

Non-Consolidated Financial Statements

Non-Consolidated Five-Year Summary

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

	Millions of yen					Thousands of U.S. dollars
	2008	2009	2010	2011	2012	2012
Orders received	¥375,945	¥317,829	¥257,950	¥276,936	¥299,133	\$3,639,530
Civil engineering	205,839	194,839	167,275	127,903	156,294	1,901,618
Architectural engineering	167,756	121,212	89,780	147,479	140,219	1,706,035
Development business and other	2,350	1,778	895	1,554	2,620	31,877
Net sales	317,856	366,553	297,438	279,374	308,576	3,754,423
Civil engineering	167,482	201,705	185,758	164,706	158,503	1,928,495
Architectural engineering	145,045	163,653	110,497	113,026	147,452	1,794,038
Development business and other	5,329	1,195	1,183	1,642	2,621	31,890
Contract backlog	474,371	406,042	366,094	360,558	349,956	4,257,890
Civil engineering	283,685	262,343	243,919	204,470	201,590	2,452,732
Architectural engineering	190,686	143,116	121,881	155,881	148,160	1,802,652
Development business and other	0	583	294	207	206	2,506
Total assets	307,211	308,078	274,733	268,403	293,775	3,574,340
Net assets	48,710	47,339	50,043	55,860	58,271	708,979
Ordinary income	3,081	7,081	7,849	6,778	7,599	92,457
Income before income taxes	2,810	66	2,518	4,649	6,499	79,073
Net income (loss)	1,390	(3,116)	2,228	1,924	2,083	25,344
Cash dividends	—	—	491	572	572	6,959
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Per share of common stock:	Yen					U.S. dollars
Net assets	¥198.26	¥192.69	¥203.70	¥195.37	¥203.81	\$2.48
Net income (loss)	5.66	(12.68)	9.07	7.56	7.29	0.09
Cash dividends	—	—	2.00	2.00	2.00	0.02
Number of employees	2,778	2,731	2,674	2,390	2,391	

Note: Figures in U.S. dollars are converted for convenience only, at the rate of ¥82.19 per U.S.\$1, prevailing on March 31, 2012.

Non-Consolidated Balance Sheets

Penta-Ocean Construction Co., Ltd.
As of March 31, 2011 and 2012

	Millions of yen		Thousands of U.S. dollars
	2011	2012	2012
Current assets:			
Cash and deposits	¥ 37,799	¥ 57,112	\$ 694,878
Short-term investment securities	2	—	—
Trade receivables:			
Notes	2,198	9,774	118,919
Accounts	110,725	111,415	1,355,579
Subsidiaries and affiliates	4,961	3,793	46,149
Inventories:			
Costs on uncompleted construction contracts	10,521	10,518	127,972
Real estate for sale and development projects in progress	13,081	10,435	126,962
Raw materials and supplies	1,404	1,043	12,690
Deferred tax assets	4,151	3,682	44,799
Other	2,212	1,651	20,087
Allowance for doubtful accounts	(1,164)	(1,203)	(14,637)
Total current assets	185,890	208,220	2,533,398
Property, plant and equipment:			
Land	40,146	42,012	511,157
Buildings and structures	29,112	29,410	357,830
Machinery, equipment and vehicles	13,259	13,134	159,800
Dredgers and vessels	24,486	23,946	291,349
Construction in progress	352	5,079	61,796
Other	128	150	1,825
Total property, plant and equipment	107,483	113,731	1,383,757
Less: Accumulated depreciation	(54,618)	(55,150)	(671,006)
Property, plant and equipment – net	52,865	58,581	712,751
Intangible assets:	579	581	7,069
Investments and other assets:			
Stock of and long-term loans receivable from subsidiaries and affiliates	5,033	5,999	72,989
Investment securities	10,459	10,607	129,055
Long-term loans receivable	135	125	1,521
Deferred tax assets	9,346	6,614	80,472
Other	11,855	8,927	108,614
Allowance for doubtful accounts	(7,759)	(5,879)	(71,529)
Total investments and other assets	29,069	26,393	321,122
Total assets	¥268,403	¥293,775	\$3,574,340

