

# 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
	2016	2017	2018	2019	2020	2020
Orders received	¥443,182	¥465,939	¥668,572	¥501,360	<b>¥439,765</b>	<b>\$4,040,841</b>
Civil engineering	195,832	241,165	465,190	248,639	<b>259,705</b>	<b>2,386,333</b>
Building construction	244,240	222,656	202,728	251,723	<b>179,707</b>	<b>1,651,266</b>
Other	3,110	2,118	654	998	<b>353</b>	<b>3,242</b>
Net sales	457,862	471,459	499,165	512,193	<b>541,530</b>	<b>4,975,916</b>
Civil engineering	235,976	251,329	275,911	281,459	<b>318,817</b>	<b>2,929,499</b>
Building construction	216,925	216,037	222,531	229,736	<b>222,359</b>	<b>2,043,175</b>
Other	4,961	4,093	723	998	<b>354</b>	<b>3,242</b>
Contract backlog	719,343	707,213	875,260	873,475	<b>759,517</b>	<b>6,978,930</b>
Civil engineering	391,952	378,001	566,711	541,697	<b>471,162</b>	<b>4,329,342</b>
Building construction	325,349	329,144	308,549	331,778	<b>288,355</b>	<b>2,649,588</b>
Other	2,042	68	—	—	<b>—</b>	<b>—</b>
Total assets	356,335	355,313	406,373	369,609	<b>419,497</b>	<b>3,854,604</b>
Net assets	74,456	87,156	100,345	113,121	<b>126,703</b>	<b>1,164,230</b>
Ordinary income	17,807	21,117	22,932	23,441	<b>28,984</b>	<b>266,321</b>
Income before income taxes	12,615	20,431	22,497	23,409	<b>28,877</b>	<b>265,338</b>
Net income	6,855	13,423	15,790	16,701	<b>20,862</b>	<b>191,695</b>
Cash dividends	1,715	3,431	4,003	5,430	<b>6,859</b>	<b>63,028</b>
Per share of common stock:	Yen					U.S. dollars
Net assets	¥260.43	¥304.84	¥351.54	¥396.42	<b>¥443.99</b>	<b>\$4.08</b>
Net income	23.98	46.95	55.28	58.52	<b>73.11</b>	<b>0.67</b>
Cash dividends	6.00	12.00	14.00	19.00	<b>24.00</b>	<b>0.22</b>
Number of employees	2,522	2,572	2,673	2,793	<b>2,893</b>	

Note: 1. Figures in U.S. dollars are converted for convenience only, at the rate of ¥ 108.83 per U.S.\$1, prevailing on March 31, 2020.  
2. Cash dividends for shares held by BBT amounted to ¥10 million (\$ 95 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
	2019	2020	2020
<b>Current assets:</b>			
Cash and deposits	¥ 31,238	¥ 40,455	\$ 371,725
Securities	58	74	682
Trade receivables:			
Notes	1,563	2,311	21,232
Accounts	204,085	248,239	2,280,978
Subsidiaries and affiliates	9,356	5,545	50,948
Inventories:			
Costs on uncompleted construction contracts	10,247	9,800	90,048
Real estate for sale and development projects in progress	2,481	1,317	12,098
Raw materials and supplies	1,138	1,237	11,370
Other	2,388	2,723	25,027
Allowance for doubtful accounts	(748)	(715)	(6,570)
<b>Total current assets</b>	<b>261,806</b>	<b>310,986</b>	<b>2,857,538</b>
<b>Non-current assets:</b>			
<b>Property, plant and equipment:</b>			
Land	31,725	31,596	290,320
Buildings and structures	34,302	33,987	312,294
Machinery, equipment and vehicles	18,501	15,654	143,835
Dredgers and vessels	43,530	44,091	405,138
Construction in progress	151	3,819	35,092
Other	369	340	3,134
<b>Total property, plant and equipment</b>	<b>128,578</b>	<b>129,487</b>	<b>1,189,813</b>
Less: Accumulated depreciation	(65,384)	(65,584)	(602,634)
<b>Property, plant and equipment — net</b>	<b>63,194</b>	<b>63,903</b>	<b>587,179</b>
<b>Intangible assets:</b>	<b>1,258</b>	<b>1,375</b>	<b>12,638</b>
<b>Investments and other assets:</b>			
Stock of and long-term loans receivable from subsidiaries and affiliates	17,021	16,899	155,281
Investment securities	19,415	16,522	151,819
Deferred tax assets	2,732	5,330	48,972
Other	7,462	7,518	69,074
Allowance for doubtful accounts	(3,279)	(3,036)	(27,897)
<b>Total investments and other assets</b>	<b>43,351</b>	<b>43,233</b>	<b>397,249</b>
<b>Total non-current assets</b>	<b>107,803</b>	<b>108,511</b>	<b>997,066</b>
<b>Total assets</b>	<b>¥369,609</b>	<b>¥419,497</b>	<b>\$3,854,604</b>

