NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

TOA CORPORATION and its consolidated subsidiaries

1.Significant Respects for the Basis of Preparing Consolidated Financial Statements:

The accompanying consolidated financial statements of TOA CORPORATION (the "Company") and its consolidated subsidiaries (the "Companies") are prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards, and are compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Law of Japan. Certain reclassifications and rearrangements were made for the convenience of readers outside of Japan.

As permitted by the Financial Instruments and Exchange Law of Japan, amounts of less than one million yen have been rounded down to the nearest million Japanese yen.

Ⅰ. Basis of consolidation

The Company has 17 majority-owned subsidiaries as of March 31, 2015. The consolidated financial statements for the year ended March 31, 2015 include the accounts of the Company and 11 majority-owned subsidiaries. Principal consolidated subsidiaries were TOA Agency Co., Ltd., Shinko Corporation, TOA Kikai Kogyo Co., Ltd. Consolidated subsidiaries have the same financial period as the Company that ends on March 31.

Other 6 subsidiaries are not consolidated as they are at small scale and not significant in terms of total assets, net sales, retained earnings or net income in aggregate.

Investments in unconsolidated subsidiaries (Human Affair Co., Ltd. And others) and affiliates (Sengenyama Developing Co., Ltd. and others) are excluded from application of the equity method as they are not significant in terms of net income or retained earnings in aggregate.

Ⅱ. Basis of accounting treatment

(1) Basis of valuation for significant assets

a) Securities

Securities held by the Companies are classified into two categories;

Held-to-maturity debt securities are carried at amortized cost.

Other securities for which market quotations are available are stated at fair value. Net Unrealized gains or losses on these securities are treated as directly charged or credited to the net assets and cost of securities sold are computed by the moving average method.

Other securities for which market quotation are unavailable are stated at moving average cost method.

b) Derivatives

With changes in fair value included in net income or loss for the period in which they arise, derivatives are stated at fair value.

c) Inventories

Cost on construction contracts in progress, PFI projects and real estate for sale are stated at specific cost method for each contract. Materials and supplies are stated at moving average cost method.

However, in the case that net selling value falls below the acquisition cost at the end of the period, inventories except for cost on construction contracts in progress are carried at the net selling value on the balance sheet, regarded as decreased profitability of assets.

(2) Depreciation for property, plant and equipment and other

Except for leased assets, depreciation is principally computed by the declining-balance method at rates based on the estimated useful lives. However, depreciation of buildings which the Companies acquired on or after April 1, 1998, is computed on a straight-line basis over the estimated period. Useful lives and residual value are in conformity with the provisions of the Corporation Tax Law of Japan.

As for intangible fixed assets excluding leased assets and long-term prepaid expenses, amortization is computed by the straight-line method and the useful lives are in conformity with the provisions of the Corporation Tax Law of Japan.

As for leased assets related to finance lease, other than those which are deemed to transfer ownership of the leased assets to the lessee, depreciation is principally computed by the straight-line method over the useful lives equivalent to lease term and residual value is equal to zero. However, leases whose commencement date were on or before March 31, 2008, are accounted for by a method similar to that applicable to the ordinary operating lease transactions.

(3) Reserve and allowance

a) Allowance for doubtful accounts

Allowance for general receivables are established in amounts considered to be appropriate based upon credit loss experience. For specific receivables such as doubtful accounts, allowance for these are established in amounts considered to be uncollectible based upon an evaluation of possibility of collection in each outstanding receivable.

b) Reserve for indemnity on completed contracts

Reserve for indemnity on completed contracts is provided for the future defect expenses based upon the estimated indemnity amount for net sales for the year.

c) Reserve for loss on construction works

Reserve for loss on construction works is provided for the amount equivalent to cover future loss by evaluating individual construction form which loss is assumed and estimated.

(4) Retirement benefits

Liabilities for retirement benefits has been provided on an accrual basis as of the balance sheet date based on an estimate of the projected benefit obligation and the employees' pension plan assets.

To calculate projected benefit obligation, the benefit formula method is used to allocate expected retirement benefit payments to the each period through current fiscal year-end.

Actuarial gain or loss is amortized by the straight-line method over a defined period (13 years), not exceeding the average remaining service period of the employees from the next fiscal year after the incurrence.

Certain consolidated subsidiaries apply the simplified method which assumes retirement benefit obligation to be equal to the benefits payable assuming voluntary retirement of all employees at fiscal year-end.

(5) Recognition of contract revenue and cost

The Companies adopt the percentage-of-completion method for revenue recognition for the construction-type contracts where the outcome of the construction activities by the end of this year can be reliably estimated.

Completion method is adopted otherwise. The percentage of completion is measured by the ratio of the costs incurred to the estimated total costs for each contract.

(6) Hedge accounting

Gains or losses arising from changes in fair value of the derivatives designated as "hedging instruments" are deferred as a component of net assets and included in net income or loss in the same period during which the gains and losses on the hedged items or transactions are recognized.

For interest rate swaps, if certain hedging criteria are met, interest rate swaps are not recognized at their fair values but an alternative (short-cut) method under Japanese accounting standards in applied by which the amounts received or paid for such interest swap arrangements are recognized as interest over the life of each of the arrangements.

The derivatives designated as hedging instruments by the Companies are principally interest swaps and forward exchange contracts. The related hedged item is bank loans and foreign currency monetary liabilities and forecasted transactions.

The Companies have a policy to utilize the above hedging instruments in order to reduce the Company's exposure to the risk of interest rate fluctuation and foreign exchange fluctuation. Thus, the Company's purchases of the hedging instruments are limited to, at maximum, the amounts of the hedged items.

The Companies evaluate effectiveness of its hedging activities by reference to the accumulated gains or losses on the hedging instruments and the related hedged items from the commencement of the hedges.

(7) Scope of cash and cash equivalents

Cash and cash equivalents in the consolidated statement of cash flows and composed of cash on hand, bank deposits which are able to be withdrawn on demand and short-term investment with an original maturity of three months or less and which represent a minor risk of fluctuation in value.

(8) Consumption taxes

Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.

(9) U.S. Dollar amounts

The dollar amounts included in the financial statements and notes thereto represent the arithmetical results of translating yen to dollars at rate of ¥120=US$1, the approximated rate of exchange prevailing on March 31, 2015. The inclusion of such dollar amounts is solely for the convenience of readers outside of Japan and is not intended to imply that yen and assets and liabilities originating in Yen have been or could be readily converted, realized or settled in dollars at this or any other rates.

Amounts less than one thousand have been rounded down to the nearest thousand dollars.

2.Changes in Accounting Policy

The Companies adopted the provisions stated in paragraph 35 of “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26 of May 17, 2012, hereinafter "Standard") and paragraph 67 of “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25 of March 26, 2015, hereinafter the "Guidance") effective from the beginning of the fiscal year ended March 31, 2015. As a result, the methods for calculating retirement benefit obligation and service cost have been revised retirement benefit obligation and service cost have been revised in the following respects: The method for attributing projected benefits to periods has been changed from the straight-line basis to the benefit formula basis, and the method for determining the discount rate has been changed from a discount rate based on the average remaining service period of employees to a single weighted-average discount rate that reflects the periods until the expected payment of retirement benefits and the amount of projected benefits every such period. The effect of this change has no impact on Consolidated balance sheet.

