

**Consolidated Financial Results
for the Third Quarter
Ended December 31, 2016**



1. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2016	As of December 31, 2016
Assets		
Current assets		
Cash and deposits	54,768	54,900
Notes receivable, accounts receivable from completed construction contracts and other	211,237	137,477
Securities	119	20,059
Real estate for sale	15,830	14,944
Costs on uncompleted construction contracts	16,120	19,016
Other inventories	990	897
Other	14,288	15,194
Allowance for doubtful accounts	(1,608)	(1,251)
Total current assets	311,747	261,239
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	11,560	13,390
Machinery, vehicles, tools, furniture and fixtures, net	625	570
Land	59,743	64,630
Lease assets, net	159	116
Construction in progress	255	1,090
Total property, plant and equipment	72,344	79,799
Intangible assets	6,075	6,091
Investments and other assets		
Investment securities	154,840	169,542
Long-term loans receivable	614	560
Net defined benefit asset	240	-
Other	3,312	3,233
Allowance for doubtful accounts	(463)	(243)
Total investments and other assets	158,544	173,093
Total noncurrent assets	236,964	258,984
Total assets	548,711	520,224

(Millions of yen)

	As of March 31, 2016	As of December 31, 2016
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	149,638	78,956
Short-term loans payable	34,588	34,580
Income taxes payable	2,774	1,535
Advances received on uncompleted construction contracts	38,455	42,232
Provision for bonuses	6,320	2,480
Provision for warranties for completed construction	2,237	2,130
Provision for loss on construction contracts	2,421	2,882
Deposits received	18,134	29,202
Other	13,497	14,137
Total current liabilities	268,069	208,138
Noncurrent liabilities		
Bonds payable	10,000	10,000
Long-term loans payable	35,131	33,720
Deferred tax liabilities	24,224	28,628
Deferred tax liabilities for land revaluation	7,708	7,708
Provision for directors' retirement benefits	149	177
Provision for loss on liquidation of subsidiaries and affiliates	400	219
Net defined benefit liability	22,515	22,670
Asset retirement obligations	182	188
Other	2,910	3,100
Total noncurrent liabilities	103,224	106,415
Total liabilities	371,293	314,553
Net assets		
Shareholders' equity		
Capital stock	23,001	23,001
Capital surplus	25,587	25,587
Retained earnings	76,825	94,450
Treasury stock	(8,236)	(8,227)
Total shareholders' equity	117,178	134,811
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	55,038	65,642
Deferred gains or losses on hedges	(25)	42
Revaluation reserve for land	6,665	6,266
Foreign currency translation adjustment	(545)	(1,396)
Remeasurements of defined benefit plans	(3,292)	(2,507)
Total accumulated other comprehensive income	57,840	68,047
Non-controlling interests	2,398	2,811
Total net assets	177,417	205,670
Total liabilities and net assets	548,711	520,224

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

Nine Months ended December 31, 2015 and 2016

	(Millions of yen)	
	Nine Months ended December 31, 2015 (Apr. 1 through Dec. 31, 2015)	Nine Months ended December 31, 2016 (Apr. 1 through Dec. 31, 2016)
Net sales		
Net sales of completed construction contracts	314,845	297,805
Net sales of real estate business and other	13,667	9,936
Total net sales	328,512	307,742
Cost of sales		
Cost of sales of completed construction contracts	284,243	261,204
Cost of sales on real estate business and other	10,913	7,683
Total cost of sales	295,156	268,887
Gross profit		
Gross profit on completed construction contracts	30,602	36,600
Gross profit on real estate business and other	2,753	2,253
Total gross profit	33,356	38,854
Selling, general and administrative expenses	17,515	19,472
Operating income	15,840	19,382
Non-operating income		
Interest income	310	251
Dividend income	2,132	2,284
Other	280	182
Total non-operating income	2,724	2,718
Non-operating expenses		
Interest expenses	701	653
Commission fee	145	185
Other	67	56
Total non-operating expenses	914	895
Ordinary income	17,649	21,206
Extraordinary income		
Gain on sales of noncurrent assets	168	3
Gain on sales of investment securities	503	2,279
Reversal of provision for loss on litigation	281	—
Other	15	5
Total extraordinary income	969	2,288
Extraordinary loss		
Loss on abandonment of noncurrent assets	334	189
Loss on valuation of investment securities	19	4
Other	0	58
Total extraordinary losses	355	252
Profit before income taxes	18,263	23,242
Income taxes	2,026	2,880
Profit	16,237	20,362
Profit attributable to non-controlling interests	39	47
Profit attributable to owners of parent	16,198	20,315

