

**Consolidated Financial Results  
for the FY2018  
Ended March 31, 2019**



## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Fiscal Year ended March 31, 2019

During the fiscal year ended March 31, 2019, the Japanese economy continued a gradual recovery, supported by an improving employment and income environment. In the construction industry, although orders from the public sector decreased, overall order conditions increased compared to the previous year, with orders from the private sector increasing in both manufacturing and non-manufacturing industries. However, concerns remained including the possibility of construction costs being pushed up by tight labor market and materials supply.

Under these circumstances, the Toda Group's consolidated results were as follows.

Consolidated net sales increased 19.0% year on year to ¥510.4 billion, mainly owing to an increase in net sales of completed construction contracts at the Company.

In terms of operating income and loss, gross profit increased 11.2% year on year to ¥67.1 billion, due primarily to an increase in gross profit in the domestic architectural construction. Meanwhile, while selling, general and administrative expenses rose 9.1% year on year to ¥32.5 billion, consolidated operating income increased 13.3% year on year to ¥34.5 billion.

Ordinary income increased 13.5% year on year to ¥37.4 billion, with a solid contribution from interest income and dividend income on investment securities and other factors.

Profit attributable to owners of parent increased to ¥25.5 billion, a 0.6% increase over the previous year, in part due to gain on sales of investment securities, despite the recording of impairment loss.

The results for each segment are as follows.

The Group has changed its reportable segments from the fiscal year ended March 31, 2019. Comparison with and analysis of the previous year are based on segment classification after the change. For details, please refer to "1. Overview of reportable segments" of "3. Consolidated Financial Statements," "(5) Notes to Consolidated Financial Statements" (Segment information, etc.).

Segment results include internal sales or transfers between segments.

#### **Domestic Architectural Construction Business**

The segment recorded net sales of ¥360.1 billion, up 28.0% year on year. Segment operating income came to ¥25.4 billion, up 42.4%.

On a non-consolidated basis, overall orders received increased 17.1% year on year to ¥381.7 billion, as orders from the public sector and private sector increased 75.0% and 11.7% year on year, respectively.

#### **Domestic Civil Engineering Business**

The segment recorded net sales of ¥100.3 billion, down 8.3% year on year, and operating income of ¥11.2 billion, down 4.9%.

On a non-consolidated basis, overall orders received increased 43.1% year on year to ¥155.8 billion. Orders from the public sector increased 44.0% year on year, boosted by orders for large projects.

#### **Investment and Development Business**

The segment recorded net sales of ¥10.7 billion, up 62.3% year on year, and operating income of ¥1.8 billion, up 18.4% year on year.

#### **Domestic Group Companies Business**

The segment recorded net sales of ¥45.0 billion, up 33.1% year on year, and operating income of ¥1.5 billion, up 78.6% year on year.

**New Business**

Net sales from new business totaled ¥0.2 billion, up 10.4% year on year. The segment recorded an operating loss of ¥0.8 billion, compared to the previous year's ¥0.3 billion loss.

**Overseas Business**

Net sales from overseas business totaled ¥17.7 billion, up 28.2% year on year. The segment recorded an operating loss of ¥4.0 billion, compared to the previous year's ¥1.1 billion loss.

**(2) Overview of Financial Position for the Fiscal Year ended March 31, 2019****Assets, liabilities, and net assets****Assets**

Total assets as of March 31, 2019, were ¥667.7 billion, up 19.6% or a ¥109.4 billion increase from the end of the previous fiscal year. The increase mainly reflects increases of ¥90.2 billion in notes receivable, accounts receivable from completed construction contracts and other and ¥16.8 billion in cash and deposits, despite a decrease of ¥20.0 billion in securities.

**Liabilities**

Total liabilities as of March 31, 2019, were ¥398.5 billion, up 29.0% or an ¥89.6 billion increase from the end of the previous fiscal year. The major contributors to this increase in liabilities were a ¥50.0 billion increase in commercial papers and a ¥26.8 billion increase in notes payable, accounts payable for construction contracts and other, which were only partially offset by a decrease of ¥2.4 billion in long-term loans payable.

**Net assets**

Total net assets as of March 31, 2019, were ¥269.1 billion, up 7.9% or a ¥19.7 billion increase from the end of the previous fiscal year, mainly due to posting of ¥25.5 billion in profit attributable to owners of parent. The equity capital ratio was 39.9%.

**(3) Overview of Cash Flows for the Fiscal Year ended March 31, 2019**

Cash and cash equivalents at the end of the fiscal year totaled ¥96.5 billion, ¥3.9 billion less than at the end of the previous fiscal year.

