

Appendix to the Financial Statements

for 3rd Quarter of FY2017 Ending March 2018

February 13, 2018



OBAYASHI CORPORATION

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Disclaimer: This "Appendix to the Financial Statements", English version of the Japanese "Kessan Setsumeishi Shiryō" disclosed at the Tokyo Stock Exchange on February 13, 2018 was translated into English and presented solely for the convenience of non-Japanese speaking users. If there is any discrepancy between Japanese "Kessan Setsumeishi Shiryō" and this document, Japanese "Kessan Setsumeishi Shiryō" will prevail. This document includes forward-looking statements based on the information available at the time of the release of Japanese "Kessan Setsumeishi Shiryō". Due to various factors, the actual results may vary from the forward-looking statements contained herein. Obayashi Corporation (non-consolidated) is called the "Company" hereinafter.

1 Summary information (Consolidated · Non-consolidated)

(Rounded down to the nearest million yen)

(1) Consolidated Third Quarter Results (cumulative) for FY2017 ending March 2018 (April 1, 2017 - December 31, 2017)

① Consolidated Business Results (cumulative)

(% shows the increase (decrease) from the results of the same period of the previous FY)

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent	
	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: million yen)	%
3rd Quarter of FY2017	1,370,802	2.8	98,883	1.8	104,862	2.4	75,763	7.4
3rd Quarter of FY2016	1,333,197	2.8	97,132	31.2	102,433	29.3	70,562	39.3

(Note) Comprehensive income : [3Q/FY2017] 116,406 million yen, 54.7% ; [3Q/FY2016] 75,240 million yen, 111.5%

	Profit attributable to owners of parent per Share
	(Unit: yen)
3rd Quarter of FY2017	105.55
3rd Quarter of FY2016	98.31

② Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	(Unit: million yen)	(Unit: million yen)	%	(Unit: yen)
At December 31, 2017	2,184,690	712,006	31.4	956.77
At March 31, 2017	2,015,996	644,076	29.5	827.77

(For reference) Equity (net assets less non-controlling interests) : [At December 31, 2017] 686,779 million yen ; [At March 31, 2017] 594,160 million yen

(2) Consolidated Forecast for FY2017 ending March 2018 (April 1, 2017 - March 31, 2018)

(% shows the changes from the previous FY results)

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent		Profit attributable to owners of parent per Share
	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: yen)
Full Year	1,915,000	2.3	134,500	0.6	140,000	(0.1)	95,000	0.5	132.35

* The consolidated forecasts were not revised in this third quarter.

(3) Non-consolidated Third Quarter Results (cumulative) for FY2017 ending March 2018 (April 1, 2017 - December 31, 2017)

① Non-consolidated Business Results (cumulative)

(% shows the increase (decrease) from the results of the same period of the previous FY)

	Net Sales		Operating Income		Ordinary Income		Profit		Profit per Share
	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: yen)
3rd Quarter of FY2017	944,258	(1.3)	80,730	2.6	88,386	2.9	64,314	0.0	89.60
3rd Quarter of FY2016	956,465	6.3	78,683	53.0	85,903	48.9	64,290	58.9	89.57

② Non-consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	(Unit: million yen)	(Unit: million yen)	%	(Unit: yen)
At December 31, 2017	1,657,048	570,438	34.4	794.69
At March 31, 2017	1,504,594	492,354	32.7	685.94

(Reference) Equity (net assets less non-controlling interests) : [At December 31, 2017] 570,438 million yen ; [At March 31, 2017] 492,354 million yen

(4) Non-consolidated Forecast for FY2017 ending March 2018 (April 1, 2017 - March 31, 2018)

(% shows the changes from the previous FY results)

	Net Sales		Operating Income		Ordinary Income		Profit		Profit per Share
	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: yen)
Full Year	1,325,000	1.6	107,000	(1.1)	115,000	(1.3)	82,000	(2.5)	114.24

* The consolidated forecasts were not revised in this third quarter.

(5) Dividends

	Dividend per Share (Unit : yen)					Total dividends paid (full year)	Dividend Payout Ratio (Consolidated)	Dividends-Net Assets Ratio (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Total			
FY2016 ended Mar. 2017	—	9.00	—	19.00	28.00	(Unit: million yen) 20,105	% 21.3	% 3.6
FY2017 ending Mar. 2018 (including Forecasts)	—	14.00	—	14.00	28.00		21.2	

* The consolidated forecasts were not revised in this third quarter.

2 Financial highlights (Consolidated·Non-consolidated)

(1) Results for 3Q of FY2017 (in comparison with 3Q/FY2016 results)

(Unit: 100 million yen)

