bonds with share acquisition rights	—	—	10,050	10,033	—
Long-term loans payable	11,945	12,752	12,719	8,543	8,397
Deferred tax liabilities	73	72	55	56	53
Net defined benefit liability	13,943	11,949	12,181	11,918	12,497
Provision for environmental measures	321	295	155	153	152
Provision for management board incentive plan trust	—	—	—	78	139
Other	691	517	492	509	1,029
Total non-current liabilities	27,821	26,419	36,486	31,733	22,839
Total liabilities	206,264	205,097	223,390	217,642	207,380
(NET ASSETS)					
Shareholders' equity					
Capital stock	12,000	12,000	12,000	12,000	12,651
Capital surplus	15,010	15,001	14,994	14,993	15,643
Retained earnings	27,603	33,365	46,500	69,838	89,828
Treasury shares	(95)	(68)	(56)	(303)	(295)
Total shareholders' equity	54,519	60,299	73,439	96,528	117,827
Accumulated other comprehensive income					
Valuation difference on available-for-sale securities	954	4,016	3,749	3,852	4,607
Deferred gains or losses on hedges	2	(6)	(17)	(11)	(19)
Foreign currency translation adjustment	130	270	170	145	134
Remeasurements of defined benefit plans	(1,855)	(691)	(1,187)	(608)	(996)
Total accumulated other comprehensive income	(768)	3,588	2,714	3,377	3,726
Share acquisition rights	21	15	10	10	8
Non-controlling interests	608	718	813	828	837
Total net assets	54,381	64,622	76,978	100,744	122,400
Total liabilities and net assets	260,646	269,720	300,368	318,387	329,780

(2) Consolidated Statements of Income

(Unit: millions of yen)

	2014	2015	2016	2017	2018
Net sales					
Net sales of completed construction contracts	357,474	355,068	360,869	378,982	348,878
Sales on other business	13,742	14,634	18,388	29,011	28,141
Total net sales	371,216	369,702	379,258	407,994	377,020
Cost of sales					
Cost of sales of completed construction contracts	331,364	321,465	318,367	322,617	294,147
Cost of sales on other business	11,445	12,225	16,156	26,218	25,518
Total cost of sales	342,810	333,691	334,523	348,836	319,665
Gross profit					
Gross profit on completed construction contracts	26,109	33,602	42,501	56,365	54,731
Gross profit - other business	2,296	2,408	2,232	2,793	2,623
Total gross profit	28,406	36,011	44,734	59,158	57,354
Selling, general and administrative expenses	16,328	17,493	19,277	22,140	21,640
Operating profit	12,077	18,518	25,456	37,018	35,714
Non-operating income					
Interest income	69	73	104	171	130
Dividend income	252	212	243	272	300
Foreign exchange gains	429	658	—	—	—
Reversal of allowance for doubtful accounts	—	—	—	207	—
Other	228	171	240	178	120
Total non-operating income	979	1,116	589	829	551
Non-operating expenses					
Interest expenses	980	884	754	343	501
Commission fee	198	159	—	—	174
Partners' share of profit from overseas business	291	215	—	—	—
Foreign exchange losses	—	—	1,240	796	288
Provision of allowance for doubtful accounts	—	0	278	—	—
Other	328	254	470	468	534
Total non-operating expenses	1,798	1,513	2,744	1,608	1,498
Ordinary profit	11,258	18,120	23,301	36,239	34,767
Extraordinary income					
Gain on sales of non-current assets	—	18	287	143	82
Gain on bargain purchase	10,089	—	—	—	—
Gain on sales of investment securities	—	—	116	81	155
Other	22	3	5	—	—
Total extraordinary income	10,112	21	409	224	238
Extraordinary losses					
Impairment loss	71	—	431	1,097	752
Loss on sales of non-current assets	262	489	—	—	47
Loss on retirement of non-current assets	—	319	—	—	—
Loss on valuation of investment securities	69	—	—	—	—
Provision of allowance for doubtful accounts	—	1,750	—	—	—
Loss on litigation	—	—	—	—	53
Merger expenses	149	—	—	—	—
Loss on liquidation of overseas subsidiaries	—	—	226	—	—
Other	66	65	415	113	—
Total extraordinary losses	620	2,623	1,072	1,210	853
Profit before income taxes	20,750	15,518	22,638	35,253	34,152
Income taxes - current	3,439	5,471	8,213	10,916	9,769
Income taxes - deferred	851	2,783	(568)	(1,974)	508
Total income taxes	4,291	8,255	7,644	8,941	10,278
Profit	16,459	7,262	14,993	26,311	23,874
Profit attributable to non-controlling interests	45	22	9	33	12
Profit attributable to owners of parent	16,414	7,240	14,983	26,277	23,862

(3) Consolidated Statement of Cash Flows

(Unit: millions of yen)

