

Summary of Financial Results

for the Third Quarter of Fiscal Year Ending March 2012

February 13, 2012

The following statements are an English-language translation of the original Japanese-language document.
(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

Name of listed company: **Penta-Ocean Construction Co., Ltd.**

Stock exchange: **Tokyo, Nagoya**

Code number: **1893**

Head office: **Tokyo**

(URL: <http://www.penta-ocean.co.jp/>)

Representative

Title: **Chief Executive Officer**

Name: **Yoshio Murashige**

Contact

Title: **General Manager, Account Department**

Name: **Syunji Kitahashi**

Tel: **03-3817-7619**

Schedule of financial statement reporting date: February 14, 2012

1. Business results for the fiscal year ended March 2012 (April 1, 2011-December 31, 2011)

(1) Consolidated business results Note: All amounts are rounded down to the nearest million yen. Percentage indicate changes form the previous term.

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
3Q FY2011	229,532	5.9	6,506	14.1	5,661	45.7	405	(74.6)
3Q FY2010	216,791	(8.4)	5,702	22.2	3,886	41.5	1,599	(3.4)

Note: Comprehensive income (millions of yen) Dec. 31 2011term: 812((41.5%)) Dec. 31 2010term: 1,390(- %)

	Earnings per share	Earnings per share (diluted)
	(Yen)	(Yen)
3Q FY2011	1.42	-
3Q FY2010	6.51	-

(2) Consolidated financial position

	Total assets (millions of yen)	Total net assets (millions of yen)	Total net assets/ total assets (%)
3Q FY2011	310,420	60,701	19.6
Mar. 31, 2011	286,224	60,460	21.1

Reference: Shareholders' Equity (millions of yen) Dec. 31 2011: 60,696 Mar. 31 2011: 60,453

2. Dividends

	Dividends per share (Yen)				
	As of 1Q-end	As of 2Q-end	As of 3Q-end	As of Fiscal Year-end	Full year
FY2010	-	-	-	2.00	2.00
FY2011	-	-	-	-	-
FY2011 (Forecast)	-	-	-	2.00	2.00

Notes: Revision made in the forecast dividend as of the end of the current quarter: None

3. Earnings forecasts for fiscal year ended March 2012 (April 1, 2011-March 31, 2012)

	Net Sales (Million of Yen)		Operating income (Million of Yen)		Ordinary income (Million of Yen)		Net income (Million of Yen)		Earnings per share (Yen)
Entire term	329,000	8.8	10,100	3.3	8,400	13.0	2,100	(2.9)	7.34

Notes: Change made in figures of the forecasts as of the end of the current quarter form the previous announcement: Revised

4. Others

(1) Changes in significant subsidiaries during the second quarter (changes in specific subsidiaries resulting in change the scope of consolidation): None

(2) Adoption of accounting method uniquely adopted to prepare consolidated financial statements for the current quarter: None

(3) Changes to accounting policies; cheanges to accounting estimates; restatements

1) Changes due to revised accounting Standard: None

2) Changes other than the reason described above: None

3) Changes to accounting estimates: None

4) Restatements: None

(4) Total number of outstanding shares (common stock)

1) Number of outstanding shares as of end of period (including treasury stock) :

Dec. 2011 term: 286,013,910

Mar. 2011 term: 286,013,910

2) Number of shares of treasury stock as of end of period :

Dec. 2011 term: 101,861

Mar. 2011 term: 100,824

3) Average number of shares outstanding during the period (or the cumulative consolidated accounting period as the end of the current quarter) :

Dec. 2011 term: 285,912,707

Dec. 2010 term: 245,665,430

※This document is out of the scope of the quarterly review procedures based on the Financial Instruments and Exchange Act.

The quarterly review procedures for the financial statements under this Act have not been completed as of the timing of disclosure of this.

Notes: Request for appropriate use of the business outlook and other special remarks:

The forecasts given above are based on information available at the time of compilation and are inherently subject to a variety of risks and uncertainties. Actual results may vary significantly from forecast due to factor including, but not limited to, changes in the economic or business environment and exchange rate fluctuations.

Consolidated Balance Sheets

(Millions of JPY)

	March 31,2011	December 31,2011
Assets		
Current assets		
Cash and deposits	46,121	62,930
Notes receivable, accounts receivable from completed construction contracts and other	107,143	101,596
Short-term investment securities	1	8,000
Costs on uncompleted construction contracts and other	13,577	19,276
Real estate for sale and development projects in progress	13,707	11,277
Accounts receivable-other	13,444	12,169
Other	7,195	5,125
Allowance for doubtful accounts	(1,345)	(1,222)
Total current assets	199,845	219,154
Noncurrent assets		
Property, plant and equipment		
Land	41,761	43,554
Other, net	19,073	24,159
Total property, plant and equipment	60,834	67,714
Intangible assets	622	631
Investments and other assets		
Investment securities	10,795	9,862
Other	22,114	18,977
Allowance for doubtful accounts	(7,987)	(5,919)
Total investments and other assets	24,922	22,920
Total noncurrent assets	86,379	91,266
Total assets	286,224	310,420
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	87,419	102,711
Short-term loans payable	52,986	49,745
Income taxes payable	1,265	1,290
Advances received on uncompleted construction contracts and other	25,841	26,182
Provision	3,968	3,494
Other	19,894	16,732
Total current liabilities	191,376	200,156
Noncurrent liabilities		
Bonds payable	—	10,000
Long-term loans payable	25,684	31,489
Deferred tax liabilities for land revaluation	7,156	6,251
Provision	477	804
Other	1,069	1,017
Total noncurrent liabilities	34,387	49,562
Total liabilities	225,764	249,719

Consolidated Balance Sheets

(Millions of JPY)