Consolidated Statements of Comprehensive Income

Nine Months ended December 31, 2015 and 2016

	(Millions of yen)	
	Nine Months ended December 31, 2015 (Apr. 1 through Dec. 31, 2015)	Nine Months ended December 31, 2016 (Apr. 1 through Dec. 31, 2016)
Profit	16,237	20,362
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,979)	10,603
Deferred gains or losses on hedges	(1)	68
Foreign currency translation adjustment	(699)	(977)
Remeasurements of defined benefit plans	77	785
Total other comprehensive income	(2,602)	10,480
Comprehensive income	13,634	30,842
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	13,701	30,921
Comprehensive income attributable to non-controlling interests	(67)	(79)

2. (Reference) Non-consolidated Financial Statements

(1) (Reference) Non-consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2016	As of December 31, 2016
Assets		
Current assets		
Cash and deposits	40,686	40,128
Notes receivable, accounts receivable from completed construction contracts and other	206,514	133,659
Securities	119	20,059
Real estate for sale	14,215	13,330
Costs on uncompleted construction contracts	13,644	16,545
Other inventories	555	551
Other	13,669	14,926
Allowance for doubtful accounts	(1,670)	(1,371)
Total current assets	287,735	237,831
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	9,530	11,261
Machinery, vehicles, tools, furniture and fixtures, net	504	445
Land	55,539	60,442
Lease assets, net	156	115
Construction in progress	221	767
Total property, plant and equipment	65,952	73,031
Intangible assets	6,061	6,087
Investments and other assets		
Investment securities	155,204	170,422
Long-term loans receivable	716	554
Prepaid pension cost	2,255	1,445
Other	2,303	2,351
Allowance for doubtful accounts	(575)	(440)
Total investments and other assets	159,903	174,333
Total noncurrent assets	231,918	253,452
Total assets	519,653	491,283

(Millions of yen)

	As of March 31, 2016	As of December 31, 2016
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	145,602	75,356
Short-term loans payable	31,155	31,459
Income taxes payable	2,389	1,532
Advances received on uncompleted construction contracts	37,164	39,994
Provision for bonuses	6,060	2,256
Provision for warranties for completed construction	2,135	2,051
Provision for loss on construction contracts	2,399	2,873
Deposits received	16,845	28,239
Other	12,938	13,641
Total current liabilities	256,690	197,404
Noncurrent liabilities		
Bonds payable	10,000	10,000
Long-term loans payable	31,722	30,320
Deferred tax liabilities	24,812	29,290
Deferred tax liabilities for land revaluation	7,708	7,708
Provision for retirement benefits	19,846	20,113
Provision for directors' retirement benefits	100	133
Provision for loss on business of subsidiaries and affiliates	189	100
Asset retirement obligations	146	147
Other	2,158	2,355
Total noncurrent liabilities	96,685	100,171
Total liabilities	353,376	297,575
Net assets		
Shareholders' equity		
Capital stock	23,001	23,001
Capital surplus		
Legal capital surplus	25,573	25,573
Total capital surplus	25,573	25,573
Retained earnings		
Legal retained earnings	5,750	5,750
Other retained earnings		
General reserve	36,774	36,774
Reserve for construction	—	15,000
Retained earnings brought forward	21,758	23,917
Total retained earnings	64,283	81,442
Treasury stock	(8,236)	(8,227)
Total shareholders' equity	104,622	121,789
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	55,014	65,609
Deferred gains or losses on hedges	(25)	42
Revaluation reserve for land	6,665	6,266
Total valuation and translation adjustments	61,654	71,918
Total net assets	166,276	193,708
Total liabilities and net assets	519,653	491,283

(2) (Reference) Non-consolidated Statements of Income

	(Millions of yen)	
	Nine Months ended December 31, 2015 (Apr. 1 through Dec. 31, 2015)	Nine Months ended December 31, 2016 (Apr. 1 through Dec. 31, 2016)
Net sales		
Net sales of completed construction contracts	301,681	286,387
Net sales of real estate business	6,632	4,032
Total net sales	308,314	290,420
Cost of sales		
Cost of sales of completed construction contracts	272,197	251,460
Cost of sales on real estate business	4,986	2,778
Total cost of sales	277,183	254,239
Gross profit		
Gross profit on completed construction contracts	29,484	34,926
Gross profit on real estate business	1,646	1,254
Total gross profit	31,131	36,180
Selling, general and administrative expenses	15,582	17,434
Operating income	15,548	18,746
Non-operating income	2,464	2,502
Non-operating expenses	873	869
Ordinary income	17,139	20,379
Extraordinary income	878	2,286
Extraordinary loss	355	236
Profit before income taxes	17,662	22,429
Income taxes	1,943	2,580
Profit	15,719	19,849

- Notes:
1. These non-consolidated financial statements are exempt from the quarterly review by auditors for statutory disclosure.
 2. These non-consolidated financial statements were prepared pursuant to *Ordinance on Terminology, Forms, and Preparation Methods of Quarterly Financial Statements, etc.* and presented in accordance with *Ordinance for Enforcement of the Construction Business Act*, with some condensing of account entries.

