

(Japan GAAP)
Consolidated Balance Sheet

(Thousands of yen)

Account Item	Ended March 31, 2016	Ended September 30, 2016
Assets		
Current assets		
Cash and deposits	8,148,396	7,185,416
Notes and accounts receivable – trade	33,393,141	21,565,838
Work in process	497,791	505,716
Other inventories	77,947	60,332
Other	4,104,803	5,360,919
Allowance for doubtful accounts	(354,600)	(292,330)
Total current assets	45,867,479	34,385,892
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,390,770	4,434,716
Accumulated depreciation	(2,333,597)	(2,390,421)
Buildings and structures, net	2,057,173	2,044,295
Land	4,566,750	4,566,750
Leased assets	449,760	382,548
Accumulated depreciation	(445,350)	(380,176)
Leased assets, net	4,410	2,371
Construction in progress	47,038	158,079
Other	14,734,428	14,253,897
Accumulated depreciation	(9,213,903)	(9,421,841)
Other, net	5,520,524	4,832,056
Total property, plant and equipment	12,195,897	11,603,553
Intangible assets		
Goodwill	109,559	86,651
Other	5,171,901	5,068,981
Total intangible assets	5,281,460	5,155,632
Investments and other assets		
Investment securities	1,026,339	1,037,325
Claims provable in bankruptcy, claims provable in rehabilitation and other	160,971	149,914
Other	1,830,853	1,763,663
Allowance for doubtful accounts	(417,508)	(411,657)
Total investments and other assets	2,600,656	2,539,245
Total non-current assets	20,078,014	19,298,432
Total assets	65,945,494	53,684,325
Liabilities		
Current liabilities		
Notes and accounts payable – trade	4,055,465	3,066,352
Short-term loans payable	21,106,319	12,106,038
Lease obligations	16,038	5,620
Income taxes payable	332,277	211,914
Provision for bonuses	519,501	1,092,798
Provision for directors' bonuses	8,000	—
Provision for loss on construction contracts	484,975	507,928
Provision for loss on contract	739,130	449,274
Other	4,433,103	4,239,853
Total current liabilities	31,694,813	21,679,779
Non-current liabilities		
Long-term loans payable	18,076,501	18,066,411
Lease obligations	4,569	3,023
Net defined benefit liability	532,557	466,679
Other	543,124	493,148
Total non-current liabilities	19,156,752	19,029,262
Total liabilities	50,851,565	40,709,042
Net assets		
Shareholders' equity		
Capital stock	8,758,481	8,758,481
Capital surplus	55	55
Retained earnings	5,777,480	4,248,713
Treasury shares	(540,120)	(542,957)
Total shareholders' equity	13,995,897	12,464,293
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	96,336	82,097
Foreign currency translation adjustment	713,518	180,778
Remeasurements of defined benefit plans	(112,251)	(98,975)
Total accumulated other comprehensive income	697,603	163,899
Non-controlling interests	400,427	347,089
Total net assets	15,093,928	12,975,282
Total liabilities and net assets	65,945,494	53,684,325

Consolidated Profit and Loss Statements

(Thousands of yen)

Account Item	from April 1,2015 to September 30, 2015	from April 1,2016 to September 30, 2016
Net sales	23,008,475	22,069,854
Cost of sales	18,532,190	17,621,423
Gross profit	4,476,285	4,448,431
Selling, general and administrative expenses	5,099,472	5,000,324
Operating loss	(623,187)	(551,893)
Non-operating income		
Interest and dividend income	26,451	24,104
Rent income	53,084	19,697
Share of profit of entities accounted for using equity method	6,245	—
Reversal of allowance for doubtful accounts	28,628	1,329
Foreign exchange gains	10,464	—
Miscellaneous income	55,542	44,359
Total non-operating income	180,416	89,490
Non-operating expenses		
Interest expenses	74,120	63,808
Share of loss of entities accounted for using equity method	—	8,107
Rent expenses	47,404	4,698
Foreign exchange losses	—	350,348
Miscellaneous expenses	54,745	68,277
Total non-operating expenses	176,271	495,240
Ordinary loss	(619,041)	(957,643)
Extraordinary income		
Gain on sales of non-current assets	224,715	3,715
Total extraordinary income	224,715	3,715
Extraordinary losses		
Loss on sales and retirement of non-current assets	20,245	27,702
Impairment loss	102,321	—
Special reserch cost	—	97,679
Total extraordinary losses	122,567	125,382
Loss before income taxes	(516,893)	(1,079,310)
Income taxes – current	196,815	133,327
Income taxes – deferred	(216,774)	(310,356)
Total income taxes	(19,958)	(177,028)
Loss	(496,935)	(902,281)
Profit attributable to non-controlling interests	16,332	10,455
Loss attributable to owners of parent	(513,268)	(912,736)

