

NON-CONSOLIDATED FINANCIAL STATEMENTS

Non-Consolidated Five-Year Summary

Penta-Ocean Construction Co., Ltd.
Years ended March 31

	Millions of yen					Thousands of U.S. dollars	
	2007	2008	2009	2010	2011	2011	
Orders received	¥347,389	¥375,945	¥317,829	¥257,950	¥276,936	\$3,330,559	
Civil engineering	149,595	205,839	194,839	167,275	127,903	1,538,220	
Architectural engineering	193,416	167,756	121,212	89,780	147,479	1,773,650	
Development business and other	4,378	2,350	1,778	895	1,554	18,689	
Net sales	289,270	317,856	366,553	297,438	279,374	3,359,880	
Civil engineering	152,937	167,482	201,705	185,758	164,706	1,980,830	
Architectural engineering	134,636	145,045	163,653	110,497	113,026	1,359,302	
Development business and other	1,697	5,329	1,195	1,183	1,642	19,748	
Contract backlog	420,384	474,371	406,042	366,094	360,558	4,336,236	
Civil engineering	248,469	283,685	262,343	243,919	204,470	2,459,050	
Architectural engineering	168,935	190,686	143,116	121,881	155,881	1,874,696	
Development business and other	2,980	0	583	294	207	2,489	
Total assets	321,606	307,211	308,078	274,733	268,403	3,227,937	
Net assets	53,574	48,710	47,339	50,043	55,860	671,797	
Ordinary income	466	3,081	7,081	7,849	6,778	81,515	
Income (Loss) before income taxes	(13,503)	2,810	66	2,518	4,649	55,911	
Net income (Loss)	(6,744)	1,390	(3,116)	2,228	1,924	23,139	
Cash dividends	—	—	—	491	572	6,879	
Per share of common stock:	Yen					U.S. dollars	
Net assets	¥109.02	¥198.26	¥192.69	¥203.70	¥195.37	\$2.35	
Net income (Loss)	(13.72)	5.66	(12.68)	9.07	7.56	0.09	
Cash dividends	—	—	—	2.00	2.00	0.02	
Number of employees	2,838	2,778	2,731	2,674	2,390		

Note:

1. Figures in U.S. dollars are converted for convenience only, at the rate of ¥83.15 per U.S.\$1, prevailing on March 31, 2011.

NON-CONSOLIDATED BALANCE SHEETS

Penta-Ocean Construction Co., Ltd.
As of March 31, 2010 and 2011

	Millions of yen		Thousands of U.S. dollars
	2010	2011	2011
Current assets:			
Cash and deposits	¥ 49,046	¥ 37,799	\$ 454,588
Short-term investment securities	30	2	24
Trade receivables:			
Notes	1,642	2,198	26,434
Accounts	106,339	110,725	1,331,630
Subsidiaries and affiliates	4,070	4,961	59,663
Inventories:			
Costs on uncompleted construction contracts	10,953	10,521	126,530
Real estate for sale and development projects in progress	15,114	13,081	157,318
Raw materials and supplies	810	1,404	16,885
Deferred tax assets	5,052	4,151	49,922
Other	3,716	2,212	26,603
Allowance for doubtful accounts	(1,036)	(1,164)	(13,999)
Total current assets	195,736	185,890	2,235,598
Property, plant and equipment:			
Land	33,425	40,146	482,815
Buildings and structures	29,324	29,112	350,114
Machinery, equipment and vehicles	14,428	13,259	159,459
Dredgers and vessels	24,349	24,486	294,480
Construction in progress	1,299	352	4,233
Other	111	128	1,539
Total property, plant and equipment	102,936	107,483	1,292,640
Less: Accumulated depreciation	(55,143)	(54,618)	(656,861)
Property, plant and equipment – net	47,793	52,865	635,779
Intangible assets:	458	579	6,963
Investments and other assets:			
Stock of and long-term loans receivable from subsidiaries and affiliates	5,870	5,033	60,529
Investment securities	7,175	10,459	125,785
Long-term loans receivable	138	135	1,624
Deferred tax assets	9,909	9,346	112,399
Other	15,033	11,855	142,573
Allowance for doubtful accounts	(7,379)	(7,759)	(93,313)
Total investments and other assets	30,746	29,069	349,597
Total assets	¥274,733	¥268,403	\$3,227,937