3. Supplementary Information

(1) Summary of Consolidated Results and Forecasts

(Millions of yen)

	Nine-month Period from April				Full year						
	FY2015	FY2016	YoY (b)-(a)		FY2015	FY2016	FY2016	YoY (c)-(a)		vs. Previous forecast (c) - (b)	
	Actual (a)	Actual (b)	Amount	Percentage (%)	Actual (a)	Previous forecast Nov. 11, 2016 (b)	Forecast (c)	Amount	Percentage (%)	Amount	Percentage (%)
Net sales	328,512	307,742	-20,770	-6.3	492,621	430,000	430,000	-62,621	-12.7	-	-
Construction business	314,845	297,805	-17,040	-5.4	475,433	417,000	417,000	-58,433	-12.3	-	-
Domestic	305,744	291,583	-14,161	-4.6	463,340	408,300	408,200	-55,140	-11.9	-100	-0.0
Overseas	9,101	6,221	-2,879	-31.6	12,092	8,700	8,800	-3,292	-27.2	100	1.1
Real estate business	13,667	9,936	-3,730	-27.3	17,188	13,000	13,000	-4,188	-24.4	-	-
Domestic	12,030	9,459	-2,570	-21.4	15,407	12,200	12,210	-3,197	-20.8	10	0.1
Overseas	1,636	477	-1,159	-70.8	1,781	800	790	-991	-55.6	-10	-1.3
Gross profit	33,356	38,854	5,498	16.5	47,805	47,500	50,500	2,695	5.6	3,000	6.3
Profit margin	10.2 %	12.6 %			9.7 %	11.0 %	11.7 %				
Construction business	30,602	36,600	5,998	19.6	44,831	44,000	47,000	2,169	4.8	3,000	6.8
	9.7 %	12.3 %			9.4 %	10.6 %	11.3 %				
Real estate business	2,753	2,253	-500	-18.2	2,974	3,500	3,500	526	17.7	-	-
	20.1 %	22.7 %			17.3 %	26.9 %	26.9 %				
SG&A expenses	17,515	19,472	1,956	11.2	26,176	27,500	27,500	1,324	5.1	-	-
Operating income	15,840	19,382	3,541	22.4	21,629	20,000	23,000	1,371	6.3	3,000	15.0
Non-operating income	1,809	1,823	14	0.8	2,093	2,000	2,000	-93	-4.5	-	-
Ordinary income	17,649	21,206	3,556	20.2	23,723	22,000	25,000	1,277	5.4	3,000	13.6
Extraordinary income (loss)	614	2,036	1,422	231.6	(793)	-	2,000	2,793	-	2,000	-
Profit before income taxes	18,263	23,242	4,978	27.3	22,929	22,000	27,000	4,071	17.8	5,000	22.7
Income taxes	2,026	2,880	854	42.2	2,744	3,000	3,500	756	27.6	500	16.7
Profit	16,237	20,362	4,124	25.4	20,185	19,000	23,500	3,315	16.4	4,500	23.7
Profit attributable to non-controlling interests	39	47	7	18.9	145	-	-	-145	-	-	-
Profit attributable to owners of parent	16,198	20,315	4,117	25.4	20,039	19,000	23,500	3,461	17.3	4,500	23.7

Note: These statements include Toda Corporation's forecasts based on information currently available as of the announcement date, which are subject to a number of risks and uncertainties. Therefore, the actual results of developments may differ from those presented in these forward-looking statements due to the changes in various factors.

(2) Summary of Non-consolidated Results and Forecasts

(Millions of yen)