Consolidated Cashflow Statement

(Thousands of yen)

Account Item	from April 1,2015 to September 30, 2015	from April 1,2016 to September 30, 2016
Cash flows from operating activities		
Loss before income taxes	(516,893)	(1,079,310)
Depreciation	1,532,527	1,510,013
Impairment loss	102,321	—
Amortization of goodwill	10,771	9,992
Amortization of long-term prepaid expenses	165,669	158,444
Increase (decrease) in allowance for doubtful accounts	(45,189)	(45,238)
Increase (decrease) in provision for bonuses	574,911	573,426
Increase (decrease) in provision for directors' bonuses	(12,500)	(8,000)
Increase (decrease) in provision for loss on contract	—	(289,856)
Increase (decrease) in net defined benefit asset and liability	(33,901)	(38,307)
Increase (decrease) in other provision	(18,826)	23,560
Interest and dividend income	(26,451)	(24,104)
Interest expenses	74,120	63,808
Share of (profit) loss of entities accounted for using equity method	(6,245)	8,107
Foreign exchange losses (gains)	7,961	18,725
Loss (gain) on sales and retirement of non-current assets	(204,469)	23,987
Special reserch cost	—	97,679
Decrease (increase) in notes and accounts receivable – trade	12,643,743	11,614,176
Decrease (increase) in inventories	(199,047)	240
Increase (decrease) in notes and accounts payable – trade	(1,243,449)	(930,790)
Decrease/increase in consumption taxes receivable/payable	(564,310)	(335,504)
Increase (decrease) in accrued expenses	135,772	271,697
Increase (decrease) in long-term accounts payable – other	(11,464)	—
Other, net	(1,245,401)	(773,900)
Subtotal	11,119,647	10,848,847
Interest and dividend income received	26,738	25,401
Interest expenses paid	(70,720)	(63,051)
Income taxes paid	(163,217)	(278,233)
Income taxes refund	192,816	3,820
Net cash provided by (used in) operating activities	11,105,264	10,536,785
Cash flows from investing activities		
Payments into time deposits	(27,622)	(463)
Purchase of property, plant and equipment	(500,891)	(462,486)
Proceeds from sales of property, plant and equipment	1,528,434	26,385
Purchase of intangible assets	(626,435)	(612,368)
Proceeds from sales of intangible assets	3,326	—
Purchase of shares of subsidiaries and associates	—	(51,000)
Purchase of long-term prepaid expenses	(18,456)	(46,248)
Payments of loans receivable	(914,566)	(918,058)
Collection of loans receivable	538,159	511,691
Other, net	39,124	31,777
Net cash provided by (used in) investing activities	21,072	(1,520,772)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(12,379,284)	(8,970,923)
Repayments of long-term loans payable	(17,897)	(2,144)
Repayments of finance lease obligations	(21,526)	(11,040)
Purchase of treasury shares	(4,191)	(2,836)
Cash dividends paid	(649,810)	(649,549)
Dividends paid to non-controlling interests	(15,982)	(12,866)
Net cash provided by (used in) financing activities	(13,088,692)	(9,649,362)
Effect of exchange rate change on cash and cash equivalents	(13,873)	(321,956)
Net increase (decrease) in cash and cash equivalents	(1,976,229)	(955,305)
Cash and cash equivalents at beginning of period	8,502,354	7,990,317
Cash and cash equivalents at end of period	6,526,125	7,035,012