3.Issued but not yet adopted accounting standard and others

"Accounting Standard for Business Combinations" (ASBJ Statement No. 21, September 13, 2013),"Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, September 13, 2013),"Accounting Standard for Business Divestitures" (ASBJ Statement No.7, September 13, 2013),"Accounting Standard for Earnings Per Share" (ASBJ Statement No.2, September 13, 2013),"Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures"(ASBJ Guidance No.10, September 13, 2013) and "Guidance for Accounting Standard for Earnings Per Share"(ASBJ Guidance No.4, September 13, 2013)

(1) Overview

These accounting standards and guidance were revised mainly in relation to the following respects;

(i) Accounting treatment for changes in ownership interests in subsidiaries when the parent company’s control is continuing after an additional acquisition of a subsidiary’s stocks, (ii) Accounting treatment for acquisition-related expenses, (iii) Presentation of net income, and the change from minority interest to non-controlling interest, (iv) Provisional accounting treatment.

(2) Scheduled Date of Application

The Companies are scheduled to apply these standards and guidance from the beginning of the fiscal year starting April 1, 2015. The Companies are scheduled to apply the revised provisional accounting treatment for business combinations which would occur after the beginning of the fiscal year starting April 1, 2015.

(3) Effect of Application of this accounting standard

The effect of the application of this accounting standard is currently under consideration.

4.Changes in Presentation

(1)The Companies have changed the presentation of items in the consolidated statement of income as follows:

Gain on insurance claims presented separately in the previous year, is included in Other, net of Other income (expenses) in the current year.

Guarantee fee and Loss on sale of fixed assets included in Other, net of Other income (expenses) in the previous year, is presented separately in the current year.

To reflect these changes in presentation, the Companies reclassified items of previous year in the consolidated statement of income for the current year.

Consequently, Gain on insurance claims in the amount of ¥15 million was included in Other, net and Guarantee fee and Los on sale of fixed assets were newly shown in the amount of ¥(73) million and ¥(14) million. Also Other, net of Other income (expenses) in the previous year was shown in the amount of ¥25 million, compared with ¥(77) million previously presented.

(2)The Companies have changed the presentation of items in the consolidated statement of cash flows as follows:

Loss on valuation of utility rights of Cash flows from operating activities presented separately in the previous year,is included in Other, net of Cash flows from operating activities in the current year.

To reflect this change in presentation, the Companies reclassified items of previous year in the consolidated statement of cash flows for the current year.

Consequently, Loss on valuation of utility rights of Cash flows from operating activities in the amount of ¥0 million was included in Other, net.

5.Notes to Consolidated Balance Sheet

Ⅰ.Cost on construction contracts in progress and other

Cost on construction contracts in progress and other as of March 31, 2015 and 2014 consisted of:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Cost on construction contracts in progress	**¥5,208**	¥5,220	**$43,402**
PFI projects	**1,864**	2,362	**15,535**
Other inventories	**1,324**	603	**11,039**
Cost on construction contracts in progress and other	**¥8,397**	¥8,187	**$69,977**

Ⅱ.Reserve for loss on construction works

Cost on construction contracts in progress and reserve account in relation to the construction works, which loss is assumed, are represented in current assets and liabilities, respectively without setoff.

Among cost on construction contracts in progress, amount in aggregate corresponding to reserve for loss on construction works as of March 31, 2015 and 2014 are as follows:

Millions of Japanese Yen		Thousands of U.S. Dollars
2015	2014	**2015**
¥800	¥1,573	**$6,666**

Ⅲ.Investments in securities

Among investments in securities, amount in aggregate corresponding to unconsolidated subsidiaries and affiliates as of March 31, 2015 and 2014 are as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Investments in affiliates	**¥225**	¥250	**$1,875**

Ⅳ.Revaluation of land

In accordance with the "Act on Revaluation of Land" (Act No.34 promulgated on March 31, 1998) and the "Act on Partial Revision of the Act on Revaluation of Land" (Act No.19 promulgated on March 31, 2001), the Company revalued its land held for the business purpose and accounted for the amount equivalent to tax related to this differences on revaluation as "deferred tax liabilities on revaluation of land" in liabilities and accounted for the amount that tax amount were deducted from the differences on revaluation as "revaluation reserve for land" in net assets.

Furthermore, reviewing a collectability of "deferred tax assets for land revaluation" individually, among the amount equivalent to tax related to the differences on revaluation of land, the amount that were difficult to anticipate collectability were reduced from "revaluation reserve for land".

Revalued method

The Company revalued its land held for business purposes based on the value appraised by an appraiser, as regulated by Article No.2-4 of the "Enforcement Ordinance of the Law Concerning Land Revaluation (Article No.119 issued on March 31 1998) with certain necessary adjustments.

Revalued date March 31, 2002

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Differences of the land after revaluation exceeded its fair value	**¥5,901**	¥6,118	**$49,175**

Ⅴ.Assets pledged as collateral and secured liabilities

Assets pledged as collateral and secured liabilities as of March 31, 2015 and 2014 were as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
Assets pledged as collateral:	**2015**	2014	**2015**
Current assets			
Other current assets	**¥26**	¥26	**$221**
Investment and other assets			
Investment in securities	**2,385**	2,101	**19,879**
Long-term loans	**272**	297	**2,274**
Total	**¥2,685**	¥2,425	**$22,375**

As of March 31, 2015, the assets listed above are pledged as collateral to secure contingent liabilities amounting to ¥1,558 million (US$12,991 thousand) and liabilities based on the loan agreements with credit line between 12 PFI companies and financial institutions.

As of March 31, 2014, secured liabilities were in the amount of ¥1,598 million and liabilities were for 12 PFI companies.

Ⅵ.Securities lent

Among investment in securities, securities were lent to financial institution under the security lending agreement at March 31, 2015 and 2014 were as follows:

Millions of Japanese Yen		Thousands of U.S. Dollars
2015	2014	**2015**
¥202	¥212	**$1,688**

Ⅶ.Commitments and contingent liabilities

(a)The Companies are contingently liable for the following as of March 31, 2015 and 2014:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Employees (Loan guarantee to bank)	**¥13**	¥13	**$113**
National Federation of Promotion for Fishing Ports and Villages	**220**	295	**1,834**
Fisheries Cooperative Association (Loan guarantee)			
Others	**382**	295	**3,183**
Total	**¥615**	¥603	**$5,131**

(b)A lawsuit has been filed against the Company claiming damages (totaling 1,206 million yen (US$10,050 thousand) for defective construction work (completed in 1997) by said client.

The case is currently pending in the Tokyo District Court. At this time, it is not possible to predict the outcome of the trial.