	2014	2015	2016	2017	2018
Cash flows from operating activities					
Profit before income taxes	20,750	15,518	22,638	35,253	34,152
Depreciation	1,212	1,081	1,073	1,198	1,799
Impairment loss	71	—	431	1,097	752
Gain on bargain purchase	(10,089)	—	—	—	—
Increase (decrease) in allowance for doubtful accounts	(1,120)	1,710	234	(2,220)	(1)
Increase (decrease) in provision for warranties for completed construction	—	—	707	1,151	(1,361)
Increase (decrease) in provision for loss on construction contracts	—	—	(786)	(3,016)	(254)
Increase (decrease) in provision for retirement benefits	(14,477)	—	—	—	—
Increase (decrease) in net defined benefit liability	13,943	(2,000)	235	(178)	576
Decrease (increase) in prepaid pension costs	3,165	—	—	—	—
Interest and dividend income	(321)	(286)	(348)	(444)	(430)
Interest expenses	980	884	754	343	501
Foreign exchange losses (gains)	(218)	(1,254)	1,149	353	65
Loss (gain) on sales of investment securities	—	—	—	—	(155)
Loss (gain) on valuation of investment securities	69	0	335	0	—
Loss (gain) on sales of property, plant and equipment	248	471	(268)	(126)	(35)
Increase (decrease) in provision for merger expenses	(1,111)	—	—	—	—
Decrease (increase) in notes and accounts receivable - trade	2,475	2,386	6,335	(20,186)	17,497
Decrease (increase) in costs on uncompleted construction contracts	3,194	(1,336)	247	1,480	(520)
Decrease (increase) in other inventories	2,274	337	(1,174)	168	1,471
Decrease (increase) in advance paid	(2,185)	(160)	(2,216)	(2,892)	4,085
Increase (decrease) in notes and accounts payable - trade	(11,053)	(3,575)	4,076	1,753	(14,055)
Increase (decrease) in advances received on uncompleted construction contracts	1,729	4,907	(313)	(6,405)	1,454
Increase (decrease) in deposits received	(213)	2,244	1,248	808	(2,631)
Increase (decrease) in accrued consumption taxes	2,641	(2,844)	1,234	(1,416)	8,448
Other, net	(1,525)	2,690	5,559	1,663	(928)
Subtotal	10,440	20,774	41,154	8,386	50,430
Interest and dividend income received	257	271	328	411	414
Interest expenses paid	(949)	(797)	(670)	(796)	(491)
Income taxes paid	(2,284)	(4,531)	(6,090)	(9,803)	(12,225)
Net cash provided by (used in) operating activities	7,464	15,716	34,722	(1,802)	38,127
Cash flows from investing activities					
Payments into time deposits	—	—	(9,681)	(982)	(1,787)
Proceeds from withdrawal of time deposits	—	—	101	9,681	1,294
Purchase of short-term and long-term investment securities	(53)	(1,034)	(1,296)	(5,141)	(42)
Proceeds from sales of short-term and long-term investment securities	159	21	195	5,560	187
Purchase of property, plant and equipment	(753)	(514)	(1,964)	(2,391)	(2,136)
Proceeds from sales of property, plant and equipment	2,477	334	1,139	815	588
Payments of loans receivable	(37)	(5)	(7)	(2)	(8)
Collection of loans receivable	103	111	87	58	50
Earnings arising from dissolution of silent partnerships	1,791	401	125	—	—
Other, net	(94)	550	(715)	(1,281)	(406)
Net cash provided by (used in) investing activities	3,593	(134)	(12,015)	6,316	(2,260)
Cash flows from financing activities					
Net increase (decrease) in short-term loans payable	1,301	(4,825)	(976)	4,996	—
Proceeds from long-term loans payable	10,120	8,831	6,191	1,001	5,562
Repayments of long-term loans payable	(10,934)	(9,749)	(7,676)	(5,670)	(5,654)
Proceeds from issuance of bonds	780	375	500	—	546
Redemption of bonds	(598)	(363)	(401)	(451)	(445)
Convertible bond-type bonds with share acquisition rights	—	—	10,050	—	—
Cash dividends paid	(474)	(1,478)	(1,848)	(2,959)	(3,884)
Dividends paid to non-controlling interests	—	—	—	—	(40)
Other, net	(248)	(279)	101	(292)	(45)
Net cash provided by (used in) financing activities	(53)	(7,489)	5,940	(3,375)	(3,962)
Effect of exchange rate change on cash and cash equivalents	677	1,441	(1,269)	(455)	(52)
Net increase (decrease) in cash and cash equivalents	11,681	9,533	27,377	682	31,851
Cash and cash equivalents at beginning of period	32,659	70,024	79,558	106,935	107,667
Increase in cash and cash equivalents resulting from merger	22,440	—	—	—	—
Increase in cash and cash equivalents from newly consolidated subsidiary	3,243	—	—	48	—
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	—	—	—	—	(328)
Cash and cash equivalents at end of period	70,024	79,558	106,935	107,667	139,190

3 Non-consolidated Financial Statements

(1) Balance Sheets

(Unit: millions of yen)