	Nine-month Period from April				Full Year						
	FY2015	FY2016	YoY (b)-(a)		FY2015	FY2016	FY2016	YoY (c)-(a)		vs. Previous forecast (c) - (b)	
	Actual (a)	Actual (b)	Amount	Percentage (%)	Actual (a)	Previous forecast Nov. 11, 2016 (b)	Forecast (c)	Amount	Percentage (%)	Amount	Percentage (%)
Orders received	309,767	310,785	1,017	0.3	420,769	444,500	455,000	34,231	8.1	10,500	2.4
Domestic	309,629	308,689	-939	-0.3	420,507	438,800	450,600	30,093	7.2	11,800	2.7
Overseas	138	2,095	1,957	1,417.6	261	5,700	4,400	4,139	-	-1,300	-22.8
Construction business	303,134	306,752	3,617	1.2	412,859	440,000	450,000	27,140	9.0	10,000	2.3
Architectural construction	234,281	238,801	4,519	1.9	309,289	350,000	350,000	40,711	13.2	-	-
Civil engineering	68,853	67,950	-902	-1.3	103,569	90,000	100,000	-3,569	-3.4	10,000	11.1
Real estate business	6,632	4,032	-2,600	-39.2	7,910	4,500	5,000	-2,910	-36.8	500	11.1
Net sales	308,314	290,420	-17,894	-5.8	463,476	404,500	405,000	-58,476	-12.6	500	0.1
Construction business	301,681	286,387	-15,294	-5.1	455,565	400,000	400,000	-55,565	-12.2	-	-
Architectural construction	240,562	217,483	-23,079	-9.6	362,290	300,000	300,000	-62,290	-17.2	-	-
Domestic	239,852	216,897	-22,954	-9.6	361,428	298,800	299,000	-62,428	-17.3	200	0.1
Overseas	710	585	-124	-17.6	862	1,200	1,000	138	16.0	-200	-16.7
Civil engineering	61,119	68,904	7,785	12.7	93,274	100,000	100,000	6,726	7.2	-	-
Domestic	60,294	68,548	8,253	13.7	92,074	99,200	99,200	7,126	7.7	-	-
Overseas	824	355	-468	-56.8	1,200	800	800	-400	-33.4	-	-
Real estate business	6,632	4,032	-2,600	-39.2	7,910	4,500	5,000	-2,910	-36.8	500	11.1
Gross profit	31,131	36,180	5,049	16.2	44,062	44,000	46,500	2,438	5.5	2,500	5.7
Profit margin	10.1 %	12.5 %			9.5 %	10.9 %	11.5 %				
Construction business	29,484	34,926	5,442	18.5	42,774	42,500	45,000	2,226	5.2	2,500	5.9
Architectural construction	23,286	29,025	5,738	24.6	33,976	33,500	35,500	1,524	4.5	2,000	6.0
Civil engineering	6,197	5,901	-296	-4.8	8,798	9,000	9,500	201	8.0	500	5.6
Real estate business	1,646	1,254	-392	-23.8	1,287	1,500	1,500	213	16.5	-	-
SG&A expenses	15,582	17,434	1,851	11.9	23,581	24,500	24,500	919	3.9	-	-
Operating income	15,548	18,746	3,198	20.6	20,480	19,500	22,000	1,520	7.4	2,500	12.8
Non-operating income	1,590	1,632	42	2.7	1,832	1,900	1,900	68	3.7	-	-
Ordinary income	17,139	20,379	3,240	18.9	22,312	21,400	23,900	1,588	7.1	2,500	11.7
Extraordinary income (loss)	523	2,050	1,526	291.7	(1,013)	-	2,100	3,113	-	2,100	-
Profit before income taxes	17,662	22,429	4,767	27.0	21,299	21,400	26,000	100	22.1	4,600	21.5
Income taxes	1,943	2,580	637	32.8	2,431	2,600	3,000	168	6.9	400	15.4
Profit	15,719	19,849	4,130	26.3	18,867	18,800	23,000	4,133	21.9	4,200	22.3
Dividend per share (yen)	-	-	-	-	10.0	12.0	12.0	2.0	20.0	0	0

Note: These statements include Toda Corporation's forecasts based on information currently available as of the announcement date, which are subject to a number of risks and uncertainties. Therefore, the actual results of developments may differ from those presented in these forward-looking statements due to the changes in various factors.

(3) Orders Received, Net Sales and Balance Brought Forward (non-consolidated)

1) Orders Received

(Millions of yen)