Ⅷ.Short-term borrowings

The Company had commitment lines for efficient financial arrangement from 7 banks at March 31, 2015 and 2014 as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Total amount of contracts of commitment lines	**¥20,000**	¥20,000	**$166,666**
Outstanding borrowings	**—**	—	**—**
Balance	**¥20,000**	¥20,000	**$166,666**

Ⅸ.Non-recourse debt

The following non-recourse debts are included in current portion of long-term debt and long-term debt with PFI business pledged as collateral. The ammount of non-recourse debts as of March 31, 2015 and 2014 are as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Non-recourse debt included in current portion of long term debt	**¥665**	¥663	**$5,548**
Non-recourse debt included in long-term debt	**3,565**	4,231	**29,714**
Total	**¥4,231**	¥4,895	**$35,262**

The amount of PFI assets pledged as collateral for non-recourse debt as of March 31, 2015 and 2014 are as follows:

Millions of Japanese Yen		Thousands of U.S. Dollars
2015	2014	**2015**
¥6,248	¥6,839	**$52,073**

6.Notes to Consolidated Statement of Income

Ⅰ.Net sales

The amounts of contract revenue which are accounted for by the percentage-of-completion method were as follows:

Millions of Japanese Yen		Thousands of U.S. Dollars
2015	2014	**2015**
¥174,718	¥175,670	**$1,455,986**

Ⅱ.Loss on valuation of inventory

The ending inventory was the carrying value after writing down due to the decreased profitability. Among the cost of sales, amount in aggregate corresponding to loss on valuation of inventory were as follows:

Millions of Japanese Yen		Thousands of U.S. Dollars
2015	2014	**2015**
¥603	¥67	**$5,026**

Ⅲ.Reserve for loss on construction works

Among the cost of sales, amount in aggregate corresponding to reserve for loss on construction works were as follows:

Millions of Japanese Yen		Thousands of U.S. Dollars
2015	2014	**2015**
¥1,211	¥4,554	**$10,097**

Ⅳ.Selling, general and administrative expenses

The significant items of selling, general and administrative expenses were as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Salaries to employees	**¥4,078**	¥4,081	**$33,990**
Provision for retirement benefits for directors	**—**	4	**—**
Expenses for retirement benefits for employees	**361**	514	**3,012**
Reserch expenses	**693**	848	**5,778**
Provision for doubtful accounts, trade	**19**	(18)	**161**

Ⅴ.Research and development expenses

Among the general and administrative expenses and the cost on contract, amount in aggregate corresponding to research and development expenses were as follows:

Millions of Japanese Yen		Thousands of U.S. Dollars
2015	2014	**2015**
¥777	¥946	**$6,481**

Ⅵ.Gain on sale of fixed assets

The breakdown of the gain on sale of fixed assets were as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Land	**¥132**	¥4	**$1,101**
Machinery and equipment	**—**	0	**—**
Vessels	**39**	80	**328**
Others	**0**	1	**0**
Total	**¥171**	¥86	**$1,430**

Ⅶ.Loss on sale of fixed assets

The breakdown of the loss on disposition of fixed assets were as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Machinery and equipment	**¥157**	—	**$1,314**
Others	**0**	14	**0**
Total	**¥157**	¥14	**$1,315**

Ⅷ.Loss on disposal of fixed assets

The breakdown of the loss on retirement of fixed assets were as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Buildings	**¥45**	¥55	**$380**
Others	**4**	9	**36**
Total	**¥50**	¥65	**$416**

Ⅸ.Impairment of fixed assets

For the year ended March 31, 2015, the Companies recognized losses on impairment of the following assets:

Use	Type of assets	Location	Number of groups
Construction business	Land, buildings and others	Hokkaido	1
Idle properties	Land	Hokkaido and others	7

The construction business assets were grouped by each branch unit, the real estate leasing assets and the idle properties were grouped by each individual objective.

As to the construction business assets for which loss on impairment was recognized due to the decreased profitability, the carrying amount of the relevant assets was written down to the recoverable value and ¥124 million (US$1,036 thousand) was accounted for as loss on impairment of fixed assets ,which consisted of ¥75 million (US$629 thousand) for land, ¥44 million (US$374 thousand) for buildings and ¥3 million (US$32 thousand) for others.

The carrying amount of the relevant assets was written down to the recoverable value due to the drop in fair value and ¥40 million (US$337 thousand) was accounted for as loss on impairment of fixed assets whose detail amount consisted of only for land.

Meanwhile, the recoverable value of the relevant assets was based on the anticipated net sale value. Furthermore, the anticipated net sale value of land whose carrying amount was significant was applied to the appraisal value by the licensed real-estate appraiser.

For the year ended March 31, 2014, the Companies recognized losses on impairment of the following assets:

Use	Type of assets	Location	Number of groups
Idle properties	Land	Kanagawa and others	2

The idle properties were grouped by each individual objective. The carrying amount of the relevant assets was written down to the recoverable value due to the drop in fair value and ¥166 million was accounted for as loss on impairment of fixed assets whose detail amount consisted of only for land.

Meanwhile, the recoverable value of the relevant assets was based on the anticipated net sale value. Furthermore, the anticipated net sale value of land whose carrying amount was significant was applied to the appraisal value by the licensed real-estate appraiser.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

TOA CORPORATION and its consolidated subsidiaries

7.Notes to Consolidated Statement of Comprehensive Income

Reclassifications adjustments and tax effects in relation to the other comprehensive income were as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Unrealized gains (Losses) on securities:			
Amount arising during the year	**¥1,403**	¥2,029	**$11,698**
Amount of reclassification adjustments	**(117)**	(712)	**(975)**
Amount before tax effect	**1,286**	1,317	**10,722**
Tax effect	**(217)**	(429)	**(1,812)**
Unrealized gains (Losses) on securities	**1,069**	888	**8,910**
Deferred gains (losses) on hedges:			
Amount arising during the year	**72**	—	**605**
Amount before tax effect	**72**	—	**605**
Tax effect	**(20)**	—	**(174)**
Deferred gains (losses) on hedges	**51**	—	**431**
Revaluation reserve for land:			
Tax effect	**274**	—	**2,288**
Revaluation reserve for land	**274**	—	**2,288**
Retirement benefits liability adjustments:			
Amount arising during the year	**2,446**	—	**20,384**
Amount of reclassification adjustments	**485**	—	**4,045**
Amount before tax effect	**2,931**	—	**24,430**
Tax effect	**(1,037)**	—	**(8,646)**
Retirement benefits liability adjustments	**1,894**	—	**15,784**
Total other comprehensive income	**¥3,289**	¥888	**$27,414**

8.Notes to Consolidated Statement of Changes in Net Assets

Ⅰ.Type and number of shares

For the year ended March 31, 2015

Type of shares	Number of shares at beginning of year	Increase	Decrease	Number of shares at end of year (Thousands of shares)
Issued stock				
Common stock	**224,946**	**—**	**—**	**224,946**
Treasury stock				
Common stock	**15,917**	**2**	**—**	**15,919**