	2014	2015	2016	2017	2018
(ASSETS)					
Current assets					
Cash and deposits	64,149	71,444	92,363	80,215	101,700
Notes receivable - trade	6,860	7,598	4,914	246	1,263
Electronically recorded monetary claims - operating	—	—	5,066	2,195	5,716
Accounts receivable from completed construction contracts	100,690	98,363	89,760	116,871	95,012
Accounts receivable - other business	1,218	967	877	1,265	1,205
Securities	0	0	15,999	19,999	29,999
Real estate for sale	1,677	1,252	848	1,824	511
Costs on uncompleted construction contracts	5,041	5,628	5,698	4,199	4,730
Costs on other business	1,801	2,515	3,456	1,549	1,526
Raw materials and supplies	21	18	16	2	2
Prepaid expenses	121	118	102	87	83
Advances paid	5,748	—	—	—	—
Deferred tax assets	4,077	1,662	2,116	3,625	3,121
Other	3,720	13,654	11,692	17,103	14,200
Allowance for doubtful accounts	(55)	(10)	(10)	(12)	(10)
Total current assets	195,073	203,211	232,903	249,175	259,063
Non-current assets					
Property, plant and equipment					
Buildings, net	6,437	5,702	5,594	6,549	7,509
Structures, net	274	249	240	283	365
Machinery and equipment, net	15	20	13	96	1,103
Vehicles, net	70	72	67	77	78
Tools, furniture and fixtures, net	355	424	473	490	542
Land	18,260	17,598	16,539	14,915	13,818
Leased assets, net	345	202	153	155	150
Construction in progress	21	—	638	868	33
Total property, plant and equipment	25,781	24,270	23,720	23,438	23,602
Intangible assets					
Patent right	0	0	0	0	0
Leasehold right	465	541	541	541	396
Software	399	381	431	576	1,441
Leased assets	3	1	—	—	—
Other	122	183	734	1,131	122
Total intangible assets	992	1,107	1,706	2,248	1,960
Investments and other assets					
Investment securities	15,186	20,060	20,334	20,180	21,183
Shares of subsidiaries and associates	2,673	2,693	2,991	3,071	3,071
Investments in capital	25	25	25	25	25
Investments in capital of subsidiaries and associates	100	100	100	100	111
Long-term loans receivable	38	34	31	27	23
Long-term loans receivable from employees	84	58	44	37	40
Long-term loans receivable from subsidiaries and associates	616	544	481	434	393
Claims provable in bankruptcy, claims provable in rehabilitation and other	426	431	370	23	21
Long-term prepaid expenses	48	38	28	19	12
Prepaid pension cost	1,000	468	—	—	—
Deferred tax assets	2,261	622	940	1,316	1,086
Other	4,076	4,027	4,256	2,742	2,792
Allowance for doubtful accounts	(406)	(2,161)	(2,398)	(23)	(20)
Total investments and other assets	26,134	26,942	27,208	27,957	28,741
Total non-current assets	52,908	52,321	52,635	53,644	54,304
Total assets	247,982	255,532	285,539	302,820	313,368

(Unit: millions of yen)

	2014	2015	2016	2017	2018
(LIABILITIES)					
Current liabilities					
Notes payable - trade	20,826	17,296	13,767	10,283	7,227
Electronically recorded obligations - operating	—	—	6,260	26,848	18,530
Accounts payable for construction contracts	75,673	75,945	78,097	63,393	60,373
Accounts payable - other business	170	165	225	222	462
Short-term loans payable	26,216	19,665	17,237	21,740	21,794
Current portion of bonds	326	351	451	391	362
Current portion of convertible bond-type bonds with share acquisition rights	—	—	—	—	8,714
Lease obligations	135	82	70	61	57
Accounts payable - other	1,824	1,692	1,610	2,008	2,192
Accrued expenses	324	402	478	7	27
Income taxes payable	2,432	3,570	5,630	7,218	4,516
Accrued consumption taxes	2,835	—	—	—	—
Advances received on uncompleted construction contracts	25,646	29,669	29,552	22,875	24,648
Advances received on other business	373	483	616	616	760
Deposits received	11,217	15,114	17,476	17,914	15,180
Unearned revenue	0	7	5	3	5
Provision for warranties for completed construction	1,304	1,765	2,472	3,622	2,261
Provision for bonuses	973	1,802	2,210	2,205	2,525
Provision for loss on construction contracts	3,043	4,387	3,602	581	346
Other	82	363	1,646	115	8,396
Total current liabilities	173,406	172,766	181,412	180,110	178,383
Non-current liabilities					
Bonds payable	846	832	831	440	569
Convertible bond-type bonds with share acquisition rights	—	—	10,050	10,033	—
Long-term loans payable	10,875	11,767	11,820	7,730	7,668
Lease obligations	228	128	88	98	98
Provision for retirement benefits	11,077	10,373	9,477	9,986	10,048
Provision for environmental measures	321	295	155	153	152
Provision for management board incentive plan trust	—	—	—	78	139
Asset retirement obligations	60	54	55	50	487
Other	252	246	227	237	318
Total non-current liabilities	23,661	23,698	32,706	28,807	19,483
Total liabilities	197,068	196,465	214,118	208,917	197,867
(NET ASSETS)					
Shareholders' equity					
Capital stock	12,000	12,000	12,000	12,000	12,651
Capital surplus					
Legal capital surplus	12,117	12,117	12,117	12,117	12,768
Other capital surplus	2,893	2,884	2,877	2,876	2,874
Total capital surpluses	15,010	15,001	14,994	14,993	15,643
Retained earnings					
Other retained earnings					
Reserve for redemption of preference shares	1,000	—	—	—	—
Retained earnings brought forward	22,020	28,107	40,727	63,355	82,891
Total retained earnings	23,020	28,107	40,727	63,355	82,891
Treasury shares	(95)	(68)	(56)	(303)	(295)
Total shareholders' equity	49,935	55,041	67,665	90,046	110,890
Valuation and translation adjustments					
Valuation difference on available-for-sale securities	956	4,010	3,744	3,845	4,601
Total valuation and translation adjustments	956	4,010	3,744	3,845	4,601
Share acquisition rights	21	15	10	10	8
Total net assets	50,913	59,067	71,420	93,902	115,500
Total liabilities and net assets	247,982	255,532	285,539	302,820	313,368