	Consolidated					Non-consolidated						
	Result-3Q/FY2016 April 1, 2016 - December 31, 2016		Result-3Q/FY2017 April 1, 2017 - December 31, 2017		Variance	Variance rate (%)	Result-3Q/FY2016 April 1, 2016 - December 31, 2016		Result-3Q/FY2017 April 1, 2017 - December 31, 2017		Variance	Variance rate (%)
	%		%				%		%			
Net sales of completed construction contracts		12,841		13,218	376	2.9		9,451		9,337	(113)	(1.2)
Building Construction		—		—	—	—		7,305		7,286	(19)	(0.3)
Civil Engineering		—		—	—	—		2,145		2,051	(93)	(4.4)
Gross profit on completed construction contracts	11.5	1,480	11.7	1,548	67	4.6	12.8	1,212	13.7	1,277	64	5.4
Building Construction		—		—	—	—	12.0	878	12.6	916	38	4.4
Civil Engineering		—		—	—	—	15.6	334	17.6	360	26	8.0
Net sales of real estate business and other		490		489	(0)	(0.2)		113		104	(8)	(7.9)
Gross profit on real estate business and other	30.1	147	30.3	148	0	0.4	37.5	42	26.7	27	(14)	(34.4)
Net sales		13,331		13,708	376	2.8		9,564		9,442	(122)	(1.3)
Gross profit	12.2	1,627	12.4	1,696	68	4.2	13.1	1,254	13.8	1,305	50	4.0
Selling, general and administrative expenses	4.9	656	5.2	707	50	7.7	4.9	468	5.3	497	29	6.4
(Personnel expenses)		382		426	43			263		296	32	
(Others)		274		281	6			204		201	(2)	
Operating Income	7.3	971	7.2	988	17	1.8	8.2	786	8.5	807	20	2.6
Non-operating income		76		84	7	9.9		86		89	3	3.6
Non-operating expenses		23		24	0	3.3		14		13	(1)	(8.5)
(interests received/paid and dividend income - net)		52		56	4			71		75	3	
Ordinary income	7.7	1,024	7.6	1,048	24	2.4	9.0	859	9.4	883	24	2.9
Extraordinary income		36		37	0	1.5		95		31	(64)	(67.4)
Extraordinary loss		2		21	18	795.9		31		21	(9)	(30.3)
Income before income taxes	7.9	1,058	7.8	1,064	6	0.6	9.7	923	9.5	893	(30)	(3.3)
Total income taxes		311		292	(19)	(6.2)		280		250	(30)	(10.8)
Profit		747		772	25	3.4		—		—	—	—
Profit attributable to non-controlling interests (deduction)		41		15	(26)	(63.9)		—		—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	5.3	705	5.5	757	52	7.4	6.7	642	6.8	643	0	0.0

Orders received

(Unit: 100 million yen)

	Consolidated					Non-consolidated						
	Result-3Q/FY2016 April 1, 2016 - December 31, 2016		Result-3Q/FY2017 April 1, 2017 - December 31, 2017		Variance	Variance rate (%)	Result-3Q/FY2016 April 1, 2016 - December 31, 2016		Result-3Q/FY2017 April 1, 2017 - December 31, 2017		Variance	Variance rate (%)
Building Construction		10,454		9,831	(623)	(6.0)		6,834		6,872	38	0.6
(Domestic)		6,815		7,231	416	6.1		6,795		6,790	(5)	(0.1)
(Overseas)		3,639		2,599	(1,039)	(28.6)		38		81	43	112.6
Civil Engineering		2,928		3,252	324	11.1		1,843		2,175	331	18.0
(Domestic)		2,438		2,766	327	13.4		1,687		2,048	360	21.4
(Overseas)		489		486	(3)	(0.6)		156		127	(28)	(18.6)
Construction Total		13,382		13,084	(298)	(2.2)		8,678		9,047	369	4.3
(Domestic)		9,254		9,998	744	8.0		8,483		8,839	355	4.2
(Overseas)		4,128		3,085	(1,042)	(25.3)		194		208	14	7.3
Real Estate Business and Other		740		485	(254)	(34.4)		115		104	(10)	(9.1)
Total orders received		14,123		13,569	(553)	(3.9)		8,793		9,152	359	4.1

Interest-bearing debt balances

(Unit: 100 million yen)

	Consolidated					Non-consolidated						
	March 31, 2017		December 31, 2017		Variance	Variance rate (%)	March 31, 2017		December 31, 2017		Variance	Variance rate (%)
Interest-bearing debt (except nonrecourse loans)		2,003		3,077	1,074	53.6		1,439		2,567	1,128	78.4
Nonrecourse loans		730		855	125	17.1		—		—	—	—
Interest-bearing debt total		2,733		3,933	1,199	43.9		1,439		2,567	1,128	78.4

(2) Forecasts for FY2017 (in comparison with FY2016 results)

(Unit: 100 million yen)

	Consolidated					Non-consolidated						
	Result-FY2016 April 1, 2016 - March 31, 2017		Forecast-FY2017 April 1, 2017 - March 31, 2018		Variance	Variance rate (%)	Result-FY2016 April 1, 2016 - March 31, 2017		Forecast-FY2017 April 1, 2017 - March 31, 2018		Variance	Variance rate (%)
Net sales of completed construction contracts	%	18,025	%	18,320			294	1.6	%	12,858		
Building Construction		—		—	—	—		9,915		9,950	34	0.4
Civil Engineering		—		—	—	—		2,943		3,100	156	5.3
Gross profit on completed construction contracts	11.4	2,058	11.2	2,060	1	0.1	13.0	1,667	12.8	1,675	7	0.5
Building Construction		—		—	—	—	12.0	1,194	12.4	1,230	35	3.0
Civil Engineering		—		—	—	—	16.1	472	14.4	445	(27)	(5.9)
Net sales of real estate business and other		701		830	128	18.2		181		200	18	10.0
Gross profit on real estate business and other	27.2	191	26.5	220	28	15.1	28.3	51	25.0	50	(1)	(2.7)
Net sales		18,727		19,150	422	2.3		13,040		13,250	209	1.6
Gross profit	12.0	2,249	11.9	2,280	30	1.4	13.2	1,718	13.0	1,725	6	0.4
Selling, general and administrative expenses	4.9	911	4.9	935	23	2.5	4.9	636	4.9	655	18	2.9
(Personnel expenses)		522		535	12			351		365	13	
(Others)		389		400	10			285		290	4	
Operating Income	7.1	1,337	7.0	1,345	7	0.6	8.3	1,082	8.1	1,070	(12)	(1.1)
Non-operating income		96		90	(6)	(7.2)		107		100	(7)	(6.8)
Non-operating expenses		33		35	1	5.1		24		20	(4)	(17.4)
(interests received/paid and dividend income - net)		64		55	(9)			89		83	(6)	
Ordinary income	7.5	1,401	7.3	1,400	(1)	(0.1)	8.9	1,165	8.7	1,150	(15)	(1.3)
Extraordinary income		39		40	0	1.0		97		30	(67)	(69.3)
Extraordinary loss		10		—	(10)	(100.0)		50		—	(50)	(100.0)
Income before income taxes	7.6	1,429	7.5	1,440	10	0.7	9.3	1,212	8.9	1,180	(32)	(2.7)
Total income taxes		424		440	15	3.6		371		360	(11)	(3.0)
Profit		1,005		1,000	(5)	(0.5)		—		—	—	—
Profit attributable to non-controlling interests (deduction)		60		50	(10)	(16.9)		—		—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	5.0	945	5.0	950	4	0.5	6.5	841	6.2	820	(21)	(2.5)