Notes:The principal details for increase in treasury stock were as follows:

Increase due to purchase of odd stock	2 thousand shares

For the year ended March 31, 2014

Type of shares	Number of shares at beginning of year	Increase	Decrease	Number of shares at end of year (Thousands of shares)
Issued stock				
Common stock	224,946	—	—	224,946
Treasury stock				
Common stock	15,257	660	—	15,917

Notes:The principal details for increase in treasury stock were as follows:

Increase due to purchase of odd stock	3 thousand shares
Increase due to acquisition of treasury stock by the Company	675 thousand shares

Ⅱ.**Dividend payment**

For the year ended March 31, 2015

			Millions of Japanese Yen		Thousands of U.S Dollars			
Resolution	Type of share	Dividend resource	Total amount of dividends	Cash dividends per share (Yen)	Total amount of dividends	Cash dividends per share (Dollars)	Record date	Effective date
Annual Shareholders' Meeting held on June 27, 2014	Common stock	Retaind earnings	¥425	¥2	$3,542	$0.01	March 31, 2014	June 30, 2014

Ⅲ.**Among dividends whose record date belong in the current fiscal year, dividends which become effective in the following fiscal year was as follows:**

For the year ended March 31, 2015

			Millions of Japanese Yen		Thousands of U.S Dollars			
Resolution	Type of share	Dividend resource	Total amount of dividends	Cash dividends per share (Yen)	Total amount of dividends	Cash dividends per share (Dollars)	Record date	Effective date
Annual Shareholders' Meeting held on June 26, 2015	Common stock	Retaind earnings	**¥425**	**¥2**	**$3,542**	**$0.01**	March 31, 2015	June 29, 2015

For the year ended March 31, 2014

			Millions of Japanese Yen			
Resolution	Type of share	Dividend resource	Total amount of dividends	Cash dividends per share (Yen)	Record date	Effective date
Annual Shareholders' Meeting held on June 27, 2014	Common stock	Retaind earnings	¥425	¥2	March 31, 2014	June 30, 2014

9.Notes to Consolidated Statement of Cash Flows

Cash and cash equivalents consisted of:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Cash and bank deposits	**¥22,935**	¥43,040	**$191,126**
Time deposits due over three months	**(25)**	(25)	**(211)**
Cash and cash equivalents	**¥22,909**	¥43,014	**$190,914**

10.Leases

Operating lease

The scheduled maturities of future operating lease payments, including an interest portion on such lease contracts as of March 31, 2015 and 2014, are as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Due within one year	**¥511**	¥514	**$4,265**
Due over one year	**484**	981	**4,036**
Total	**¥996**	¥1,495	**$8,301**

11.Financial Instruments

Ⅰ.Summary of financial instruments

a) Policy for financial instruments

The Companies limit its fund management to low-risk financial instruments, such as bank deposits in a short period and have a policy to raise low-interest funds through bank borrowings flexibly. The Companies utilize derivatives in order to reduce the risk of fluctuation in interest rates and foreign exchange rates for debts and credits in foreign currencies. The Companies, furthermore, utilize the hedging instruments for the purpose of stabilizing the cost on contracts and do not enter into derivatives for speculative purpose.

b) Contents of financial instruments, related risk and risk management

Notes and accounts receivable which categorized into operating receivables are exposed to client's credit risk.These risks are reviewed at entering into contract and the concerned counterparts are managed by the administration headquarters in each case.

Investments in securities are exposed to fluctuation risks of market price.

Those securities are mainly shares of other companies with which the Company has business relationships and the Company monitors the monthly fair value.

Among the debt, short-term borrowings are principally applicable to funds for business activities and long-term debt (maturities are within five years in principle) are funds for capital investments. Long-term debt with variable interest rates are exposed to the risk of interest rate fluctuation. The Company utilizes derivatives which are the interest swaps in each contracts in order to avoid fluctuation risk of interest expenses and stabilize interest cost. In addition, the Company utilizes foreign currency exchange contracts to hedge foreign currency exposure of certain transactions related to construction work denominated in foreign currency.

Conducting of derivative transactions is managed by gaining approval by directors and derivatives provided by the highly-rated financial institutions are utilized in order to avoid credit risk.

c) Supplemental explanation for fair value of financial instruments

Notional amounts of derivatives are not indicative of the actual market risk involved in derivative transactions.

Ⅱ.Fair value of financial instruments

As of March 31, 2015, carrying amount, fair value and unrealized gain (loss) are as follows:

	Carrying amount (*1)	Fair value (*1)	Unrealized gain (loss)	Carrying amount (*1)	Fair value (*1)	Unrealized gain (loss)
	Millions of Japanese Yen			Thousands of U.S. Dollars		
Cash and bank deposits	¥22,935	¥22,935	¥—	$191,126	$191,126	$—
Notes and accounts receivable, trade	89,672	89,672	—	747,270	747,270	—
Advanced money	11,623	11,623	—	96,861	96,861	—
Investments in securities						
Held-to-maturity debt securities	15	15	0	125	125	0
Other securities	12,230	12,230	—	101,923	101,923	—
Notes and accounts payable, trade	(52,767)	(52,767)	—	(439,731)	(439,731)	—
Short-term borrowings	(8,390)	(8,390)	—	(69,916)	(69,916)	—
Deposits received	(15,187)	(15,187)	—	(126,565)	(126,565)	—
Long-term debt (*2)	(20,891)	(21,206)	(314)	(174,096)	(176,718)	(2,622)
Derivative transactions (*3)	¥72	¥72	¥—	$605	$605	$—

(*1) The amount in parentheses represents liability position.
(*2) Current portion of long-term debt of ¥5,839 million (US$48,660 thousand) is included in long-term debts and carrying amount and fair value are represented.
(*3) The assets and liabilities are reported as net amount.

As of March 31, 2014, carrying amount, fair value and unrealized gain (loss) are as follows:

	Carrying amount (*1)	Fair value (*1)	Unrealized gain (loss)
	Millions of Japanese Yen		
Cash and bank deposits	¥43,040	¥43,040	¥—
Notes and accounts receivable, trade	68,591	68,591	—
Advanced money	10,041	10,041	—
Investments in securities			
Held-to-maturity debt securities	15	15	0
Other securities	(11,044)	(11,044)	—
Notes and accounts payable, trade	(51,130)	(51,130)	—
Short-term borrowings	(9,870)	(9,870)	—
Deposits received	(11,846)	(11,846)	—
Long-term debt (*2)	(22,417)	(22,724)	(306)
Derivative transactions	¥—	¥—	¥—

(*1) The amount in parentheses represents liability position.

(*2) Current portion of long-term debt of ¥5,271 million is included in long-term debts and carrying amount and fair value are represented.

a) Computation of fair value for financial instruments, investment in securities and derivative transactions

Cash and bank deposits, and advanced money in other current assets

Those accounts are carrying value, since those are settled in a short period and their fair value is equivalent to carrying amount approximately.