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
<b>Current liabilities:</b>			
Short-term loans payable			
Bank	¥ 18,036	¥ 17,274	\$ 158,722
Commercial papers	—	17,999	165,389
Current portion of long-term loans payable and bonds payable	8,842	15,750	144,721
Trade payable:			
Accounts	111,247	119,596	1,098,921
Subsidiaries and affiliates	5,641	3,608	33,152
Advance received on uncompleted construction contracts	20,551	20,134	185,008
Deposits received	43,680	50,501	464,034
Income taxes payable	4,648	7,080	65,054
Provision for loss on construction contracts	1,623	1,923	17,667
Provision for warranties for completed construction	1,312	1,988	18,269
Other provision	2,583	2,695	24,763
Other	2,529	2,617	24,052
<b>Total current liabilities</b>	<b>220,692</b>	<b>261,165</b>	<b>2,399,752</b>
<b>Non-current liabilities:</b>			
Bonds payable	20,000	10,000	91,886
Long-term loans payable	10,962	13,682	125,719
Provision for retirement benefits	763	480	4,409
Provision for board benefit trust	167	215	1,975
Deferred tax liabilities for land revaluation	3,680	3,680	33,810
Other	224	3,572	32,823
<b>Total non-current liabilities</b>	<b>35,796</b>	<b>31,629</b>	<b>290,622</b>
<b>Total liabilities</b>	<b>256,488</b>	<b>292,794</b>	<b>2,690,374</b>
<b>Net assets:</b>			
Capital stock			
Authorized - 599,135,000 shares	30,450	30,450	279,794
Issued shares - 286,013,910 shares in 2019 and 2020			
Capital surplus			
Legal capital surplus	12,380	12,380	113,752
Other capital surplus	6,007	6,007	55,197
<b>Total capital surplus</b>	<b>18,387</b>	<b>18,387</b>	<b>168,949</b>
Retained earnings			
Reserve for advanced depreciation of non-current assets	93	86	791
General reserve	30,000	40,000	367,545
Retained earnings brought forward	26,088	31,527	289,689
<b>Total retained earnings</b>	<b>56,181</b>	<b>71,613</b>	<b>658,025</b>
Less: Treasury stock	(383)	(374)	(3,436)
Valuation difference on available-for-sale securities	4,595	2,672	24,563
Deferred gains or losses on hedges	(19)	45	404
Revaluation reserve for land	3,910	3,910	35,931
<b>Total net assets</b>	<b>113,121</b>	<b>126,703</b>	<b>1,164,230</b>
<b>Total liabilities and net assets</b>	<b>¥369,609</b>	<b>¥419,497</b>	<b>\$3,854,604</b>

# Non-Consolidated Statements of Income

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

	Millions of yen		Thousands of U.S. dollars
	2019	2020	2020
<b>Construction business:</b>			
Net sales	¥511,195	¥541,176	\$4,972,674
Cost of sales	469,173	493,504	4,534,631
Gross profit	42,022	47,672	438,043
<b>Other:</b>			
Net sales	998	354	3,242
Cost of sales	985	1,295	11,899
Gross profit	13	(941)	(8,657)
<b>Total:</b>			
Total net sales	512,193	541,530	4,975,916
Total cost of sales	470,158	494,799	4,546,530
<b>Total gross profit</b>	42,035	46,731	429,386
<b>Selling, general and administrative expenses</b>	16,168	17,389	159,771
<b>Operating income</b>	25,867	29,342	269,615
<b>Non-operating income:</b>			
Interest and dividends income	645	523	4,803
Interest and dividends income from subsidiaries and affiliates	413	397	3,652
Reversal of allowance for doubtful accounts	—	269	2,474
Other	308	188	1,723
	1,366	1,377	12,652
<b>Non-operating expenses:</b>			
Interest expenses	867	946	8,695
Provision of allowance for doubtful accounts	2,077	—	—
Foreign exchange losses	704	691	6,347
Other	144	98	904
	3,792	1,735	15,946
<b>Ordinary income</b>	23,441	28,984	266,321
<b>Extraordinary income</b>	63	260	2,392
<b>Extraordinary losses</b>	95	367	3,375
<b>Income before income taxes</b>	23,409	28,877	265,338
<b>Income taxes:</b>			
Current	7,149	9,794	89,995
Deferred	(441)	(1,779)	(16,352)
Total income taxes	6,708	8,015	73,643
<b>Net income</b>	¥ 16,701	¥ 20,862	\$ 191,695
		Yen	U.S. dollars
<b>Net income per share of common stock</b>			
Basic	¥58.52	¥73.11	\$0.67