

CONSOLIDATED BALANCE SHEET

TOA CORPORATION and its consolidated subsidiaries
As of March 31, 2017 and 2016

ASSETS	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)
	2017	2016	2017
Current assets:			
Cash and bank deposits (Note 11)	¥ 28,217	¥ 39,965	\$ 251,945
Notes and accounts receivable, trade (Note 11)	78,288	73,974	699,002
Allowance for doubtful accounts	(550)	(524)	(4,919)
Real estate for sale	3,812	4,120	34,041
Cost on construction contracts in progress and other (Note 5)	7,703	12,450	68,777
Advanced money (Note 11)	10,965	12,564	97,910
Deferred tax assets (Note 15)	7,407	3,725	66,138
Other current assets (Note 5)	3,250	4,299	29,020
Total current assets	139,094	150,576	1,241,915
Property, plant and equipment:			
Land (Note 5)	18,398	18,653	164,273
Buildings and structures	15,985	16,643	142,725
Machinery, vehicles and equipment	20,017	20,992	178,728
Leased assets	151	151	1,351
Construction in progress	22	121	203
Total property, plant and equipment	54,575	56,562	487,283
Less accumulated depreciation	(26,924)	(27,078)	(240,398)
Property, plant and equipment—net	27,651	29,483	246,885
Intangible fixed assets	544	637	4,859
Investments and other assets:			
Investments in securities (Notes 5, 11 and 12)	13,988	12,237	124,893
Long-term loans (Note 5)	337	374	3,017
Deferred tax assets (Note 15)	773	1,808	6,907
Other (Note 5)	1,921	2,007	17,155
Allowance for doubtful accounts	(576)	(633)	(5,143)
Total investments and other assets	16,445	15,794	146,831
Total assets	¥ 183,735	¥ 196,491	\$ 1,640,491

The accompanying notes are an integral part of these financial statements.

LIABILITIES AND NET ASSETS	Millions of Japanese Yen		Thousands of U.S. Dollars (Note 1)
	2017	2016	2017
Current liabilities:			
Short-term borrowings (Notes 5 and 11)	¥ 8,463	¥ 8,376	\$ 75,566
Current portion of long-term debt (Notes 5 and 11)	5,535	5,744	49,428
Notes and accounts payable, trade (Note 11)	31,012	40,446	276,900
Electronically recorded obligations, operating (Notes 3 and 11)	8,429	10,660	75,267
Accrued income taxes	482	3,661	4,307
Advances received on construction contracts in progress	7,622	8,756	68,057
Reserve for indemnity on completed contracts	483	527	4,320
Reserve for loss on construction works (Note 5)	2,266	1,850	20,240
Deposits received (Note 11)	11,937	13,309	106,583
Reserve for loss on construction defects	14,100	—	125,892
Other current liabilities (Notes 5 and 11)	5,117	6,890	45,691
Total current liabilities	95,452	100,223	852,255
Long-term liabilities:			
Long-term debt (Notes 5 and 11)	15,196	15,784	135,679
Liability for retirement benefits (Note 14)	4,436	5,586	39,608
Deferred tax liabilities on revaluation of land (Notes 5 and 15)	2,358	2,397	21,053
Other long-term liabilities (Note 11)	1,333	1,355	11,907
Total long-term liabilities	23,324	25,123	208,250
Total liabilities	118,776	125,347	1,060,505
Net assets (Note 8):			
Shareholders' equity:			
Common stock,			
Authorized—60,000,000 shares			
Issued—22,494,629 shares at March 31, 2017 and 2016	18,976	18,976	169,434
Capital surplus	18,115	18,113	161,743
Retained earnings	23,020	31,353	205,539
Treasury stock, at cost 1,593 thousand shares and 1,592 thousand shares at March 31, 2017 and 2016, respectively	(2,056)	(2,053)	(18,364)
Total shareholders' equity	58,055	66,389	518,352
Accumulated other comprehensive income:			
Net unrealized gains (losses) on securities (Note 12)	4,193	2,966	37,441
Net deferred gains (losses) on hedges (Notes 11 and 13)	—	2	—
Revaluation reserve for land (Note 5)	3,629	3,570	32,402
Retirement benefits liability adjustments (Note 14)	(1,452)	(2,244)	(12,964)
Total accumulated other comprehensive income	6,370	4,294	56,879
Non-controlling interests	532	459	4,753
Total net assets	64,958	71,143	579,986
Commitments and contingent liabilities (Note 5):			
Total liabilities and net assets	¥ 183,735	¥ 196,491	\$ 1,640,491

The accompanying notes are an integral part of these financial statements.