Notes and accounts receivable and trade

The most of its account are carrying value, since those are settled in a short period and their fair value is equivalent to carrying amount approximately.

Investments in securities

Fair value of investments in securities is based on market price at Stock Exchange or asking price from correspondent financial institution.

Notes and accounts payable, trade, short-term borrowings, and deposits received in other current liabilities.

Those accounts are carrying value, since those are settled in a short period and their fair value is equivalent to carrying amount approximately.

Long-term debt

Fair value of long-term debt is based on the present value of the total of principal and interest discounted by the interest rate to be applied, provided that the equivalent loans are newly entered into.

b) Financial instruments for which it is extremely difficult to determine fair value

Unlisted stocks are not included in Investments in securities, since those have no market price and it is extremely difficult to determine fair value.

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Unlisted stocks	**¥1,907**	¥2,112	**$15,893**

c) Projected redemption

The projected redemption of monetary claim as of March 31, 2015 were as follows:

	within one year	over one year within five years	over five years within ten years	over ten years	within one year	over one year within five years	over five years within ten years	over ten years
	Millions of Japanese Yen				Thousands of U.S.Dollars			
Cash and bank deposits	**¥22,853**	**¥—**	**¥—**	**¥—**	**$190,447**	**$—**	**$—**	**$—**
Notes and accounts receivable, trade	**83,343**	**5,578**	**741**	**8**	**694,532**	**46,486**	**6,177**	**69**
Investments in securities								
Held-to-maturity debt securities (Governmental bonds)	**—**	**15**	**—**	**—**	**—**	**125**	**—**	**—**
Other securities with maturities (Governmental bonds)	**—**	**—**	**42**	**—**	**—**	**—**	**350**	**—**
Total	**¥106,197**	**¥5,593**	**¥783**	**¥8**	**$884,980**	**$46,611**	**$6,527**	**$69**

The projected redemption of monetary claim as of March 31, 2014 were as follows:

	within one year	over one year within five years	over five years within ten years	over ten years
	Millions of Japanese Yen			
Cash and bank deposits	¥42,973	¥—	¥—	¥—
Notes and accounts receivable, trade	61,487	6,065	1,024	15
Investments in securities				
Held-to-maturity debt securities				
(Governmental bonds)	—	15	—	—
Other securities with maturities				
(Governmental bonds)	—	—	40	—
Total	¥104,460	¥6,080	¥1,065	¥15

d) The projected repayment of short-term borrowings, long-term debt and lease obligation as of March 31, 2015 were as follows:

	within one year	over one year within two years	over two years within three years	over three years within four years	over four years within five years	over five years
	Millions of Japanese Yen					
Short-term borrowings	**¥8,390**	**¥—**	**¥—**	**¥—**	**¥—**	**¥—**
Long-term debt	**5,839**	**5,563**	**4,104**	**2,786**	**1,395**	**1,201**
Lease obligation	**65**	**30**	**19**	**17**	**2**	**—**
Total	**¥14,295**	**¥5,593**	**¥4,124**	**¥2,804**	**¥1,398**	**¥1,201**

	within one year	over one year within two years	over two years within three years	over three years within four years	over four years within five years	over five years
	Thousands of U.S. Dollars					
Short-term borrowings	**$69,916**	**$—**	**$—**	**$—**	**$—**	**$—**
Long-term debt	**48,660**	**46,363**	**34,207**	**23,224**	**11,630**	**10,009**
Lease obligation	**548**	**251**	**159**	**147**	**24**	**—**
Total	**$119,125**	**$46,614**	**$34,367**	**$23,372**	**$11,654**	**$10,009**

The projected repayment of long-term debt and lease obligation as of March 31, 2014 were as follows:

	within one year	over one year within two years	over two years within three years	over three years within four years	over four years within five years	over five years
	Millions of Japanese Yen					
Short-term borrowings	¥9,870	¥—	¥—	¥—	¥—	¥—
Long-term debt	5,271	5,641	4,648	3,189	1,921	1,746
Lease obligation	56	52	17	6	4	0
Total	¥15,198	¥5,694	¥4,665	¥3,195	¥1,926	¥1,746

12.Securities

(1) The following is certain information related to the aggregate acquisition costs, carrying amount and fair value of securities.

At March 31, 2015

	Millions of Japanese Yen			Thousands of U.S. Dollars		
	Acquisition cost	Fair value (Carrying value)	Unrealized gain (loss)	Acquisition cost	Fair value (Carrying value)	Unrealized gain (loss)
Held-to-maturity debt securities whose consolidated balance sheet amount exceeds its acquisition cost						
Government bond	**¥15**	**¥15**	**¥0**	**$125**	**$125**	**$0**
Sub total	**15**	**15**	**0**	**125**	**125**	**0**
The securities whose consolidated balance sheet amount does not exceed its acquisition cost						
Government bond	**—**	**—**	**—**	**—**	**—**	**—**
Sub total	**—**	**—**	**—**	**—**	**—**	**—**
Total	**¥15**	**¥15**	**¥0**	**$125**	**$125**	**$0**

	Millions of Japanese Yen			Thousands of U.S. Dollars		
	Acquisition cost	Fair value (Carrying value)	Unrealized gain (loss)	Acquisition cost	Fair value (Carrying value)	Unrealized gain (loss)
Other securities whose consolidated balance sheet amount exceeds its acquisition cost						
Stock	**¥5,619**	**¥11,802**	**¥6,183**	**$46,827**	**$98,356**	**$51,528**
Government bond	**38**	**42**	**3**	**316**	**350**	**33**
Sub total	**5,657**	**11,844**	**6,187**	**47,144**	**98,706**	**51,561**
The securities whose consolidated balance sheet amount does not exceed its acquisition cost						
Stock	**416**	**386**	**(30)**	**3,468**	**3,217**	**(250)**
Government bond	**—**	**—**	**—**	**—**	**—**	**—**
Sub total	**416**	**386**	**(30)**	**3,468**	**3,217**	**(250)**
Total	**¥6,073**	**¥12,230**	**¥6,157**	**$50,612**	**$101,923**	**$51,310**

At March 31, 2014

	Millions of Japanese Yen		
	Acquisition cost	Fair value (Carrying value)	Unrealized gain (loss)
Other securities whose consolidated balance sheet amount exceeds its acquisition cost			
Stock	¥5,163	¥10,154	¥4,990
Government bond	37	40	3
Sub total	5,200	10,195	4,994
The securities whose consolidated balance sheet amount does not exceed its acquisition cost			
Stock	972	849	(123)
Government bond	—	—	—
Sub total	972	849	(123)
Total	¥6,173	¥11,044	¥4,870

(2) Other securities sold during the financial years ended March 31, 2015 and 2014 were as follows:

At March 31, 2015

	Millions of Japanese Yen			Thousands of U.S. Dollars		
	Sales	gain on sales	loss from sales	Sales	gain on sales	loss from sales
Stock	**¥239**	**¥116**	**¥—**	**$1,999**	**$967**	**$—**
Other	**—**	**—**	**—**	**—**	**—**	**—**
Total	**¥239**	**¥116**	**¥—**	**$1,999**	**$967**	**$—**

(*1) Disposals of unlisted stocks are not included.