Note: Full year forecasts for FY2017 were not revised from the ones announced on November 8, 2017.

Orders received

(Unit: 100 million yen)

	Consolidated					Non-consolidated						
	Result-FY2016 April 1, 2016 - March 31, 2017		Forecast-FY2017 April 1, 2017 - March 31, 2018		Variance	Variance rate (%)	Result-FY2016 April 1, 2016 - March 31, 2017		Forecast-FY2017 April 1, 2017 - March 31, 2018		Variance	Variance rate (%)
Building Construction		16,137		13,600			(2,537)	(15.7)		10,526		
(Domestic)		10,588		10,300	(288)	(2.7)		10,481		9,900	(581)	(5.5)
(Overseas)		5,549		3,300	(2,249)	(40.5)		45		—	(45)	(100.0)
Civil Engineering		4,387		4,200	(187)	(4.3)		2,957		2,900	(57)	(1.9)
(Domestic)		3,659		3,300	(359)	(9.8)		2,752		2,500	(252)	(9.2)
(Overseas)		727		900	172	23.8		204		400	195	95.5
Construction Total		20,525		17,800	(2,725)	(13.3)		13,483		12,800	(683)	(5.1)
(Domestic)		14,248		13,600	(648)	(4.5)		13,233		12,400	(833)	(6.3)
(Overseas)		6,276		4,200	(2,076)	(33.1)		250		400	149	59.8
Real Estate Business and Other		927		800	(127)	(13.7)		181		200	18	10.0
Total orders received		21,452		18,600	(2,852)	(13.3)		13,665		13,000	(665)	(4.9)

Note: Full year forecasts for FY2017 were not revised from the ones announced on November 8, 2017.

Interest-bearing debt balances

(Unit: 100 million yen)

	Consolidated					Non-consolidated						
	March 31, 2017		Forecast-FY2017 March 31, 2018		Variance	Variance rate (%)	March 31, 2017		Forecast-FY2017 March 31, 2018		Variance	Variance rate (%)
Interest-bearing debt (except nonrecourse loans)		2,003		1,800			(203)	(10.2)		1,439		
Nonrecourse loans		730		900	169	23.2		—		—	—	—
Interest-bearing debt total		2,733		2,700	(33)	(1.2)		1,439		1,400	(39)	(2.7)

Note: Forecasts at the end of FY2017 were not revised from the ones announced on November 8, 2017.

3 Breakdown of net sales, operating income and gross profit (Consolidated·Non-consolidated)
 (1) Results for 3Q (Cumulative) of FY2017 (in comparison with 3Q/2016 results)

[Consolidated]

(Unit: million yen)

	Consolidated Net Sales				Consolidated Operating Income					
	3Q / FY2016 Result April 1, 2016 - December 31, 2016 (A)	3Q / FY2017 Result April 1, 2017 - December 31, 2017 (B)	Variance (B) - (A)	Variance rate (%)	3Q / FY2016 Result April 1, 2016 - December 31, 2016 (C)		3Q / FY2017 Result April 1, 2017 - December 31, 2017 (D)		Variance (D) - (C)	Variance rate (%)
					% Gross Profit		% Gross Profit			
Building Construction										
Domestic	745,172	734,479	(10,692)	(1.4)	8.1	60,147	8.3	60,684	536	0.9
Overseas	239,334	281,965	42,631	17.8	1.5	3,655	1.0	2,843	(812)	(22.2)
Sub-total	984,506	1,016,445	31,938	3.2	6.5	63,802	6.2	63,527	(275)	(0.4)
Civil Engineering										
Domestic	241,998	248,112	6,114	2.5	10.9	26,464	11.1	27,578	1,114	4.2
Overseas	57,692	57,318	(373)	(0.6)	(1.5)	(872)	0.8	440	1,312	—
Sub-total	299,690	305,430	5,740	1.9	8.5	25,591	9.2	28,018	2,426	9.5
Construction Total										
Domestic	987,170	982,592	(4,578)	(0.5)	8.8	86,611	9.0	88,262	1,650	1.9
Overseas	297,026	339,283	42,257	14.2	0.9	2,782	1.0	3,283	500	18.0
Sub-total	1,284,196	1,321,876	37,679	2.9	7.0	89,394	6.9	91,546	2,151	2.4
Real Estate Business and Other										
Real Estate Business	27,563	25,879	(1,684)	(6.1)	23.1	6,374	18.5	4,789	(1,584)	(24.9)
Other	21,436	23,046	1,609	7.5	6.4	1,363	11.1	2,547	1,184	86.9
Sub-total	49,000	48,926	(74)	(0.2)	15.8	7,737	15.0	7,337	(400)	(5.2)
Total	1,333,197	1,370,802	37,605	2.8	7.3	97,132	7.2	98,883	1,751	1.8

Note: Above were the results related to segment information. Consolidated net sales and consolidated operating income show the amount of net sales to third parties and operating income on net sales to third parties respectively.