	March 31,2011	December 31,2011
Net assets		
Shareholders' equity		
Capital stock	30,449	30,449
Capital surplus	18,386	18,386
Retained earnings	6,384	6,245
Treasury stock	(22)	(23)
Total shareholders' equity	55,197	55,058
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(125)	(605)
Deferred gains or losses on hedges	(7)	(0)
Revaluation reserve for land	5,327	6,186
Foreign currency translation adjustment	61	56
Total accumulated other comprehensive income	5,255	5,637
Minority interests	6	5
Total net assets	60,460	60,701
Total liabilities and net assets	286,224	310,420

Consolidated Statements of Income

(Millions of JPY)

	Dec. 2010 term	Dec. 2011 term
Net sales		
Net sales of completed construction contracts	207,682	220,899
Net sales of development business and other	9,109	8,632
Total net sales	216,791	229,532
Cost of sales		
Cost of sales of completed construction contracts	191,650	203,554
Cost of sales on development business and other	8,080	8,649
Total cost of sales	199,730	212,204
Gross profit		
Gross profit on completed construction contracts	16,031	17,344
Gross profit (loss) on development business and other	1,029	(16)
Total gross profit	17,060	17,327
Selling, general and administrative expenses	11,358	10,820
Operating income	5,702	6,506
Non-operating income		
Interest income	67	37
Dividends income	96	220
Other	500	593
Total non-operating income	663	851
Non-operating expenses		
Interest expenses	1,690	1,367
Other	789	329
Total non-operating expenses	2,479	1,697
Ordinary income	3,886	5,661
Extraordinary income		
Gain on sales of noncurrent assets	435	59
Gain on insurance adjustment	—	18
Other	186	6
Total extraordinary income	621	84
Extraordinary loss		
Loss on retirement of noncurrent assets	29	345
Impairment loss	—	38
Loss on valuation of investment securities	15	339
Provision for loss on litigation	—	350
Other	735	38
Total extraordinary losses	780	1,111
Income before income taxes and minority interests	3,727	4,633
Income taxes—current	1,044	1,455
Income taxes—deferred	1,076	2,774
Total income taxes	2,120	4,229
Income before minority interests	1,607	404
Minority interests in income (loss)	7	(0)
Net income	1,599	405

Statements of Consolidated Comprehensive Income

(Millions of JPY)

	Dec. 2010 term	Dec. 2011 term
Income before minority interests	1,607	404
Other comprehensive income		
Valuation difference on available-for-sale securities	(187)	(479)
Deferred gains or losses on hedges	(0)	7
Revaluation reserve for land	—	885
Foreign currency translation adjustment	(29)	(6)
Total other comprehensive income	(217)	407
Comprehensive income	1,390	812
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	1,382	814
Comprehensive income attributable to minority interests	7	(1)

(Reference)**Non-Consolidated Orders Received, Net Sales and Backlog**

1. Orders Received

(Millions of yen)

	3Q FY2010 (From April 1, 2010 to Dec 31, 2010)	3Q FY2011 (From April 1, 2011 to Dec 31, 2011)	Increase (Decrease)	Rate of change (%)
Public works	41,237	37,344	(3,892)	(9.4)
Private works	23,305	36,408	13,103	56.2
Domestic civil engineering	64,543	73,753	9,210	14.3
Public works	19,722	10,492	(9,229)	(46.8)
Private works	35,371	72,072	36,700	103.8
Domestic architectural construction	55,094	82,565	27,471	49.9
Civil engineering	33,781	31,094	(2,686)	(8.0)
Architectural construction	56,406	23,424	(32,981)	(58.5)
Overseas	90,187	54,519	(35,668)	(39.5)
Construction Total	209,824	210,838	1,013	0.5
Real estate and Others	1,109	2,270	1,161	104.8
Total	210,933	213,109	2,175	1.0

2. Net Sales

(Millions of yen)

	3Q FY2010 (From April 1, 2010 to Dec 31, 2010)	3Q FY2011 (From April 1, 2011 to Dec 31, 2011)	Increase (Decrease)	Rate of change (%)
Public works	53,781	50,294	(3,486)	(6.5)
Private works	19,265	24,305	5,040	26.2
Domestic civil engineering	73,046	74,600	1,554	2.1
Public works	11,807	15,417	3,609	30.6
Private works	48,909	65,890	16,981	34.7
Domestic architectural construction	60,717	81,307	20,590	33.9
Civil engineering	46,560	36,020	(10,540)	(22.6)
Architectural construction	19,202	22,244	3,041	15.8
Overseas	65,763	58,264	(7,499)	(11.4)
Construction Total	199,527	214,173	14,645	7.3
Real estate and Others	483	2,266	1,783	368.8
Total	200,010	216,440	16,429	8.2

3. Backlog

(Millions of yen)

	2Q FY2010 (From April 1, 2010 to Dec 31, 2010)	3Q FY2011 (From April 1, 2011 to Dec 31, 2011)	Increase (Decrease)	Rate of change (%)
Public works	62,825	44,031	(18,794)	(29.9)
Private works	28,251	41,194	12,942	45.8
Domestic civil engineering	91,077	85,225	(5,851)	(6.4)
Public works	33,966	32,544	(1,421)	(4.2)
Private works	67,719	78,769	11,050	16.3
Domestic architectural construction	101,685	111,314	9,628	9.5
Civil engineering	130,057	109,098	(20,958)	(16.1)
Architectural construction	51,491	45,436	(6,054)	(11.8)
Overseas	181,548	154,535	(27,013)	(14.9)
Construction Total	374,311	351,075	(23,235)	(6.2)
Real estate and Others	919	211	(708)	(77.0)
Total	375,231	351,286	(23,944)	(6.4)