At March 31, 2014

	Millions of Japanese Yen		
	Sales	gain on sales	loss from sales
Stock	¥410	¥310	(¥27)
Other	—	—	—
Total	¥410	¥310	(¥27)

13.Derivative Transactions

Derivative transactions for the year ended March 31, 2015 were classified into:

a) Hedge accounting unapplied

Not applicable

b) Hedge accounting applied

Notional amounts and fair value conditioned on contracts in each hedge accounting method are as follows:

(1)Currency related derivatives

			Millions of Japanese Yen			Thousands of U.S. Dollars		
Hedge accounting method	Types of derivative	Hedged item	Notional amount	Maturing over one year	Fair value	Notional amount	Maturing over one year	Fair value
Accounting in principle	Forward foreign exchange contracts Buying U.S. Dollars	Accounts payable	**¥725**	**¥94**	**¥72 (*)**	**$6,046**	**$790**	**$605 (*)**

(*)Fair value is calculated based on presented price by correspondent financial institution.

(2)Interest rate related derivatives

			Millions of Japanese Yen			Thousands of U.S. Dollars		
Hedge accounting method	Types of derivative	Hedged item	Notional amount	Maturing over one year	Fair value	Notional amount	Maturing over one year	Fair value
Short-cut	Interest rate swaps Pay/fixed and receive/ floating	Long-term debt	**¥12,187**	**¥8,119**	**(*)**	**$101,565**	**$67,660**	**(*)**

(*) Fair value based on the short-cut method is included in fair value of these long-term debt, since the derivative transactions are treated with the hedged long-term debts collectively.

Derivative transactions for the year ended March 31, 2014 were classified into:

a) Hedge accounting unapplied

Not applicable

b) Hedge accounting applied

Notional amounts and fair value conditioned on contracts in each hedge accounting method are as follows:

(1)Interest Rate related derivatives

			Millions of Japanese Yen		
Hedge accounting method	Types of derivative	Hedged item	Notional amount	Maturing over one year	Fair value
Short-cut	Interest rate swaps Pay/fixed and receive/ floating	Long-term debt	**¥13,935**	**¥9,892**	**(*)**

(*) Fair value based on the short-cut method is included in fair value of these long-term debt, since the derivative transactions are treated with the hedged long-term debts collectively.

14.Reserve for Retirement Benefits and Pension Plan

For the year ended March 31, 2015

The Company and some of its consolidated subsidiaries have the funded/unfunded defined benefit retirement plans.

The Company has the funded defined benefit plan, the cash balance plan and sets up the retirement benefit trust.

Some consolidated subsidiaries have the unfunded retirement lump sum plans.

Furthermore, additional severance payment covering substantially all employees.

(1)The changes in the retirement benefit obligation during the year ended March 31, 2015 and 2014 are as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Retirement benefit obligation balance at the beginning of the year	**¥22,635**	¥24,036	**$188,627**
Service cost	**780**	827	**6,505**
Interest cost	**256**	258	**2,139**
Actuarial gain	**(333)**	(454)	**(2,776)**
Retirement benefit paid	**(1,894)**	(2,031)	**(15,784)**
Retirement benefit obligation balance at the end of the year	**¥21,445**	¥22,635	**$178,711**

(2)The changes in plan assets during the year ended March 31, 2015 and 2014 are as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Plan assets balance at the beginning of the year	**¥16,381**	¥15,680	**$136,509**
Expected return on plan assets	**192**	192	**1,605**
Actuarial loss	**2,113**	899	**17,608**
Contributions by the Company	**1,787**	1,653	**14,899**
Retirement benefits paid	**(1,876)**	(2,045)	**(15,639)**
Plan assets balance at the end of the year	**¥18,598**	¥16,381	**$154,985**

(3)The following table sets forth the funded status of the plans and the amounts recognized in the consolidated balance sheet as of March 31, 2015 and 2014 for the Company's and the consolidated subsidiaries' defined benefit plans:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Funded retirement benefit obligation	**¥21,104**	¥22,324	**$175,871**
Plan assets at fair value	**(18,598)**	(16,381)	**(154,985)**
	2,506	5,943	**20,888**
Unfunded retirement benefit obligation	**340**	311	**2,838**
Net liability for retirement benefits in the balance sheet	**2,847**	6,254	**23,726**
Liability for retirement benefits	**2,847**	6,254	**23,726**
Net liability for retirement benefits in the balance sheet	**¥2,847**	¥6,254	**$23,726**

(4)The components of retirement benefit expense for the year ended March 31, 2015 and 2014 are as follows::

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Service cost	**¥780**	¥827	**$6,505**
Interest cost	**256**	258	**2,139**
Expected return on plan assets	**(192)**	(192)	**(1,605)**
Amortization of actuarial loss	**485**	940	**4,045**
Other	**49**	53	**415**
Retirement benefit expense	**¥1,379**	¥1,887	**$11,499**

Notes :

1. Service cost does not include the amounts contributed by employees with respect to welfare pension fund plans.

2.Retirement benefit expenses for consolidated subsidiaries adopting the simplified method which assumes retirement benefit obligation to be equal to the benefits payable if all eligible employees voluntarily terminated their employment at fiscal year end are included in “Service cost.”

(5)Unrecognized actuarial gain included in other comprehensive income (before tax effect) as of March 31, 2015 and 2014 are as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Actuarial gain	**¥2,931**	¥—	**$24,430**

(6)Unrecognized actuarial gain (loss) included in accumulated other comprehensive income (before tax effect) as of March 31, 2015 and 2014 are as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Unrecognized actuarial gain (loss)	**¥185**	(¥2,746)	**$1,546**

(7)The fair value of plan assets, by major category, as a percentage of total plan assets as of March 31, 2015 and 2014 are as follows:

	2015	2014
Stocks	**50%**	44%
Bonds	**30%**	41%
General account assets	**15%**	10%
Other	**5%**	5%
Total	**100%**	100%

(8)The expected return on assets has been estimated based on the anticipated allocation to each asset class and the expected long-term returns on assets held in each category.

The assumptions used in accounting for the above plans as of March 31, 2015 and 2014 were as follows:

	(Weighted average)	
	2015	2014
Discount rate	**0.9%**	1.1%
Revaluation rate	**1.2%**	1.8%
Expected rate of return on plan assets	**2.0%**	2.0%
Expected rate of future salary increase	**2.3%~6.7%**	2.0%~6.3%

15.Tax Effect Accounting

1.The significant components of deferred tax assets and liabilities at March 31, 2015 and 2014 were as follows:

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Deferred Tax Assets:			
Net liability for retirement benefits	**¥2,059**	¥3,424	**$17,162**
Reserve for loss on construction works	**512**	1,527	**4,274**
Accrued bonus to employees	**509**	424	**4,246**
Unrealized losses on securities	**174**	197	**1,457**
Loss on valuation of utility rights	**273**	314	**2,277**
Loss on valuation of investment in securities	**175**	192	**1,459**
Other	**2,252**	2,449	**18,772**
Valuation allowance	**(1,115)**	(1,089)	**(9,297)**
Deferred tax assets	**¥4,842**	¥7,441	**$40,354**
Deferred Tax Liabilities:			
Revaluation reserve for land	**(¥712)**	(¥756)	**($5,935)**
Unrealized gains on securities	**(2,094)**	(1,889)	**(17,455)**
Other	**(114)**	(120)	**(953)**

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Deferred tax liabilities	**(2,921)**	(2,766)	**(24,344)**
Net Deferred Tax Assets	**¥1,921**	¥4,675	**$16,010**

(Note) Net deferred tax assets were included in the following items.

