

## Overview of the New Medium-Term Management Plan (2015 - 2017)

### Policy

Pursue customers' trust and contribution to society through high quality and safe operations.

- Strengthen on-site capabilities (technology, site operation, safety and total management)
- Develop our brand value
- Build strong management foundations

**No.1 contractor  
in coastal and  
waterfront areas**

Make our strong competitiveness and profitability in coastal and waterfront areas become our driving force to grow

### Strategy

1

#### Promote becoming a technology oriented company : Return to basics and improve on-site capabilities

- Comprehensively review and strengthen our on-site capabilities (technology, operation, safety and total management).
- Reinforce our advantages in the comprehensive valuation system and proposals (marketing, technology, operation and cost competitiveness).

2

#### Develop our brand value as the "No.1 contractor in coastal and waterfront areas"

- Aim to expand business to relevant areas with our advantages in coastal and waterfront areas.
- Develop and apply new technologies to strengthen our advantages.
- Start up new business e.g. recycling of construction generated soil, ground purification, improvement of sea area environments and offshore wind farms to prepare for the post-2020 market.

3

#### Strengthen management and organizational capabilities : Disseminate our management strategy

- Implement our thorough policy "focus on profitability" by preventing project deficits and problems in quality and safety.
- Integrate total resources for marketing and operation under cross-functional cooperation.

4

#### Build strong management foundations : Establish a foothold toward future growth

- Further strengthen our financial position: Carry out flexible fundraising in terms of enhancing our capital and panning business.
- Secure and develop excellent human resources: Make use of the potential of young employees at an early stage and utilize a variety of human resources e.g. seniors, mid-career employment and women.
- Reinforce total group competitiveness under mutual cooperation and synergy.

### Strengthen our management foundations

- Strengthen our financial foundations
- Secure and develop excellent human resources
- Redevelop IT foundations for operational efficiency

- Enhance corporate governance
- Implement thorough safety and quality management
- Strengthen our Group management

## Earnings Targets under Management Plan

	(Previous Management Plan)		(New Management Plan)	
	2014 Actual		2017 Plan	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated
(¥ billion)				
<b>Earnings Targets</b>				
Construction Orders Received	—	¥446.7	—	¥365.0
Net Sales	¥381.2	355.9	¥405.0	374.0
Gross Profit	24.7	22.2	28.0	25.5
Operating Income	9.9	8.9	12.0	11.0
Ordinary Income	9.2	8.2	11.0	10.0
Net Income	3.8	3.3	5.0	4.5
Earnings Per Share (¥)	13.2	11.5	17.5	15.7
<b>Consolidated Financial Targets</b>				
Equity Ratio (%)	22.3%		25.0%	
Interest-Bearing Debt (¥ billion)	¥74.9		¥67.0	
Net D/E Ratio (%)	0.6%		0.5%	

### Major Targets for 2017 (Consolidated)

- Operating Income : ¥12.0 billion or greater
- Ordinary Income : ¥11.0 billion or greater
- Net Income : ¥5.0 billion or greater
- Equity Ratio : 25.0% or greater
- Net D/E Ratio : 0.5% or less

### Major Operating Trends/Projection (Consolidated)