[Non-consolidated]

(Unit: million yen)

	Net Sales				Gross Profit					
	3Q / FY2016 Result April 1, 2016 - December 31, 2016 (A)	3Q / FY2017 Result April 1, 2017 - December 31, 2017 (B)	Variance (B) - (A)	Variance rate (%)	3Q / FY2016 Result April 1, 2016 - December 31, 2016 (C)		3Q / FY2017 Result April 1, 2017 - December 31, 2017 (D)		Variance (D) - (C)	Variance rate (%)
					% Gross Profit		% Gross Profit			
Building Construction										
Domestic	720,125	720,084	(41)	(0.0)	12.2	88,034	12.8	91,862	3,827	4.3
Overseas	10,426	8,553	(1,872)	(18.0)	(2.0)	(207)	(2.5)	(214)	(6)	—
Sub-total	730,551	728,637	(1,914)	(0.3)	12.0	87,826	12.6	91,648	3,821	4.4
Civil Engineering										
Domestic	187,759	181,165	(6,594)	(3.5)	17.1	32,084	18.7	33,855	1,770	5.5
Overseas	26,795	23,993	(2,802)	(10.5)	4.9	1,318	9.3	2,223	904	68.6
Sub-total	214,554	205,158	(9,396)	(4.4)	15.6	33,403	17.6	36,078	2,675	8.0
Construction Total										
Domestic	907,884	901,249	(6,635)	(0.7)	13.2	120,118	13.9	125,717	5,598	4.7
Overseas	37,221	32,546	(4,675)	(12.6)	3.0	1,111	6.2	2,009	897	80.8
Sub-total	945,106	933,795	(11,310)	(1.2)	12.8	121,230	13.7	127,726	6,496	5.4
Real Estate Business and Other										
Real Estate Business	11,358	10,463	(895)	(7.9)	37.5	4,260	26.7	2,793	(1,467)	(34.4)
Sub-total	11,358	10,463	(895)	(7.9)	13.1	125,490	13.8	130,519	5,029	4.0
Total	956,465	944,258	(12,206)	(1.3)						

(2) Forecasts for FY2017 (in comparison with FY2016 results)

【Consolidated】

(Unit: million yen)

	Consolidated Net Sales				Consolidated Operating Income						
	FY2016 Full Year Result April 1, 2016 March 31, 2017 (A)	FY2017 Full Year Forecast April 1, 2017 March 31, 2018 (B)	Variance (B) - (A)	Variance rate (%)	FY2016 Full Year Result April 1, 2016 March 31, 2017 (C)	FY2017 Full Year Forecast April 1, 2017 March 31, 2018 (D)	Variance (D) - (C)	Variance rate (%)			
	% Gross Profit										
Building Construction											
Domestic	1,020,378	1,005,000	(15,378)	(1.5)	8.1	82,633	8.4	84,000	1,366	1.7	
Overseas	367,980	380,000	12,019	3.3	1.3	4,880	1.2	4,500	(380)	(7.8)	
Sub-total	1,388,358	1,385,000	(3,358)	(0.2)	6.3	87,514	6.4	88,500	985	1.1	
Civil Engineering											
Domestic	332,374	360,000	27,625	8.3	12.0	40,033	9.0	32,500	(7,533)	(18.8)	
Overseas	81,792	87,000	5,207	6.4	(3.9)	(3,182)	1.7	1,500	4,682	—	
Sub-total	414,166	447,000	32,833	7.9	8.9	36,851	7.6	34,000	(2,851)	(7.7)	
Construction Total											
Domestic	1,352,753	1,365,000	12,246	0.9	9.1	122,667	8.5	116,500	(6,167)	(5.0)	
Overseas	449,772	467,000	17,227	3.8	0.4	1,698	1.3	6,000	4,301	253.3	
Sub-total	1,802,525	1,832,000	29,474	1.6	6.9	124,365	6.7	122,500	(1,865)	(1.5)	
Real Estate Business and Other											
Real Estate Business	38,795	—	—	—	18.5	7,180	—	—	—	—	
Other	31,400	—	—	—	7.0	2,196	—	—	—	—	
Sub-total	70,195	83,000	12,804	18.2	13.4	9,377	14.5	12,000	2,622	28.0	
Total	1,872,721	1,915,000	42,278	2.3	7.1	133,742	7.0	134,500	757	0.6	

Note: Above were the forecasts related to segment information. Consolidated net sales and consolidated operating income show the amount of net sales to third parties and operating income on net sales to third parties respectively.

Full year forecasts for FY2017 were not revised from the ones announced on November 8, 2017.

The forecasts above were prepared on the basis of information available at the time of the release of Japanese "Kessan Tanshin".

Due to various factors, the actual results may vary from the forecasts.