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Current assets - Deferred tax assets	**¥2,349**	¥3,582	**$19,582**
Investments and other assets - Deferred tax assets	**368**	1,911	**3,069**
Current liabilities - Other current liabilities	**76**	73	**639**
Long-term liabilities - Other long-term liabilities	**720**	744	**6,002**

2. A reconciliation between the normal effective statutory tax rate for the years ended March 31, 2015 and 2014, and the actual effective tax rates reflected in the accompanying consolidated statements of income is as follows:

	2015	2014
Normal effective statutory tax rate	**35.6%**	38.0%
Expenses not deductible for income tax purposes	**5.8**	7.0
Non-taxable income	**(1.0)**	(2.1)
Per capita levy of inhabitant taxes	**2.1**	5.5
Change in valuation allowance	**3.1**	(1.1)
Tax rate change	**6.0**	15.3
Amortization of negative goodwill	**-**	(0.0)
Foreign corporation tax	**8.2**	(4.6)
Other-net	**1.1**	3.9
Actual effective tax rates	**60.9%**	61.9%

The “Act for Partial Amendment of the Income Tax Act, etc.” (Act No.9 of 2015) and the “Act for Partial Amendment of the Local Tax Act, etc.” (Act No.2 of 2015) were promulgated on March 31, 2015. As a result, the effective statutory tax rate used to measure the Company's deferred tax assets and liabilities was changed from 35.6% to 33.1% for the temporary differences expected to be realized or settled in the year beginning April 1, 2015, and to 32.3% for the temporary differences expected to be realized or settled from April 1, 2016.

The effect of the announced reduction of the effective statutory tax rate was to decrease deferred tax assets, after offsetting deferred tax liabilities, by ¥133 million (U.S.$1,111 thousand) and increase deferred income taxes by ¥327 million (U.S.$2,729 thousand), unrealized holding gain (loss) on securities by ¥192 million (U.S.$1,606 thousand) and unrealized gain (loss) from hedging instruments by ¥1 million (U.S.$12 thousand) as of and for the year ended March 31, 2015.

Furthermore, deferred tax liabilities related to revaluation decreased by ¥274 million (US$2,288 thousand) and revaluation reserve for land increased by the same amount.

16.Asset Retirement Obligations

Because of insignificant amounts in asset retirement obligations, the Companies have omitted notation in the Notes to Consolidated Financial Statements for the years ended March 31, 2015 and 2014.

17.Investment and Rental Property

Because of insignificant amounts in investment and rental property, the Companies have omitted notation in the Notes to Consolidated Financial Statements for the year ended March 31, 2015 and 2014.

18.Information on Various Segments

Ⅰ.Outline of the reportable segments

The reportable segments of the Companies are components for which discrete financial information is available and prepared for the regular review, so that the board of directors can make decisions on the distribution of management resources and evaluate the operating performance. The Company comprises "Civil Engineering General Headquarters" and "Building Construction General Headquarters", which control domestic construction businesses, and "International Division" for overseas businesses. Those Headquarters and International Division develop strategies comprehensively in each line of business and expand business activities.

Accordingly, the Company's businesses consist of segments classified by products and services based on the headquarters.The reportable segments are composed of "Domestic Civil Engineering Businesses", "Domestic Architectural Businesses","Overseas Businesses" and principal activities in each segment are the following:

1) Domestic Civil Engineering Businesses: domestic civil engineering contracts, contracts related to design and others
2) Domestic Architectural Building Businesses: domestic architectural contracts, contracts related to design and others
3) Overseas Businesses: general overseas contracts

Ⅱ.Computation for the amount of net sales, profits or losses and other items in each reportable segment

The accounting policies of the reportable segments are substantially equivalent to the description in Significant Respects for the Basis of Preparing Consolidated Financial Statements. Intersegment net sales and transfers are based on the current market price.

Meanwhile, assets are not allocated to the business segments.

Ⅲ.Information on net sales, profits or losses and other items in the reportable segments

For the year ended March 31, 2015

								Millions of Japanese Yen
	Reportable Segments							
	Domestic Civil Engineering	Domestic Architectural Building	Overseas	Total	Others (Note 1)	Total	Adjustments (Note 2)	Consolidated (Note 3)
Net sales:								
External customers	¥89,981	¥54,754	¥40,704	¥185,439	¥13,444	¥198,884	—	¥198,884
Inter-segment	45	209	—	255	25,303	25,558	(25,558)	—
Total	¥90,026	¥54,963	¥40,704	¥185,694	¥38,748	¥224,443	¥(25,558)	¥198,884
Segment profits or losses	9,088	737	(1,653)	8,172	437	8,610	(2,913)	5,696
Other items Depreciation and amortization	¥502	¥16	¥766	¥1,286	¥479	¥1,765	¥219	¥1,985

For the year ended March 31, 2015

								Thousands of U.S. Dollars
	Reportable Segments							
	Domestic Civil Engineering	Domestic Architectural Building	Overseas	Total	Others (Note 1)	Total	Adjustments (Note 2)	Consolidated (Note 3)
Net sales:								
External customers	$749,843	$456,284	$339,200	$1,545,328	$112,040	$1,657,368	$—	$1,657,368
Inter-segment	381	1,745	—	2,127	210,863	212,990	(212,990)	—
Total	$750,224	$458,030	$339,200	$1,547,455	$322,904	$1,870,359	$(212,990)	$1,657,368
Segment profits or losses	75,741	6,148	(13,781)	68,108	3,641	71,750	(24,279)	47,470
Other items Depreciation and amortization	$4,188	$140	$6,390	$10,719	$3,996	$14,716	$1,831	$16,547

Notes :

1. "Other" is excluded from the reportable segments and inclusive of Real Estate Business, Manufacture / Sale / Repairing of construction machineries.
2. Adjustment of the segment profits amounting to ¥(2,913) million (US$(24,279) thousand) is inclusive of inter-segment elimination amounting to ¥49 million (US$408 thousand) and Selling, General and Administrative Expenses amounting to ¥(2,962) million (US$(24,687) thousand) which are not attributed to any reportable segments.

3. Segment profits or losses are adjusted to the operating income in the consolidated statements of income.
4. Assets are not described due to no allocation to the business segments.