	Millions of yen		Thousands of U.S. dollars
	2010	2011	2011
Current liabilities:			
Short-term loans payable			
Bank	¥ 25,850	¥ 25,440	\$ 305,953
Current portion of long-term loans payable	25,598	25,554	307,324
Trade payable:			
Notes	13,393	17,277	207,781
Accounts	70,745	61,539	740,096
Subsidiaries and affiliates	5,857	4,317	51,918
Advance received on uncompleted construction contracts	24,159	25,232	303,452
Deposits received	12,390	8,647	103,993
Income taxes payable	299	837	10,066
Accrued consumption taxes	—	4,627	55,647
Provision for loss on construction contracts	1,317	2,216	26,651
Provision for warranties for completed construction	557	718	8,635
Provision for loss on voluntary retirement and other	1,485	—	—
Other provision	888	850	10,222
Other	2,362	2,039	24,522
Total current liabilities	184,900	179,293	2,156,260
Noncurrent liabilities:			
Long-term loans payable	32,138	25,674	308,767
Deferred tax liabilities for land revaluation	7,156	7,156	86,061
Other	496	420	5,052
Total noncurrent liabilities	39,790	33,250	399,880
Total liabilities	224,690	212,543	2,556,140
Net assets:			
Common stock	28,070	30,450	366,206
Authorized - 599,135,000 shares			
Issued shares			
March 31, 2011 286,013,910 shares			
March 31, 2010 245,763,910 shares			
Capital surplus			
Legal capital surplus	10,000	12,380	148,888
Other capital surplus	6,007	6,007	72,242
Total capital surplus	16,007	18,387	221,130
Retained earnings			
Retained earnings brought forward	1,834	1,849	22,237
Total retained earnings	1,834	1,849	22,237
Less: Treasury stock	(22)	(23)	(277)
Valuation difference on available-for-sale securities	249	(123)	(1,479)
Deferred gains (losses) on hedges	(5)	(8)	(96)
Revaluation reserve for land	3,910	5,328	64,076
Total net assets	50,043	55,860	671,797
Total liabilities and net assets	¥274,733	¥268,403	\$3,227,937

NON-CONSOLIDATED STATEMENTS OF INCOME

Penta-Ocean Construction Co., Ltd.
For the fiscal years ended March 31, 2010 and 2011

	Millions of yen		Thousands of U.S. dollars
	2010	2011	2011
Construction business:			
Net sales	¥296,255	¥277,732	\$3,340,132
Cost of sales	269,885	253,340	3,046,783
Gross profit	26,370	24,392	293,349
Development business and other:			
Net sales	1,183	1,642	19,748
Cost of sales	1,997	2,946	35,430
Gross profit (loss)	(814)	(1,304)	(15,682)
Total:			
Total net sales	297,438	279,374	3,359,880
Total cost of sales	271,882	256,286	3,082,213
Total gross profit	25,556	23,088	277,667
Selling, general and administrative expenses	16,271	14,043	168,888
Operating income	9,285	9,045	108,779
Non-operating income:			
Interest and dividends income	315	179	2,153
Interest and dividends income from subsidiaries and affiliates	1,719	197	2,369
Other	324	458	5,508
	2,358	834	10,030
Non-operating expenses:			
Interest expenses	2,780	2,214	26,627
Other	1,014	887	10,667
	3,794	3,101	37,294
Ordinary income	7,849	6,778	81,515
Extraordinary gain	2,761	719	8,647
Extraordinary loss	8,092	2,848	34,251
Income before income taxes	2,518	4,649	55,911
Income taxes:			
Current	259	1,194	14,360
Deferred	31	1,531	18,412
	290	2,725	32,772
Net income	¥ 2,228	¥ 1,924	\$ 23,139

Net income per share of common stock

	Yen		U.S. dollars
Primary	¥9.07	¥7.56	\$0.09
Assuming full dilution	—	—	—