【Non-consolidated】

(Unit: million yen)

	Net Sales				Gross Profit						
	FY2016 Full Year Result April 1, 2016 March 31, 2017 (A)	FY2017 Full Year Forecast April 1, 2017 March 31, 2018 (B)	Variance (B) - (A)	Variance rate (%)	FY2016 Full Year Result April 1, 2016 March 31, 2017 (C)	FY2017 Full Year Forecast April 1, 2017 March 31, 2018 (D)	Variance (D) - (C)	Variance rate (%)			
	% Gross Profit										
Building Construction											
Domestic	977,417	980,000	2,582	0.3	12.2	119,665	12.6	123,000	3,334	2.8	
Overseas	14,110	15,000	889	6.3	(1.5)	(209)	—	—	209	—	
Sub-total	991,527	995,000	3,472	0.4	12.0	119,455	12.4	123,000	3,544	3.0	
Civil Engineering											
Domestic	259,157	270,000	10,842	4.2	18.0	46,579	15.2	41,000	(5,579)	(12.0)	
Overseas	35,201	40,000	4,798	13.6	2.0	706	8.8	3,500	2,793	395.2	
Sub-total	294,358	310,000	15,641	5.3	16.1	47,285	14.4	44,500	(2,785)	(5.9)	
Construction Total											
Domestic	1,236,575	1,250,000	13,424	1.1	13.4	166,244	13.1	164,000	(2,244)	(1.3)	
Overseas	49,311	55,000	5,688	11.5	1.0	497	6.4	3,500	3,002	603.6	
Sub-total	1,285,886	1,305,000	19,113	1.5	13.0	166,741	12.8	167,500	758	0.5	
Real Estate Business and Other											
Real Estate Business	18,179	20,000	1,820	10.0	28.3	5,136	25.0	5,000	(136)	(2.7)	
Sub-total	1,304,065	1,325,000	20,934	1.6	13.2	171,878	13.0	172,500	621	0.4	

Note: Full year forecasts for FY2017 were not revised from the ones announced on November 8, 2017.

The forecasts above were prepared on the basis of information available at the time of the release of Japanese "Kessan Tanshin".

Due to various factors, the actual results may vary from the forecasts.

4 Non-consolidated orders received, net sales and carried-forward

(1) Breakdown of non-consolidated orders received

(Unit: million yen)

	3Q/FY2016 April 1, 2016 - December 31, 2016		3Q/FY2017 April 1, 2017 - December 31, 2017		Variance		Previous FY Results April 1, 2016 - March 31, 2017	
		%		%		% variance		%
Building Construction								
Domestic Public	83,278	9.5	53,280	5.8	(29,998)	(36.0)	110,868	8.1
Domestic Private	596,309	67.8	625,807	68.4	29,497	4.9	937,239	68.6
Domestic total	679,587	77.3	679,087	74.2	(500)	(0.1)	1,048,108	76.7
Overseas total	3,838	0.4	8,159	0.9	4,320	112.6	4,569	0.3
Sub-total	683,426	77.7	687,246	75.1	3,820	0.6	1,052,677	77.0
Civil Engineering								
Domestic Public	88,560	10.1	128,756	14.1	40,196	45.4	162,455	11.9
Domestic Private	80,197	9.1	76,058	8.3	(4,139)	(5.2)	112,793	8.3
Domestic total	168,757	19.2	204,814	22.4	36,056	21.4	275,248	20.2
Overseas total	15,617	1.8	12,718	1.4	(2,899)	(18.6)	20,456	1.5
Sub-total	184,375	21.0	217,533	23.8	33,157	18.0	295,705	21.7
Construction Total								
Domestic Public	171,838	19.6	182,036	19.9	10,198	5.9	273,323	20.0
Domestic Private	676,507	76.9	701,865	76.7	25,358	3.7	1,050,033	76.9
Domestic total	848,345	96.5	883,902	96.6	35,556	4.2	1,323,357	96.9
Overseas total	19,456	2.2	20,877	2.3	1,421	7.3	25,025	1.8
Sub-total	867,802	98.7	904,780	98.9	36,977	4.3	1,348,382	98.7
Real Estate Business and Other	11,506	1.3	10,463	1.1	(1,043)	(9.1)	18,179	1.3
Total	879,308	100	915,243	100	35,934	4.1	1,366,562	100

(2) Breakdown of non-consolidated net sales

(Unit: million yen)

	3Q/FY2016 April 1, 2016 - December 31, 2016		3Q/FY2017 April 1, 2017 - December 31, 2017		Variance		Previous FY Results April 1, 2016 - March 31, 2017	
		%		%		% variance		%
Building Construction								
Domestic Public	43,450	4.6	83,867	8.9	40,416	93.0	62,816	4.8
Domestic Private	676,675	70.7	636,217	67.4	(40,457)	(6.0)	914,601	70.1
Domestic total	720,125	75.3	720,084	76.3	(41)	(0.0)	977,417	74.9
Overseas total	10,426	1.1	8,553	0.9	(1,872)	(18.0)	14,110	1.1
Sub-total	730,551	76.4	728,637	77.2	(1,914)	(0.3)	991,527	76.0
Civil Engineering								
Domestic Public	116,248	12.1	113,207	12.0	(3,040)	(2.6)	163,506	12.6
Domestic Private	71,511	7.5	67,957	7.2	(3,553)	(5.0)	95,650	7.3
Domestic total	187,759	19.6	181,165	19.2	(6,594)	(3.5)	259,157	19.9
Overseas total	26,795	2.8	23,993	2.5	(2,802)	(10.5)	35,201	2.7
Sub-total	214,554	22.4	205,158	21.7	(9,396)	(4.4)	294,358	22.6
Construction Total								
Domestic Public	159,698	16.7	197,075	20.9	37,376	23.4	226,323	17.4
Domestic Private	748,186	78.2	704,174	74.6	(44,011)	(5.9)	1,010,251	77.4
Domestic total	907,884	94.9	901,249	95.5	(6,635)	(0.7)	1,236,575	94.8
Overseas total	37,221	3.9	32,546	3.4	(4,675)	(12.6)	49,311	3.8
Sub-total	945,106	98.8	933,795	98.9	(11,310)	(1.2)	1,285,886	98.6
Real Estate Business and Other	11,358	1.2	10,463	1.1	(895)	(7.9)	18,179	1.4
Total	956,465	100	944,258	100	(12,206)	(1.3)	1,304,065	100