**Cash Flows from Operating Activities**

Net cash used in operating activities came to ¥28.3 billion, compared with net cash provided totaling ¥19.3 billion in the previous fiscal year. The main outflows were a ¥90.3 billion increase in notes and accounts receivable-trade and a ¥3.5 billion decrease in advances received on uncompleted construction contracts. Inflows included a ¥25.7 billion increase in notes and accounts payable-trade.

**Cash Flows from Investing Activities**

Net cash used in investing activities was ¥24.4 billion, compared with the ¥7.8 billion used in the previous fiscal year. The main inflows were the ¥2.9 billion from subsidy income and ¥7.0 billion from sales and redemption of investment securities. The main outflows were purchases of property, plant and equipment totaling ¥22.5 billion, purchases of investment securities totaling ¥7.3 billion and purchase of shares of subsidiaries totaling ¥2.1 billion.

**Cash Flows from Financing Activities**

Net cash provided by financing activities totaled to ¥49.0 billion, compared with ¥2.0 billion in net cash used in the previous fiscal year. The main outflow was dividends paid totaling ¥6.1 billion. The main inflows were ¥5.0 billion from proceeds from issuance of bonds and ¥50.0 billion from issuance of commercial papers.

The Group's cash flow indicators are as follows.

For years ended March 31	2015	2016	2017	2018	2019
Equity ratio	36.4%	31.9%	41.7%	44.1%	39.9%
Equity ratio on a market price basis	31.4%	30.4%	38.3%	42.3%	31.2%
Number of years to redeem debt	—	—	1.2 years	3.9 years	—
Interest coverage ratio	—	—	68.3 times	23.8 times	—

Notes: Equity ratio = shareholders' equity / total assets

Equity ratio on a market price basis = market capitalization / total assets

Number of years to redeem debt = interest-bearing debt / cash flows

Interest coverage ratio = cash flows / interest payments

\*The indices are calculated based on consolidated financial figures.

\* Market capitalization is calculated by multiplying the stock price at the end of the fiscal year by the number of outstanding shares at the end of the fiscal year excluding treasury stock.

\*Cash flows from operating activities are used for cash flows.

\*Interest-bearing debt is all of the liabilities recorded on the consolidated balance sheets for which the Company is paying interest

#### (4) Future Outlook

The Japanese economy is expected to remain in a moderate recovery mode, with both employment and incomes continuing to improve. Meanwhile, uncertainties in the overseas economy and the impacts of fluctuations in the financial and capital markets will require attention. The construction industry expects to continue seeing a firm market environment but the outlook remains clouded by uncertainties, including private-sector business sentiment and the possibility of construction costs being pushed up by a tight labor market.

We forecast consolidated net sales of ¥520.0 billion (up 1.9% year on year), operating income of ¥30.7 billion (down 11.1%), ordinary income of ¥32.8 billion (down 12.5%), and profit attributable to owners of parent of ¥22.8 billion (down 10.9%).

On a non-consolidated basis, we expect orders received to total ¥470.0 billion (down 14.4% year on year), net sales of ¥471.5 billion (up 0.7%), operating income of ¥28.5 billion (down 11.5%), ordinary income of ¥30.6 billion (down 12.6%), and profit of ¥21.6 billion (down 11.5%).

#### (5) Basic Policy on Profit Distribution and Dividends in the Fiscal Year ended March 31, 2019 and the Fiscal Year ending March 31, 2020

The Company's basic policy is to distribute profit based on business results and the business environment after giving consideration to the provision of continuous and stable dividends to shareholders and the need to secure sufficient retained earnings essential for improving the Company's competitiveness and its financial position.

In line with this basic policy, for the fiscal year ended March 31, 2019, the Company will pay an annual dividend of ¥20 per share. The Company also plans to pay an annual dividend of ¥22 per share for the fiscal year ending March 31, 2020.

## **2. Basic Rational for Selection of Accounting Standards**

The Toda Group intends to continue producing consolidated financial statements based on Japanese accounting standards to enable comparisons of the Group's consolidated statements from different fiscal years and comparisons with other companies.

The Group also intends to make an appropriate response to the International Financial Reporting Standards (IFRS) based on considerations of the situation in Japan and abroad.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
<b>Assets</b>		
Current assets		
Cash and deposits	80,597	97,450
Notes receivable, accounts receivable from completed construction contracts and other	135,438	225,685
Securities	20,029	-
Real estate for sale	7,400	9,162
Costs on uncompleted construction contracts	12,449	16,719
Other inventories	1,669	2,029
Other	17,442	15,336
Allowance for doubtful accounts	(1,071)	(1,548)
Total current assets	273,956	364,835
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	17,067	18,953
Machinery, vehicles, tools, furniture and fixtures, net	4,445	2,807
Land	71,670	82,199
Lease assets, net	91	52
Construction in progress	2,111	5,420
Total property, plant and equipment	95,386	109,434
Intangible assets		
Goodwill	658	589
Other	8,284	7,373
Total intangible assets	8,942	7,962
Investments and other assets		
Investment securities	174,775	178,643
Long-term loans receivable	489	434
Net defined benefit asset	1,484	1,930
Deferred tax assets	488	582
Other	3,051	4,132
Allowance for doubtful accounts	(262)	(234)
Total investments and other assets	180,027	185,489
Total noncurrent assets	284,356	302,886
Total assets	558,312	667,722