For the year ended March 31, 2014

Millions of Japanese Yen

	Reportable Segments							
	Domestic Civil Engineering	Domestic Architectural Building	Overseas	Total	Others (Note 1)	Total	Adjustments (Note 2)	Consolidated (Note 3)
Net sales:								
External customers	¥93,618	¥47,698	¥39,097	¥180,413	¥12,193	¥192,607	¥—	¥192,607
Inter-segment	111	80	—	192	27,969	28,161	(28,161)	—
Total	¥93,730	¥47,778	¥39,097	¥180,605	¥40,163	¥220,769	(¥28,161)	¥192,607
Segment profits or losses	6,870	(1,403)	(1,158)	4,308	687	4,996	(2,794)	2,201
Other items Depreciation and amortization	¥400	¥20	¥644	¥1,065	¥450	¥1,516	¥235	¥1,751

Notes :
1. "Other" is excluded from the reportable segments and inclusive of Real Estate Business, Manufacture / Sale / Repairing of construction machineries.
2. Adjustment of the segment profits amounting to ¥(2,794) million is inclusive of inter-segment elimination amounting to ¥85 million and Selling, General and Administrative Expenses amounting to ¥(2,880) million which are not attributed to any reportable segments.
3. Segment profits or losses are adjusted to the operating income in the consolidated statements of income.
4. Assets are not described due to no allocation to the business segments.

19.Related Information

Ⅰ.Information on products and services

Description is excluded since the similar information is disclosed in the segment information.

Ⅱ.Geographical information

1) Net sales

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Japan	**¥158,186**	¥153,511	**$1,318,218**
Singapore	**26,209**	26,222	**218,409**
Other	**14,488**	12,872	**120,740**
Total	**¥198,884**	¥192,607	**$1,657,368**

Note) Net sales are based on the customers' location and categorized into the countries or areas.

2) Tangible fixed assets

Description is excluded since the amounts of the tangible fixed assets registered at domestically exceed 90% of those amounts in the consolidated balance sheets.

Ⅲ.Information on principal customer

For the year ended March 31, 2015

Name of Customer	Related segments	Net sales Millions of Japanese Yen 2015	Thousands of U.S. Dollars 2015
Japanese Ministry of Land, Infrastructure, Transport and Tourism	Domestic Civil Engineering Businesses, Domestic Architectural Building Businesses, others	**¥36,797**	**$306,644**

For the year ended March 31, 2014

Name of Customer	Related segments	Net sales Millions of Japanese Yen 2014
Japanese Ministry of Land, Infrastructure, Transport and Tourism	Domestic Civil Engineering Businesses, Domestic Architectural Building Businesses, others	¥41,647
Housing and Development Board, Singapore	Overseas Businesses	¥24,768

Ⅳ.Information on the loss on impairment of fixed assets in each reportable segment

The losses on impairment of fixed assets were not allocated to the each reportable segment of the Companies. Description of the amounts and contents is excluded since the similar information is disclosed in the notes related to the consolidated statements of income for the year ended March 31, 2015 and 2014.

Ⅴ.Information on the amortization and the unamortized balance of goodwill in each reportable segment

The Companies did not allocate the goodwill and the negative goodwill to the each reportable segment.

Because of insignificant amounts in the amortization and the unamortized balance of the negative goodwill, the Companies have omitted notation in the Notes to Consolidated Financial Statements for the year ended March 31, 2014.

The amortization was not applicable for the year ended March 31, 2015.

Ⅵ.Information on gain on negative goodwill in each reportable segment

The Companies did not allocate the gain on negative goodwill to the each reportable segment.

The gain was not applicable for the year ended March 31, 2015 and 2014.

20.Per Share Data

	Japanese Yen		U.S. Dollars
	2015	2014	**2015**
Net assets	**¥328.35**	¥304.65	**$2.736**
Net income	**9.95**	3.92	**0.082**

Because there was no dilutive shares, the Companies have not presented the diluted net income per share for the years ended March 31, 2015 and 2014.

Notes) The basic information for calculation of per share data were as follows:

1.Per share data on net assets

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Net assets	**¥69,004**	¥63,978	**$575,039**
Net assets amount for common stocks	**68,633**	63,681	**571,942**
Significant breakdown of differences			
Minority interests	**¥371**	¥297	**$3,096**

	Thousands of shares	
	2015	2014
Numbers of issued shares of common stocks	**224,946**	224,946
Numbers of treasury stocks of common stocks	**15,919**	15,917
Numbers of common stocks which were used for calculation for per share data on net assets	**209,026**	209,028

2.Per share data on net income

	Millions of Japanese Yen		Thousands of U.S. Dollars
	2015	2014	**2015**
Net income	**¥2,080**	¥819	**$17,337**
Net income which does not belong to common stockholders	**—**	—	**—**
Net income for common stocks	**¥2,080**	¥819	**$17,337**

	Thousands of Shares	
	2015	2014
Average number of shares of common stocks	**209,027**	209,281

21. Significant Subsequent Events

Not applicable

Consolidated table for detailed statements

Table for borrowing

	Millions of Japanese Yen		Thousands of U.S. Dollars		Average rates	Repayment deadline
	Beginning balance	Closing balance	Beginning balance	Closing balance	%	
Short-term borrowings	¥9,870	¥8,390	$82,250	$69,916	0.95%	
Current portion of Long-term debt	4,607	5,173	38,399	43,112	1.61%	
Current portion of Non-recourse debt	663	665	5,529	5,548	2.73%	
Current portion of lease obligations	56	65	471	548	—	
Long-term debt (excluding current portion)	12,915	11,486	107,625	95,720	1.46%	from 2016 to 2020
Non-recourse debt (excluding current portion)	4,231	3,565	35,262	29,714	2.62%	from 2016 to 2026
Lease obligation (excluding current portion)	81	70	681	583	—	from 2016 to 2019
Other debt	—	—	—	—	—	
Total	¥32,426	¥29,417	$270,219	$245,144	—	

Notes :

1. The "average rates" are balanced by the weighted average.
   The average rates of lease obligations are not listed because interests are included in the lease obligation in the consolidated balance sheets.
2. The amount scheduled to be repayment of long-term debt, non-recourse debt and lease obligations (excluding current portions) within 5 years after the consolidated closing date were as follows:

	Millions of Japanese Yen				Thousands of U.S. Dollars			
	over one year within two years	over two years within three years	over three years within four years	over four years within five years	over one year within two years	over two years within three years	over three years within four years	over four years within five years
Long-term debt	¥4,918	¥3,498	¥2,219	¥850	$40,987	$29,154	$18,491	$7,087
Non-recourse debt	645	606	567	545	5,375	5,052	4,733	4,542
Lease obligations	¥ 30	¥ 19	¥ 17	¥ 2	$ 251	$ 159	$ 147	$ 24

Table for asset retirement obligation

The indication omitted due to the beginning balance and closing balance of asset retirement obligation were less than or equal to hundredth part of the beginning balance and closing balance of the liabilities and net assets.