(2) Statements of Income

(Unit: millions of yen)

	2014	2015	2016	2017	2018
Net sales					
Net sales of completed construction contracts	346,129	347,555	355,957	373,098	343,468
Sales on other business	3,650	3,838	4,553	9,455	6,476
Total net sales	349,779	351,393	360,510	382,553	349,944
Cost of sales					
Cost of sales of completed construction contracts	321,331	314,840	314,285	317,566	289,571
Cost of sales on other business	2,813	3,070	4,239	8,723	5,816
Total cost of sales	324,145	317,910	318,524	326,290	295,388
Gross profit					
Gross profit on completed construction contracts	24,797	32,714	41,672	55,532	53,896
Gross profit - other business	836	767	313	731	660
Total gross profit	25,634	33,482	41,985	56,263	54,556
Selling, general and administrative expenses					
Directors' compensations	210	224	281	333	328
Provision for management board incentive plan trust	—	—	—	78	68
Employees' salaries and allowances	6,365	6,089	6,257	6,983	6,626
Provision for bonuses	640	1,209	1,986	2,129	2,238
Retirement benefit expenses	623	698	628	833	680
Legal welfare expenses	1,033	1,104	1,249	1,368	1,314
Welfare expenses	81	307	297	315	301
Repair and maintenance	190	245	200	486	388
Stationery expenses	314	329	412	495	404
Correspondence and transportation expenses	1,253	1,267	1,359	1,374	1,340
Power utilities expenses	117	103	94	91	106
Research study expenses	1,922	1,877	2,261	2,313	2,254
Advertising expenses	152	141	158	223	229
Provision of allowance for doubtful accounts	(635)	(46)	(32)	1	(1)
Entertainment expenses	234	179	203	227	241
Contribution	24	25	33	45	35
Rents	831	728	734	787	866
Depreciation	566	524	519	620	833
Taxes and dues	453	501	681	1,198	1,132
Insurance expenses	31	116	91	110	67
Miscellaneous expenses	644	746	771	856	830
Total selling, general and administrative expenses	15,055	16,377	18,192	20,875	20,289
Operating profit	10,578	17,105	23,793	35,387	34,266

(Unit: millions of yen)

	2014	2015	2016	2017	2018
Non-operating income					
Interest income	53	58	90	134	87
Interest on securities	6	9	10	7	2
Dividend income	470	424	552	693	825
Foreign exchange gains	400	648	—	—	—
Reversal of allowance for doubtful accounts	—	—	—	208	—
Other	234	175	243	154	102
Total non-operating income	1,165	1,316	897	1,199	1,018
Non-operating expenses					
Interest expenses	935	854	723	307	474
Interest on bonds	27	14	21	17	13
Foreign exchange losses	—	—	1,212	788	283
Provision of allowance for doubtful accounts	—	—	278	—	—
Commission fee	198	159	—	—	174
Partners' share of profit from overseas business	291	215	—	—	—
Other	327	244	467	465	497
Total non-operating expenses	1,780	1,488	2,703	1,579	1,442
Ordinary profit	9,964	16,932	21,987	35,007	33,842
Extraordinary income					
Gain on sales of non-current assets	—	3	261	140	72
Gain on bargain purchase	10,089	—	—	—	—
Gain on sales of investment securities	—	1	116	80	155
Other	18	—	5	—	—
Total extraordinary income	10,108	4	384	221	228
Extraordinary losses					
Loss on sales of non-current assets	262	489	—	—	47
Loss on retirement of non-current assets	—	316	—	—	—
Impairment loss	—	—	431	1,097	752
Loss on valuation of investment securities	69	—	—	—	—
Provision of allowance for doubtful accounts	—	1,750	—	—	—
Merger expenses	134	—	—	—	—
Other	63	65	417	94	53
Total extraordinary losses	529	2,620	848	1,191	853
Profit before income taxes	19,542	14,316	21,522	34,037	33,217
Income taxes - current	2,835	4,949	7,609	10,409	9,301
Income taxes - deferred	857	2,801	(555)	(1,960)	497
Total income taxes	3,692	7,750	7,054	8,449	9,798
Profit	15,850	6,566	14,468	25,588	23,419

4 [Non-consolidated] Orders Received

(1) Orders Received by Government Sector / Private Sector / Overseas (Unit: millions of yen, %)