(3) Breakdown of non-consolidated amounts carried-forward

(Unit: million yen)

	At December 31, 2016		At December 31, 2017		Variance		At the end of Previous FY (March 31, 2017)	
		%		%		% variance		%
<u>Building Construction</u>								
Domestic Public	184,464	11.7	162,101	9.6	(22,362)	(12.1)	192,688	11.2
Domestic Private	945,035	60.0	1,037,629	61.6	92,594	9.8	1,048,039	61.1
Domestic total	1,129,499	71.7	1,199,730	71.2	70,231	6.2	1,240,727	72.3
Overseas total	15,734	1.0	12,386	0.7	(3,347)	(21.3)	12,780	0.8
Sub-total	1,145,233	72.7	1,212,117	71.9	66,884	5.8	1,253,508	73.1
<u>Civil Engineering</u>								
Domestic Public	255,738	16.3	297,923	17.7	42,185	16.5	282,375	16.5
Domestic Private	116,493	7.4	133,050	7.9	16,557	14.2	124,949	7.3
Domestic total	372,232	23.7	430,974	25.6	58,742	15.8	407,324	23.8
Overseas total	56,806	3.6	41,965	2.5	(14,841)	(26.1)	53,239	3.1
Sub-total	429,038	27.3	472,939	28.1	43,901	10.2	460,564	26.9
<u>Construction Total</u>								
Domestic Public	440,202	28.0	460,025	27.3	19,822	4.5	475,063	27.7
Domestic Private	1,061,528	67.4	1,170,679	69.5	109,151	10.3	1,172,988	68.4
Domestic total	1,501,731	95.4	1,630,705	96.8	128,973	8.6	1,648,052	96.1
Overseas total	72,540	4.6	54,352	3.2	(18,188)	(25.1)	66,020	3.9
Sub-total	1,574,272	100.0	1,685,057	100	110,785	7.0	1,714,072	100
Real Estate Business and Other	147	0.0	—	—	(147)	(100.0)	—	—
Total	1,574,419	100	1,685,057	100	110,637	7.0	1,714,072	100

5 Consolidated quarterly financial statements
(1) Consolidated quarterly balance sheets

(Unit : million yen)

	March 31, 2017	December 31, 2017	Variance
Assets			
Current assets			
Cash and deposits	194,585	187,229	(7,356)
Notes and accounts receivable from completed construction contracts and other	720,361	780,503	60,142
Electronically recorded monetary claims	21,075	16,000	(5,074)
Short-term investment securities	2,519	2,242	(276)
Real estate for sale	16,739	14,439	(2,300)
Costs on uncompleted construction contracts	39,881	60,908	21,027
Costs on real estate business	24,200	27,961	3,761
Inventories for PFI and other projects	42,406	41,936	(469)
Other inventories	7,872	12,997	5,125
Deferred tax assets	17,443	14,863	(2,579)
Accounts receivable-other	78,009	66,736	(11,273)
Other	16,694	42,077	25,382
Allowance for doubtful accounts	(142)	(135)	7
Total current assets	1,181,645	1,267,762	86,116
Noncurrent assets			
Property, plant and equipment			
Buildings and structures, net	92,587	103,085	10,498
Machinery, vehicles, tools, furniture and fixtures, net	29,554	44,440	14,886
Land	308,241	325,959	17,718
Lease assets, net	228	219	(8)
Construction in progress	28,986	21,528	(7,458)
Total property, plant and equipment	459,597	495,234	35,636
Intangible assets	6,558	4,946	(1,611)
Investments and other assets			
Investment securities	346,245	400,212	53,966
Long-term loans receivable	2,024	900	(1,123)
Assets for retirement benefits	68	68	—
Deferred tax assets	1,987	747	(1,240)
Other	18,118	15,049	(3,068)
Allowance for doubtful accounts	(249)	(230)	18
Total investments and other assets	368,194	416,747	48,552
Total noncurrent assets	834,350	916,927	82,577
Total assets	2,015,996	2,184,690	168,694

(1) Consolidated quarterly balance sheets

(Unit : million yen)