Business segment/Classification	Nine-months Period From Apr. 1, 2015 to Dec. 31, 2015		Nine-months Period From Apr. 1, 2016 to Dec. 31, 2016		Change		Previous Fiscal Year (from Apr. 1, 2015 to Mar. 31, 2016)	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Percentage (%)	Amount	Ratio (%)
I Construction business								
(A) Architectural construction								
Domestic public sector	41,543	13.4	31,151	10.0	-10,391	-25.0	50,069	11.9
Domestic private sector	192,600	62.2	205,563	66.1	12,963	6.7	258,990	61.6
Overseas	138	0.0	2,086	0.7	1,948	-	229	0.1
Subtotal	234,281	75.6	238,801	76.8	4,519	1.9	309,289	73.5
(B) Civil engineering								
Domestic public sector	54,292	17.5	60,002	19.3	5,710	10.5	88,384	21.0
Domestic private sector	14,560	4.7	7,939	2.6	-6,621	-45.5	15,153	3.6
Overseas	-	-	8	0.0	8	-	32	0.0
Subtotal	68,853	22.2	67,950	21.9	-902	-1.3	103,569	24.6
(C) Total (A)+(B)								
Domestic public sector	95,835	30.9	91,154	29.3	-4,681	-4.9	138,453	32.9
Domestic private sector	207,161	66.9	213,502	68.7	6,341	3.1	274,144	65.2
Overseas	138	0.0	2,095	0.7	1,957	-	261	0.1
Subtotal	303,134	97.9	306,752	98.7	3,617	1.2	412,859	98.1
II Real estate business	6,632	2.1	4,032	1.3	-2,600	-39.2	7,910	1.9
III Total (I + II)	309,767	100.0	310,785	100.0	1,017	0.3	420,769	100.0

2) Net Sales

(Millions of yen)

Business segment/Classification	Nine-months Period From Apr. 1, 2015 to Dec. 31, 2015		Nine-months Period From Apr. 1, 2016 to Dec. 31, 2016		Change		Previous Fiscal Year (from Apr. 1, 2015 to Mar. 31, 2016)	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Percentage (%)	Amount	Ratio (%)
I Construction business								
(A) Architectural construction								
Domestic public sector	31,228	10.1	34,553	11.9	3,325	10.6	43,607	9.4
Domestic private sector	208,623	67.7	182,344	62.8	-26,279	-12.6	317,820	68.6
Overseas	710	0.2	585	0.2	-124	-17.6	862	0.2
Subtotal	240,562	78.0	217,483	74.9	-23,079	-9.6	362,290	78.2
(B) Civil engineering								
Domestic public sector	51,556	16.7	58,713	20.2	7,157	13.9	72,631	15.7
Domestic private sector	8,738	2.8	9,834	3.4	1,095	12.5	19,443	4.2
Overseas	824	0.3	355	0.1	-468	-56.8	1,200	0.3
Subtotal	61,119	19.8	68,904	23.7	7,785	12.7	93,274	20.1
(C) Total (A)+(B)								
Domestic public sector	82,784	26.9	93,267	32.1	10,482	12.7	116,238	25.1
Domestic private sector	217,362	70.5	192,178	66.2	-25,183	-11.6	337,264	72.8
Overseas	1,534	0.5	941	0.3	-593	-38.6	2,063	0.4
Subtotal	301,681	97.8	286,387	98.6	-15,294	-5.1	455,565	98.3
II Real estate business	6,632	2.2	4,032	1.4	-2,600	-39.2	7,910	1.7
III Total (I + II)	308,314	100.0	290,420	100.0	-17,894	-5.8	463,476	100.0

3) Balance Brought Forward

(Millions of yen)

Business segment/Classification	FY 2015 3Q (As of Dec. 31, 2015)		FY 2016 3Q (As of Dec. 31, 2016)		Change		Previous Fiscal Year (As of Mar. 31, 2016)	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Percentage (%)	Amount	Ratio (%)
I Construction business								
(A) Architectural construction								
Domestic public sector	63,954	11.1	56,698	10.2	-7,255	-11.3	60,100	11.3
Domestic private sector	342,566	59.4	322,979	58.4	-19,587	-5.7	299,759	56.3
Overseas	615	0.1	2,055	0.4	1,440	233.9	554	0.1
Subtotal	407,136	70.6	381,733	69.0	-25,402	-6.2	360,415	67.6
(B) Civil engineering								
Domestic public sector	141,303	24.5	150,854	27.3	9,550	6.8	154,321	29.0
Domestic private sector	24,679	4.3	17,427	3.2	-7,252	-29.4	14,566	2.7
Overseas	3,868	0.7	3,177	0.6	-691	-17.9	3,524	0.7
Subtotal	169,851	29.4	171,458	31.0	1,607	0.9	172,412	32.4
(C) Total (A)+(B)								
Domestic public sector	205,258	35.6	207,553	37.5	2,295	1.1	214,421	40.2
Domestic private sector	367,245	63.6	340,406	61.5	-26,839	-7.3	314,326	59.0
Overseas	4,484	0.8	5,232	0.9	748	16.7	4,079	0.8
Subtotal	576,987	100.0	553,192	100.0	-23,795	-4.1	532,827	100.0
II Real estate business	-	-	-	-	-	-	-	-
III Total (I + II)	576,987	100.0	553,192	100.0	-23,795	-4.1	532,827	100.0