		2014		2015		2016		2017		2018	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Domestic civil engineering	Government sector	76,163	[75.9]	115,438	[71.0]	88,208	[72.5]	126,538	[69.4]	86,281	[72.0]
	Private sector	24,143	[24.1]	47,059	[29.0]	33,374	[27.5]	55,919	[30.6]	33,522	[28.0]
	Total	100,307	30.0	162,497	40.7	121,583	33.6	182,458	42.5	119,804	34.3
Domestic building construction	Government sector	20,405	[10.6]	36,774	[18.3]	30,151	[14.9]	41,191	[19.4]	24,452	[11.7]
	Private sector	172,483	[89.4]	163,722	[81.7]	172,381	[85.1]	170,751	[80.6]	184,927	[88.3]
	Total	192,889	57.8	200,496	50.2	202,533	55.9	211,942	49.4	209,380	60.0
Domestic	Government sector	96,568	[32.9]	152,212	[41.9]	118,360	[36.5]	167,729	[42.5]	110,734	[33.6]
	Private sector	196,627	[67.1]	210,781	[58.1]	205,756	[63.5]	226,671	[57.5]	218,450	[66.4]
	Total	293,196	87.8	362,994	90.9	324,116	89.5	394,400	91.9	329,184	94.3
Overseas	Civil engineering	7,358	[18.1]	4,562	[12.6]	1,708	[4.5]	10,550	[30.2]	3,665	[18.3]
	Building construction	33,204	[81.9]	31,751	[87.4]	36,388	[95.5]	24,335	[69.8]	16,342	[81.7]
	Total	40,563	12.2	36,313	9.1	38,097	10.5	34,886	8.1	20,007	5.7
Sum total	Civil engineering	107,666	[32.3]	167,059	[41.8]	123,292	[34.0]	193,008	[45.0]	123,469	[35.4]
	Building construction	226,093	[67.7]	232,248	[58.2]	238,921	[66.0]	236,278	[55.0]	225,722	[64.6]
	Total	333,759	100	399,307	100	362,213	100	429,286	100	349,192	100

(2) Orders Received by Category (Civil Engineering)

(Unit: millions of yen, %)

	2014		2015		2016		2017		2018	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Forest conservation and flood control	16,589	[15.4]	19,433	[11.6]	15,994	[13.0]	22,864	[11.9]	8,040	[6.5]
Railway	8,785	[8.2]	3,209	[1.9]	7,543	[6.1]	17,200	[8.9]	17,258	[14.0]
Water and sewerage	7,597	[7.1]	11,903	[7.1]	5,050	[4.1]	4,112	[2.1]	4,164	[3.4]
Land development	3,479	[3.2]	5,856	[3.5]	1,776	[1.4]	838	[0.4]	5,310	[4.3]
Port and harbor, airport	966	[0.9]	3,645	[2.2]	1,298	[1.1]	4,808	[2.5]	354	[0.3]
Road	29,606	[27.5]	51,168	[30.6]	26,576	[21.6]	63,494	[32.9]	25,210	[20.4]
Facilities for sending electric power	129	[0.1]	237	[0.2]	4	[0.0]	4,280	[2.2]	359	[0.3]
Other civil engineering	40,510	[37.6]	71,606	[42.9]	65,046	[52.7]	75,408	[39.1]	62,769	[50.8]
Total	107,666	100	167,059	100	123,292	100	193,008	100	123,469	100

(3) Orders Received by Category (Building Construction)

(Unit: millions of yen, %)

	2014		2015		2016		2017		2018	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Office and government buildings	30,100	[13.3]	42,814	[18.4]	24,861	[10.4]	47,532	[20.1]	29,184	[12.9]
Accommodations	13,448	[6.0]	4,044	[1.7]	18,085	[7.5]	17,714	[7.5]	17,494	[7.7]
Store	34,248	[15.1]	14,733	[6.3]	14,827	[6.2]	6,244	[2.6]	6,473	[2.9]
Factory and power plant	56,568	[25.0]	68,397	[29.5]	63,061	[26.4]	54,632	[23.1]	74,465	[33.0]
Warehouse and logistics facilities	6,916	[3.1]	31,102	[13.4]	11,376	[4.8]	27,519	[11.6]	16,227	[7.2]
Housing	14,808	[6.6]	18,683	[8.1]	30,001	[12.6]	16,654	[7.1]	15,883	[7.0]
Educational, research and cultural facilities	20,076	[8.9]	20,364	[8.8]	35,336	[14.8]	25,072	[10.6]	16,810	[7.4]
Medical and welfare facilities	27,657	[12.2]	20,532	[8.8]	13,798	[5.8]	21,966	[9.3]	25,194	[11.2]
Recreational facilities	14,738	[6.5]	2,345	[1.0]	6,576	[2.7]	2,256	[1.0]	9,648	[4.3]
Other building construction	7,529	[3.3]	9,229	[4.0]	20,996	[8.8]	16,685	[7.1]	14,339	[6.4]
Total	226,093	100	232,248	100	238,921	100	236,278	100	225,722	100

5

[Non-consolidated] Net Sales of Completed Construction Contracts

• Net Sales of Completed Construction Contracts for Government Sector / Private Sector / Overseas (Unit: millions of yen, %)

