

Non-Consolidated Financial Statements

Non-Consolidated Five-Year Summary

Penta-Ocean Construction Co., Ltd.
Fiscal years ended March 31

	Millions of yen					Thousands of U.S. dollars
	2017	2018	2019	2020	2021	2021
Orders received	¥465,939	¥668,572	¥501,360	¥439,765	¥505,258	\$4,563,389
Civil engineering	241,165	465,190	248,639	259,705	193,321	1,746,033
Building construction	222,656	202,728	251,723	179,707	311,633	2,814,605
Other	2,118	654	998	353	304	2,751
Net sales	471,459	499,165	512,193	541,530	445,142	4,020,431
Civil engineering	251,329	275,911	281,459	318,817	274,720	2,481,210
Building construction	216,037	222,531	229,736	222,359	170,118	1,536,471
Other	4,093	723	998	354	304	2,750
Contract backlog	707,213	875,260	873,475	759,517	816,329	7,372,912
Civil engineering	378,001	566,711	541,697	471,162	388,330	3,507,314
Building construction	329,144	308,549	331,778	288,355	427,999	3,865,598
Other	68	—	—	—	—	—
Total assets	355,313	406,373	369,609	419,497	446,526	4,032,930
Net assets	87,156	100,345	113,121	126,703	140,026	1,264,682
Ordinary income	21,117	22,932	23,441	28,984	27,271	246,305
Income before income taxes	20,431	22,497	23,409	28,877	26,887	242,842
Net income	13,423	15,790	16,701	20,862	18,707	168,955
Cash dividends	3,431	4,003	5,430	6,859	8,002	72,277
Per share of common stock:	Yen					U.S. dollars
Net assets	¥304.84	¥351.54	¥396.42	¥443.99	¥491.26	\$4.44
Net income	46.95	55.28	58.52	73.11	65.60	0.59
Cash dividends	12.00	14.00	19.00	24.00	28.00	0.25
Number of employees	2,572	2,673	2,793	2,893	3,046	

Note: 1. Figures in U.S. dollars are converted for convenience only, at the rate of ¥110.72 per U.S.\$1, prevailing on March 31, 2021.

2. Cash dividends for shares held by BBT amounted to ¥21 million (\$194 thousand) are included in cash dividends above.

3. "Development business and other" is presented as "Other" in the year ended March 31, 2019 and thereafter, since materiality of development business has decreased.

Non-Consolidated Balance Sheets

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

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Current assets:			
Cash and deposits	¥ 40,455	¥ 55,612	\$ 502,279
Securities	74	9	80
Trade receivables:			
Notes	2,311	6,246	56,414
Accounts	248,239	241,963	2,185,362
Subsidiaries and affiliates	5,545	7,799	70,442
Inventories:			
Costs on uncompleted construction contracts	9,800	8,807	79,546
Real estate for sale and development projects in progress	1,317	1,303	11,770
Raw materials and supplies	1,237	1,248	11,275
Other	2,723	3,400	30,695
Allowance for doubtful accounts	(715)	(366)	(3,306)
Total current assets	310,986	326,021	2,944,557
Non-current assets:			
Property, plant and equipment:			
Land	31,596	31,594	285,351
Buildings and structures	33,987	34,766	314,002
Machinery, equipment and vehicles	15,654	15,158	136,902
Dredgers and vessels	44,091	43,571	393,524
Construction in progress	3,819	11,650	105,222
Other	340	298	2,689
Total property, plant and equipment	129,487	137,037	1,237,690
Less: Accumulated depreciation	(65,584)	(68,340)	(617,229)
Property, plant and equipment — net	63,903	68,697	620,461
Intangible assets:	1,375	1,490	13,447
Investments and other assets:			
Stock of and long-term loans receivable from subsidiaries and affiliates	16,899	23,619	213,326
Investment securities	16,522	18,846	170,214
Deferred tax assets	5,330	2,814	25,412
Other	7,518	8,276	74,749
Allowance for doubtful accounts	(3,036)	(3,237)	(29,236)
Total investments and other assets	43,233	50,318	454,465
Total non-current assets	108,511	120,505	1,088,373
Total assets	¥419,497	¥446,526	\$4,032,930