	March 31, 2017	December 31, 2017	Variance
Liabilities			
Current liabilities			
Notes and accounts payable for construction contracts and other	485,408	475,548	(9,859)
Electronically recorded obligations	150,289	133,642	(16,647)
Short-term loans payable	89,498	76,901	(12,596)
Current portion of nonrecourse loans	6,832	7,128	296
Commercial papers	—	145,000	145,000
Current portion of bonds	25,000	10,000	(15,000)
Lease obligations	85	83	(2)
Income taxes payable	30,533	10,774	(19,759)
Deferred tax liabilities	402	421	18
Advances received on uncompleted construction contracts	106,541	109,959	3,418
Deposits received	102,707	116,686	13,979
Provision for warranties for completed construction	3,048	3,031	(16)
Provision for loss on construction contracts	7,751	5,204	(2,547)
Other	70,585	66,022	(4,562)
Total current liabilities	1,078,684	1,160,404	81,720
Noncurrent liabilities			
Bonds payable	30,000	20,000	(10,000)
Long-term loans payable	55,836	55,879	43
Nonrecourse loans	66,192	78,397	12,204
Lease obligations	126	130	3
Deferred tax liabilities	46,956	61,911	14,955
Deferred tax liabilities for land revaluation	21,091	19,723	(1,368)
Provision for stock payments for directors	301	267	(33)
Provision for loss on real estate business and other	993	993	—
Provision for environmental measures	616	314	(302)
Liability for retirement benefits	51,029	52,214	1,184
Other	20,091	22,447	2,356
Total noncurrent liabilities	293,235	312,279	19,044
Total liabilities	1,371,919	1,472,684	100,764
Net assets			
Shareholders' equity			
Capital stock	57,752	57,752	—
Capital surplus	41,752	43,794	2,041
Retained earnings	334,957	387,670	52,713
Treasury stock	(1,964)	(1,938)	26
Total shareholders' equity	432,497	487,279	54,781
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	140,246	177,587	37,341
Deferred gains (losses) on hedges	(283)	112	395
Revaluation reserve for land	20,435	19,788	(646)
Foreign currency translation adjustments	(365)	128	493
Retirement benefit asset and liability adjustments	1,629	1,882	253
Total accumulated other comprehensive income	161,662	199,499	37,837
Non-controlling interests	49,916	25,227	(24,689)
Total net assets	644,076	712,006	67,929
Total liabilities and net assets	2,015,996	2,184,690	168,694
(Reference)			
Interest-bearing debt balances	273,359	393,307	119,947

(2) Consolidated quarterly statements of income

(Unit : million yen)

	3Q / FY2016 From April 1, 2016 to December 31, 2016	3Q / FY2017 From April 1, 2017 to December 31, 2017	Variance
Net sales			
Net sales of completed construction contracts	1,284,196	1,321,876	37,679
Net sales of real estate business and other	49,000	48,926	(74)
Total net sales	1,333,197	1,370,802	37,605
Cost of sales			
Cost of sales on completed construction contracts	1,136,153	1,167,064	30,910
Cost of sales on real estate business and other	34,247	34,118	(129)
Total cost of sales	1,170,401	1,201,182	30,781
Gross profit			
Gross profit on completed construction contracts	148,043	154,812	6,768
Gross profit on real estate business and other	14,752	14,808	55
Total gross profit	162,796	169,620	6,823
Selling, general and administrative expenses	65,663	70,736	5,072
Operating income	97,132	98,883	1,751
Non-operating income			
Interest income	1,410	1,206	(204)
Dividends income	5,636	6,057	420
Other	604	1,142	537
Total non-operating income	7,652	8,406	754
Non-operating expenses			
Interest expenses	1,840	1,581	(259)
Subsidiary stock acquisition-related cost	—	472	472
Foreign exchange losses	298	—	(298)
Other	211	373	161
Total non-operating expenses	2,350	2,427	76
Ordinary income	102,433	104,862	2,428
Extraordinary income			
Gain on sales of investing securities	3,037	3,135	97
Other	626	585	(41)
Total extraordinary income	3,664	3,720	55
Extraordinary loss			
Impairment loss	0	1,291	1,291
Other	235	818	582
Total extraordinary losses	235	2,109	1,874
Profit before income taxes	105,862	106,473	610
Income taxes-current	22,785	28,291	5,506
Income taxes-deferred	8,363	918	(7,445)
Total income taxes	31,148	29,209	(1,938)
Profit	74,713	77,263	2,549
Profit attributable to non-controlling interests	4,151	1,500	(2,651)
Profit attributable to owners of parent	70,562	75,763	5,200

6 Non-consolidated quarterly financial statements
 (1) Non-consolidated quarterly balance sheets

(Unit : million yen)

	March 31, 2017	December 31, 2017	Variance
Assets			
Current assets			
Cash and deposits	73,814	63,471	(10,342)
Notes receivable-trade	7,363	53,430	46,067
Electronically recorded monetary claims	18,650	12,853	(5,797)
Accounts receivable from completed construction contracts	546,087	544,261	(1,826)
Accounts receivable-real estate business and other	5,163	3,187	(1,976)
Short-term investment securities	36	—	(36)
Real estate for sale	3,713	3,665	(47)
Costs on uncompleted construction contracts	35,304	48,927	13,623
Costs on real estate business and other	3,105	5,382	2,276
Short-term loans receivable	35,180	35,825	644
Deferred tax assets	15,049	12,747	(2,302)
Accounts receivable-other	74,506	63,657	(10,849)
Other	11,763	38,976	27,212
Allowance for doubtful accounts	(67)	(70)	(3)
Total current assets	829,672	886,315	56,642
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	44,553	51,239	6,686
Machinery, equipment and vehicles	3,103	3,203	100
Tools, furniture and fixtures, net	1,517	1,922	405
Land	179,524	187,275	7,750
Leased assets	22	11	(10)
Construction in progress	9,238	12,390	3,151
Total property, plant and equipment	237,959	256,043	18,083
Intangible assets	2,979	2,772	(206)
Investments and other assets			
Investment securities	333,441	388,653	55,211
Shares and investments in capital of subsidiaries and affiliates	26,731	56,768	30,037
Long-term loans receivable	58,465	56,383	(2,082)
Claims provable in bankruptcy, claims provable in rehabilitation and other	245	285	40
Long-term accounts receivable	5,590	565	(5,024)
Other	9,880	9,651	(228)
Allowance for doubtful accounts	(370)	(389)	(18)
Total investments and other assets	433,982	511,916	77,934
Total noncurrent assets	674,922	770,733	95,811
Total assets	1,504,594	1,657,048	152,454