		2014		2015		2016		2017		2018	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Domestic civil engineering	Government sector	80,092	[77.4]	77,094	[67.7]	85,771	[72.4]	99,197	[75.9]	88,069	[72.1]
	Private sector	23,323	[22.6]	36,756	[32.3]	32,720	[27.6]	31,434	[24.1]	34,071	[27.9]
	Total	103,415	29.9	113,851	32.7	118,492	33.3	130,631	35.0	122,141	35.6
Domestic building construction	Government sector	21,589	[10.5]	25,713	[13.2]	29,404	[14.7]	45,291	[21.1]	27,716	[14.1]
	Private sector	183,280	[89.5]	169,523	[86.8]	171,296	[85.3]	169,470	[78.9]	168,806	[85.9]
	Total	204,870	59.2	195,237	56.2	200,700	56.4	214,761	57.6	196,522	57.2
Domestic	Government sector	101,682	[33.0]	102,807	[33.3]	115,176	[36.1]	144,489	[41.8]	115,785	[36.3]
	Private sector	206,603	[67.0]	206,280	[66.7]	204,016	[63.9]	200,904	[58.2]	202,878	[63.7]
	Total	308,286	89.1	309,088	88.9	319,193	89.7	345,393	92.6	318,663	92.8
Overseas	Civil engineering	6,694	[17.7]	7,720	[20.1]	4,002	[10.9]	3,542	[12.8]	5,331	[21.5]
	Building construction	31,149	[82.3]	30,746	[79.9]	32,762	[89.1]	24,161	[87.2]	19,472	[78.5]
	Total	37,843	10.9	38,466	11.1	36,764	10.3	27,704	7.4	24,804	7.2
Sum total	Civil engineering	110,109	[31.8]	121,572	[35.0]	122,494	[34.4]	134,174	[36.0]	127,473	[37.1]
	Building construction	236,019	[68.2]	225,983	[65.0]	233,462	[65.6]	238,923	[64.0]	215,994	[62.9]
	Total	346,129	100	347,555	100	355,957	100	373,098	100	343,468	100

6 [Non-consolidated] Year-end Backlog

• Year-end Backlog for Government Sector / Private Sector / Overseas (Unit: millions of yen, %)

		2014		2015		2016		2017		2018	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Domestic civil engineering	Government sector	85,975	[78.5]	124,319	[78.6]	126,756	[78.6]	154,096	[72.3]	152,308	[72.3]
	Private sector	23,492	[21.5]	33,794	[21.4]	34,448	[21.4]	58,934	[27.7]	58,385	[27.7]
	Total	109,468	36.6	158,114	45.1	161,205	45.1	213,031	51.6	210,693	50.4
Domestic building construction	Government sector	25,753	[15.8]	36,814	[21.8]	37,562	[22.0]	33,462	[20.0]	30,198	[16.7]
	Private sector	137,527	[84.2]	131,726	[78.2]	132,811	[78.0]	134,092	[80.0]	150,213	[83.3]
	Total	163,281	54.7	168,541	48.0	170,373	47.7	167,554	40.6	180,412	43.2
Domestic	Government sector	111,729	[41.0]	161,134	[49.3]	164,318	[49.6]	187,558	[49.3]	182,507	[46.7]
	Private sector	161,020	[59.0]	165,521	[50.7]	167,260	[50.4]	193,027	[50.7]	208,599	[53.3]
	Total	272,749	91.3	326,655	93.1	331,579	92.8	380,585	92.2	391,106	93.6
Overseas	Civil engineering	11,630	[44.5]	8,509	[35.1]	6,138	[24.0]	13,089	[40.5]	10,984	[40.9]
	Building construction	14,512	[55.5]	15,755	[64.9]	19,406	[76.0]	19,193	[59.5]	15,887	[59.1]
	Total	26,143	8.7	24,264	6.9	25,544	7.2	32,282	7.8	26,872	6.4
Sum total	Civil engineering	121,098	[40.5]	166,623	[47.5]	167,343	[46.9]	226,120	[54.8]	221,678	[53.0]
	Building construction	177,793	[59.5]	184,296	[52.5]	189,780	[53.1]	186,747	[45.2]	196,300	[47.0]
	Total	298,892	100	350,919	100	357,123	100	412,868	100	417,978	100

7 [Non-consolidated] Net Sales of Completed Construction Contracts / Gross Profit on Completed Construction Contracts

(Unit: millions of yen, %)

		2014	2015	2016	2017	2018
Net sales of completed construction contracts	Civil engineering	110,109	121,572	122,494	134,174	127,473
	Domestic	103,415	113,851	118,492	130,631	122,141
	Overseas	6,694	7,720	4,002	3,542	5,331
	Building construction	236,019	225,983	233,462	238,923	215,994
	Domestic	204,870	195,237	200,700	214,761	196,522
	Overseas	31,149	30,746	32,762	24,161	19,472
	Total	346,129	347,555	355,957	373,098	343,468
Gross profit on completed construction contracts	Civil engineering	12,331	14,132	19,957	32,717	28,307
	Building construction	12,466	18,582	21,715	22,814	25,588
	Total	24,797	32,714	41,672	55,532	53,896
Construction gross profit margin	Civil engineering	11.2	11.6	16.3	24.4	22.2
	Building construction	5.3	8.2	9.3	9.5	11.8
	Total	7.2	9.4	11.7	14.9	15.7

8 [Non-consolidated] Sales on Other Business / Gross Profit - Other Business

(Unit: millions of yen)

	2014	2015	2016	2017	2018
Sales on other business (Sales on real estate business)	3,650	3,838	4,553	9,455	6,476
Gross profit - other business (Gross profit - real estate business)	836	767	313	731	660

9 [Non-consolidated] Design and Construction (Building Construction)

(Unit: millions of yen, %)

	2014	2015	2016	2017	2018
Orders received for design and construction	103,729	112,472	90,825	81,878	74,242
Ratio of orders received for design and construction	45.9	48.4	38.0	34.7	32.9

10 [Consolidated] Employees

(Unit: number of employees)

	2014	2015	2016	2017	2018
Civil Engineering Division	1,137	1,161	1,181	1,244	1,264
Building Construction Division	2,115	2,060	2,083	2,047	2,027
Building construction	—	—	—	—	—
Group business	503	437	382	436	445
Other (Real estate business)	—	—	—	—	—
Corporate (common)	133	128	123	123	116
Total	3,888	3,786	3,769	3,850	3,852

* Effective April 1, 2010, the Company adopted the "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (Accounting Standards Board of Japan ("ASBJ") Statement No. 17 on March 27, 2009) and the "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, issued on March 21, 2008). The reportable segments are in accordance with that of the Group.