	Millions of yen		Thousands of U.S. dollars
	2011	2012	2012
Current liabilities:			
Short-term loans payable			
Bank	¥ 25,440	¥ 22,940	\$ 279,109
Current portion of long-term loans payable	25,554	20,742	252,366
Trade payable:			
Notes	17,277	21,928	266,797
Accounts	61,539	76,922	935,905
Subsidiaries and affiliates	4,317	8,091	98,443
Advance received on uncompleted construction contracts	25,232	24,733	300,925
Deposits received	8,647	10,192	124,005
Income taxes payable	837	988	12,021
Accrued consumption taxes	4,627	—	—
Provision for loss on construction contracts	2,216	2,787	33,909
Provision for warranties for completed construction	718	640	7,787
Other provision	850	1,077	13,104
Other	2,039	2,098	25,526
Total current liabilities	179,293	193,138	2,349,897
Non-current liabilities:			
Bonds payable	—	10,000	121,669
Long-term loans payable	25,674	25,318	308,042
Provision for loss on litigation	—	350	4,259
Deferred tax liabilities for land revaluation	7,156	6,251	76,055
Other	420	447	5,439
Total non-current liabilities	33,250	42,366	515,464
Total liabilities	212,543	235,504	2,865,361
Net assets:			
Common stock	30,450	30,450	370,483
Authorized - 599,135,000 shares			
Issued shares			
March 31, 2012 286,013,910 shares			
March 31, 2011 286,013,910 shares			
Capital surplus			
Legal capital surplus	12,380	12,380	150,626
Other capital surplus	6,007	6,007	73,087
Total capital surplus	18,387	18,387	223,713
Retained earnings			
Retained earnings brought forward	1,849	3,379	41,112
Total retained earnings	1,849	3,379	41,112
Less: Treasury stock	(23)	(23)	(280)
Valuation difference on available-for-sale securities	(123)	(107)	(1,302)
Deferred losses on hedges	(8)	(10)	(121)
Revaluation reserve for land	5,328	6,195	75,374
Total net assets	55,860	58,271	708,979
Total liabilities and net assets	¥268,403	¥293,775	\$3,574,340

Non-Consolidated Statements of Income

Penta-Ocean Construction Co., Ltd.
For the two years ended March 31, 2012

	Millions of yen		Thousands of U.S. dollars
	2011	2012	2012
Construction business:			
Net sales	¥277,732	¥305,955	\$3,722,533
Cost of sales	253,340	283,100	3,444,458
Gross profit	24,392	22,855	278,075
Development business and other:			
Net sales	1,642	2,621	31,890
Cost of sales	2,946	2,882	35,065
Gross loss	(1,304)	(261)	(3,175)
Total:			
Total net sales	279,374	308,576	3,754,423
Total cost of sales	256,286	285,982	3,479,523
Total gross profit	23,088	22,594	274,900
Selling, general and administrative expenses	14,043	13,838	168,366
Operating income	9,045	8,756	106,534
Non-operating income:			
Interest and dividends income	179	268	3,261
Interest and dividends income from subsidiaries and affiliates	197	500	6,083
Other	458	310	3,772
	834	1,078	13,116
Non-operating expenses:			
Interest expenses	2,214	1,821	22,156
Other	887	414	5,037
	3,101	2,235	27,193
Ordinary income	6,778	7,599	92,457
Extraordinary gain	719	368	4,477
Extraordinary loss	2,848	1,468	17,861
Income before income taxes	4,649	6,499	79,073
Income taxes:			
Current	1,194	1,234	15,014
Deferred	1,531	3,182	38,715
	2,725	4,416	53,729
Net income	¥ 1,924	¥ 2,083	\$ 25,344
Net income per share of common stock			
	Yen		U.S. dollars
Primary	¥7.56	¥7.29	\$0.09