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Current liabilities:			
Short-term loans payable			
Bank	¥ 17,274	¥ 19,269	\$ 174,036
Commercial papers	17,999	—	—
Current portion of long-term loans payable and bonds payable	15,750	17,922	161,868
Trade payable:			
Accounts	119,596	118,129	1,066,917
Subsidiaries and affiliates	3,608	4,790	43,259
Advance received on uncompleted construction contracts	20,134	23,324	210,657
Deposits received	50,501	55,931	505,156
Income taxes payable	7,080	4,576	41,333
Provision for loss on construction contracts	1,923	1,109	10,020
Provision for warranties for completed construction	1,988	972	8,775
Provision for bounces	2,695	2,735	24,702
Other	2,617	3,054	27,584
Total current liabilities	261,165	251,811	2,274,307
Non-current liabilities:			
Bonds payable	10,000	20,000	180,636
Long-term loans payable	13,682	19,790	178,739
Provision for retirement benefits	480	474	4,279
Provision for board benefit trust	215	299	2,705
Deferred tax liabilities for land revaluation	3,680	3,680	33,233
Other	3,572	10,446	94,349
Total non-current liabilities	31,629	54,689	493,941
Total liabilities	292,794	306,500	2,768,248
Net assets:			
Capital stock			
Authorized - 599,135,000 shares	30,450	30,450	275,018
Issued shares - 286,013,910 shares in 2020 and 2021			
Capital surplus			
Legal capital surplus	12,380	12,380	111,810
Other capital surplus	6,007	6,007	54,256
Total capital surplus	18,387	18,387	166,066
Retained earnings			
Reserve for advanced depreciation of non-current assets	86	80	724
General reserve	40,000	49,999	451,589
Retained earnings brought forward	31,527	33,378	301,462
Total retained earnings	71,613	83,457	753,775
Less: Treasury stock	(374)	(590)	(5,330)
Valuation difference on available-for-sale securities	2,672	4,584	41,397
Deferred gains or losses on hedges	45	(175)	(1,582)
Revaluation reserve for land	3,910	3,913	35,338
Total net assets	126,703	140,026	1,264,682
Total liabilities and net assets	¥419,497	¥446,526	\$4,032,930

Non-Consolidated Statements of Income

Penta-Ocean Construction Co., Ltd.
For the years ended March 31

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Construction business:			
Net sales	¥541,176	¥444,838	\$4,017,681
Cost of sales	493,504	400,190	3,614,425
Gross profit	47,672	44,648	403,256
Other:			
Net sales	354	304	2,750
Cost of sales	1,295	190	1,721
Gross profit	(941)	114	1,029
Total:			
Total net sales	541,530	445,142	4,020,431
Total cost of sales	494,799	400,380	3,616,146
Total gross profit	46,731	44,762	404,285
Selling, general and administrative expenses	17,389	17,762	160,425
Operating profit	29,342	27,000	243,860
Non-operating profit:			
Interest and dividends income	523	439	3,964
Interest and dividends income from subsidiaries and affiliates	397	381	3,443
Reversal of allowance for doubtful accounts	269	409	3,691
Other	188	198	1,791
	1,377	1,427	12,889
Non-operating expenses:			
Interest expenses	946	691	6,238
Provision of allowance for doubtful accounts	—	259	2,338
Foreign exchange losses	691	—	—
Other	98	206	1,868
	1,735	1,156	10,444
Ordinary income	28,984	27,271	246,305
Extraordinary income	260	118	1,069
Extraordinary losses	367	502	4,532
Income before income taxes	28,877	26,887	242,842
Income taxes:			
Current	9,794	6,397	57,773
Deferred	(1,779)	1,783	16,114
Total income taxes	8,015	8,180	73,887
Net income	¥ 20,862	¥ 18,707	\$168,955
		Yen	U.S. dollars
Net income per share of common stock			
Basic	¥73.11	¥65.60	\$0.59