11 [Non-consolidated] Employees

(Unit: number of employees, age, year)

	2014	2015	2016	2017	2018
Number of employees	3,385	3,349	3,387	3,414	3,407
Average age	44.8	45.2	45.5	45.7	45.6
Average years of service	17.9	18.9	19.0	19.0	18.4

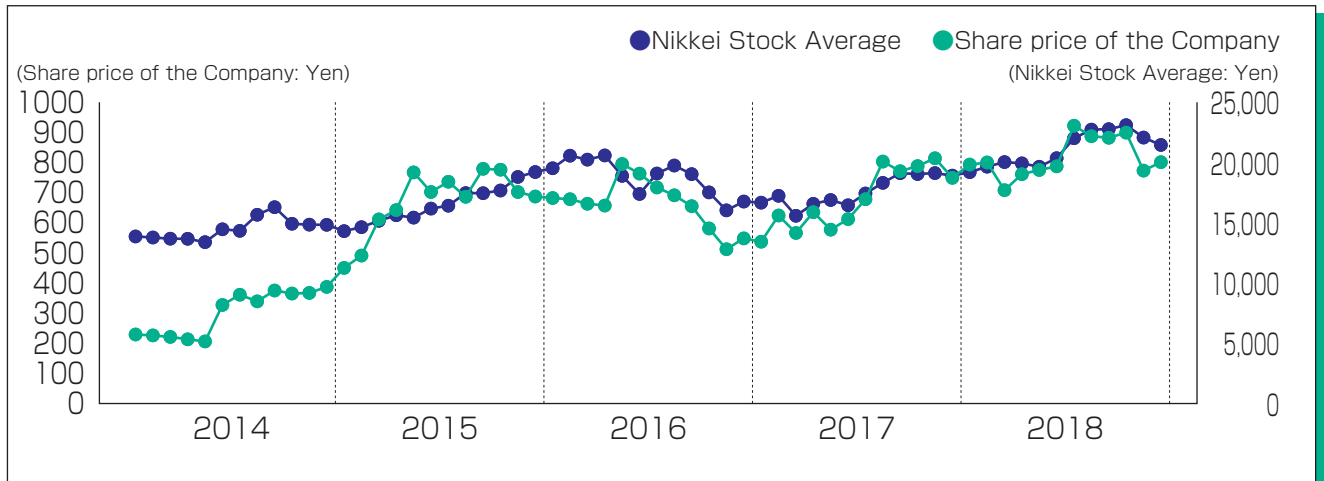
12 Status of Shares

(1) Number of Issued Shares

(Unit: number of shares)

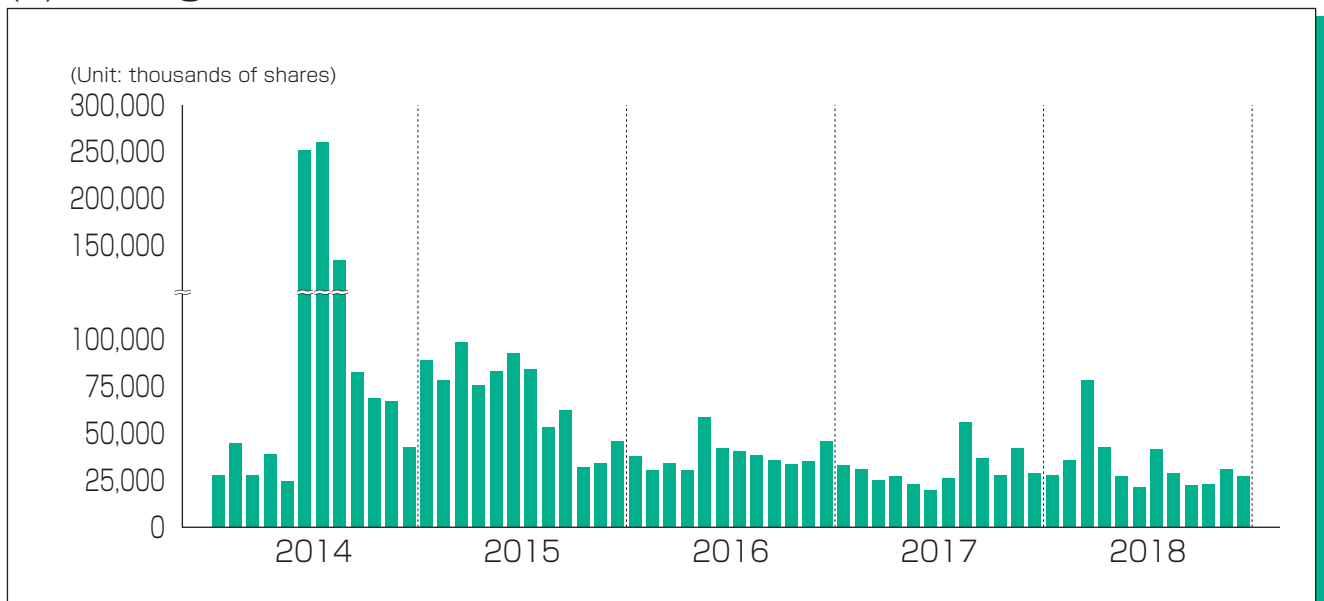
		2014	2015	2016	2017	2018
Number of issued shares at the end of period	Change	68,852,672	0	0	0	1,951,072
	Balance	185,209,189	185,209,189	185,209,189	185,209,189	187,160,261