(1) Non-consolidated quarterly balance sheets

(Unit : million yen)

	March 31, 2017	December 31, 2017	Variance
Liabilities			
Current liabilities			
Notes payable-trade	24,780	19,416	(5,363)
Electronically recorded obligations	141,102	130,898	(10,204)
Accounts payable for construction contracts	325,548	311,280	(14,268)
Accounts payable-real estate and other	1,458	223	(1,234)
Short-term loans payable	57,762	47,886	(9,876)
Commercial papers	—	145,000	145,000
Current portion of bonds	25,000	10,000	(15,000)
Lease obligations	13	9	(4)
Accounts payable	11,912	3,372	(8,540)
Accrued expenses	13,604	12,081	(1,522)
Income taxes payable	27,513	10,161	(17,352)
Advances received on uncompleted construction contracts	73,149	64,459	(8,690)
Deposit received-real estate and other	1,390	2,055	665
Deposits received	95,884	107,823	11,939
Provision for warranties for completed construction	2,652	2,636	(16)
Provision for loss on construction contracts	6,456	4,062	(2,394)
Deposits received from employees	22,943	24,878	1,935
Other	949	690	(258)
Total current liabilities	832,122	896,936	64,813
Noncurrent liabilities			
Bonds payable	30,000	20,000	(10,000)
Long-term loans payable	31,172	33,898	2,725
Lease obligations	10	3	(6)
Deferred tax liabilities	49,181	64,901	15,720
Deferred tax liabilities for land revaluation	16,675	16,384	(290)
Provision for retirement benefits	45,777	47,277	1,499
Provision for stock payments for directors	301	267	(33)
Provision for loss on real estate business and other	993	993	—
Provision for loss on business of subsidiaries and affiliates	2,306	2,509	202
Provision for environmental measures	548	248	(299)
Other	3,151	3,189	38
Total noncurrent liabilities	180,117	189,673	9,556
Total liabilities	1,012,240	1,086,610	74,369
Net assets			
Shareholders' equity			
Capital stock	57,752	57,752	—
Capital surplus			
Legal capital surplus	41,694	41,694	—
Total capital surpluses	41,694	41,694	—
Retained earnings			
Legal retained earnings	14,438	14,438	—
Other retained earnings			
Reserve for advanced depreciation of noncurrent assets	2,667	2,619	(48)
General reserve	110,000	180,000	70,000
Retained earnings brought forward	112,863	84,192	(28,671)
Total retained earnings	239,969	281,249	41,280
Treasury stock	(1,964)	(1,938)	26
Total shareholders' equity	337,451	378,758	41,307
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	140,103	177,237	37,133
Deferred gains (losses) on hedges	11	317	305
Revaluation reserve for land	14,787	14,124	(662)
Total valuation and translation adjustments	154,902	191,679	36,777
Total net assets	492,354	570,438	78,084
Total liabilities and net assets	1,504,594	1,657,048	152,454
(Reference)			
Interest-bearing debt balances	143,935	256,784	112,848

(2) Non-consolidated quarterly statements of income

(Unit : million yen)

	FY2016 From April 1, 2016 to December 31, 2016	FY2017 From April 1, 2017 to December 31, 2017	Variance
Net sales			
Net sales of completed construction contracts	945,106	933,795	(11,310)
Net sales of real estate business and other	11,358	10,463	(895)
Total net sales	<u>956,465</u>	<u>944,258</u>	<u>(12,206)</u>
Cost of sales			
Cost of sales on completed construction contracts	823,876	806,069	(17,807)
Cost of sales on real estate business and other	7,097	7,669	572
Total cost of sales	<u>830,974</u>	<u>813,739</u>	<u>(17,235)</u>
Gross profit			
Gross profit on completed construction contracts	121,230	127,726	6,496
Gross profit on real estate business and other	4,260	2,793	(1,467)
Total gross profit	<u>125,490</u>	<u>130,519</u>	<u>5,029</u>
Selling, general and administrative expenses	46,807	49,789	2,981
Operating income (loss)	<u>78,683</u>	<u>80,730</u>	<u>2,047</u>
Non-operating income			
Interest and dividend income	8,185	8,371	186
Other	487	613	126
Total non-operating income	<u>8,672</u>	<u>8,985</u>	<u>312</u>
Non-operating expenses			
Interest expenses	1,007	820	(187)
Provision of allowance for doubtful accounts	44	20	(24)
Other	400	489	88
Total non-operating expenses	<u>1,452</u>	<u>1,329</u>	<u>(123)</u>
Ordinary income	<u>85,903</u>	<u>88,386</u>	<u>2,483</u>
Extraordinary income			
Gain on sales of investment securities	3,033	3,083	50
Gain on liquidation of subsidiaries and affiliates	6,100	—	(6,100)
Other	415	34	(381)
Total extraordinary income	<u>9,549</u>	<u>3,117</u>	<u>(6,431)</u>
Extraordinary loss			
Impairment loss	0	1,291	1,291
Other	3,114	879	(2,235)
Total extraordinary losses	<u>3,114</u>	<u>2,170</u>	<u>(943)</u>
Profit before income taxes	<u>92,338</u>	<u>89,333</u>	<u>(3,005)</u>
Income taxes-current	18,223	23,717	5,494
Income taxes-deferred	9,824	1,301	(8,523)
Total income taxes	<u>28,048</u>	<u>25,018</u>	<u>(3,029)</u>
Profit	<u>64,290</u>	<u>64,314</u>	<u>24</u>