(2) Share Price



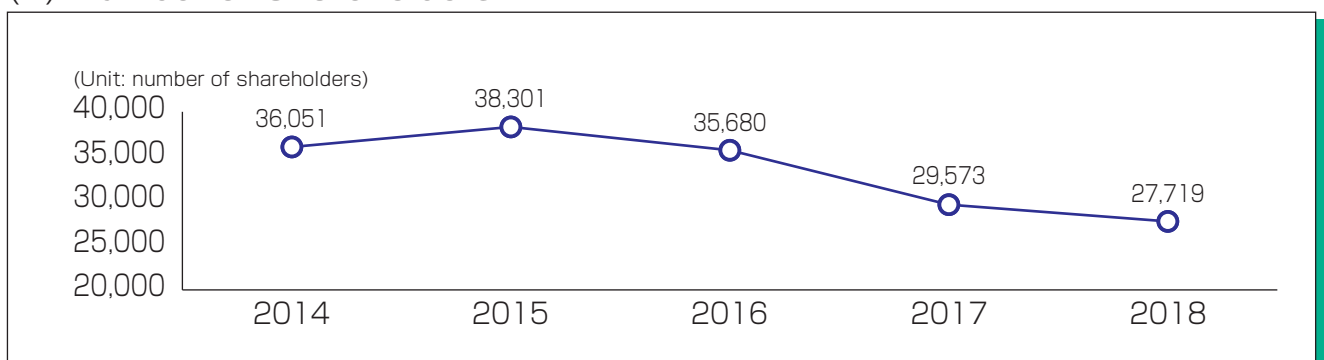
* Graph made using the closing price at the end of each month

(3) Trading Volume



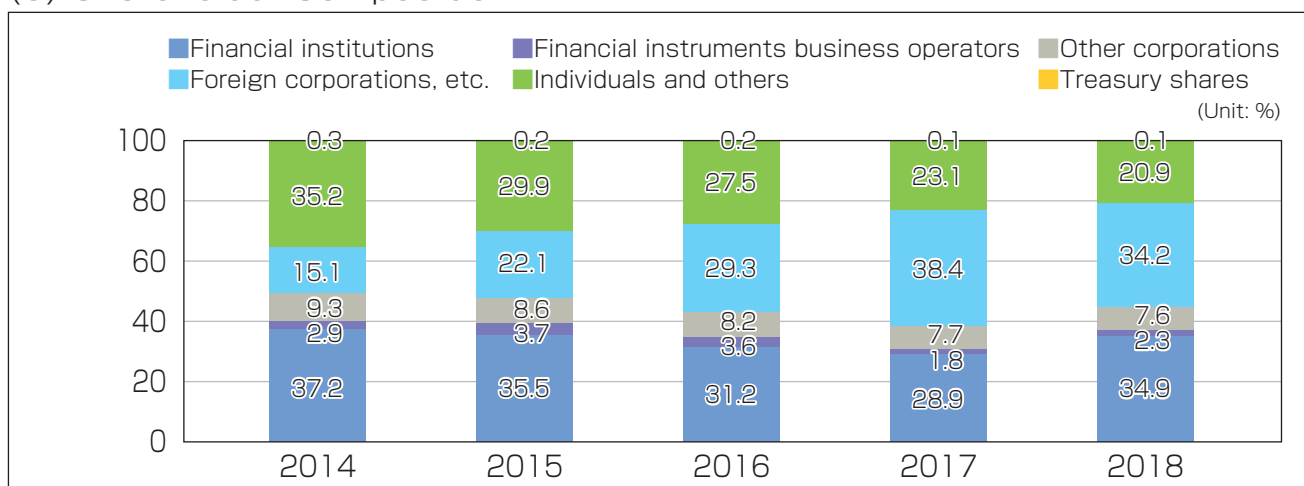
* Graph made using number of shares traded during each month

(4) Number of Shareholders



* Number of shareholders holding one share unit or more

(5) Shareholder Composition



(6) Breakdown of Shares by Shareholder

(Unit: number of shares)

	2014	2015	2016	2017	2018
Public sector	0	0	0	0	0
Financial institutions	68,941,974	65,733,774	57,814,474	53,554,474	65,385,924
Financial instruments business operators	5,295,978	6,756,313	6,681,789	3,397,690	4,204,444
Other corporations	17,285,256	16,016,450	15,198,661	14,182,803	14,160,138
Foreign corporations, etc. (Of which, foreign individuals)	27,963,229 (28,770)	40,965,070 (20,070)	54,421,472 (19,670)	71,029,678 (13,170)	64,051,532 (12,470)
Individuals and others	65,252,871	55,411,906	50,831,993	42,790,389	39,116,452
Subtotal	184,739,308	184,883,513	184,948,389	184,955,034	186,918,490
Treasury shares	469,881	325,676	260,800	254,155	241,771
Number of issued shares at the end of period	185,209,189	185,209,189	185,209,189	185,209,189	187,160,261