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	88,499	115,318
Short-term loans payable	25,496	29,451
Commercial papers	-	50,000
Income taxes payable	3,723	9,882
Advances received on uncompleted construction contracts	29,657	30,059
Provision for bonuses	7,371	6,596
Provision for warranties for completed construction	4,089	4,390
Provision for loss on construction contracts	444	3,601
Deposits received	23,324	26,355
Other	25,116	18,172
<b>Total current liabilities</b>	<b>207,723</b>	<b>293,829</b>
Noncurrent liabilities		
Bonds payable	20,000	25,000
Long-term loans payable	29,979	27,573
Deferred tax liabilities	17,445	18,424
Deferred tax liabilities for land revaluation	7,272	7,235
Provision for directors' retirement benefits	170	180
Provision for share allocation to directors	120	172
Provision for loss on liquidation of subsidiaries and affiliates	104	42
Net defined benefit liability	21,872	21,446
Asset retirement obligations	1,089	1,183
Other	3,139	3,441
<b>Total noncurrent liabilities</b>	<b>101,194</b>	<b>104,699</b>
<b>Total liabilities</b>	<b>308,917</b>	<b>398,529</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	23,001	23,001
Capital surplus	25,681	25,743
Retained earnings	136,336	155,875
Treasury stock	(9,437)	(9,438)
<b>Total shareholders' equity</b>	<b>175,582</b>	<b>195,182</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	66,969	67,330
Deferred gains or losses on hedges	(3)	28
Revaluation reserve for land	5,676	5,592
Foreign currency translation adjustment	(658)	(955)
Remeasurements of defined benefit plans	(1,249)	(1,021)
<b>Total accumulated other comprehensive income</b>	<b>70,734</b>	<b>70,974</b>
<b>Non-controlling interests</b>	<b>3,078</b>	<b>3,035</b>
<b>Total net assets</b>	<b>249,394</b>	<b>269,193</b>
<b>Total liabilities and net assets</b>	<b>558,312</b>	<b>667,722</b>

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

Years ended March 31, 2018 and 2019

(Millions of yen)

	Year ended March 31, 2018 (April 1, 2017 through March 31, 2018)	Year ended March 31, 2019 (April 1, 2018 through March 31, 2019)
<b>Net sales</b>		
Net sales of completed construction contracts	414,177	494,826
Net sales of investment and development business and other	14,848	15,610
<b>Total net sales</b>	<b>429,026</b>	<b>510,436</b>
<b>Cost of sales</b>		
Cost of sales of completed construction contracts	358,408	431,931
Cost of sales on investment and development business and other	10,276	11,395
<b>Total cost of sales</b>	<b>368,684</b>	<b>443,327</b>
<b>Gross profit</b>		
Gross profit on completed construction contracts	55,769	62,895
Gross profit on investment and development business and other	4,572	4,214
<b>Total gross profit</b>	<b>60,341</b>	<b>67,109</b>
<b>Selling, general and administrative expenses</b>	<b>29,878</b>	<b>32,591</b>
<b>Operating income</b>	<b>30,463</b>	<b>34,518</b>
<b>Non-operating income</b>		
Interest income	318	171
Dividend income	2,755	3,126
Dividend income of insurance	240	238
Other	334	493
<b>Total non-operating income</b>	<b>3,649</b>	<b>4,030</b>
<b>Non-operating expenses</b>		
Interest expenses	823	779
Commission fee	109	172
Other	142	104
<b>Total non-operating expenses</b>	<b>1,075</b>	<b>1,055</b>
<b>Ordinary income</b>	<b>33,037</b>	<b>37,493</b>
<b>Extraordinary income</b>		
Gain on sales of noncurrent assets	24	25
Gain on sales of investment securities	2,991	3,060
Other	268	38
<b>Total extraordinary income</b>	<b>3,284</b>	<b>3,124</b>
<b>Extraordinary loss</b>		
Loss on abandonment of noncurrent assets	452	503
Impairment loss	-	1,658
Other	35	114
<b>Total extraordinary losses</b>	<b>488</b>	<b>2,276</b>
<b>Profit before income taxes</b>	<b>35,834</b>	<b>38,341</b>
Income taxes-current	4,985	11,762
Income taxes-deferred	5,302	784
<b>Total income taxes</b>	<b>10,288</b>	<b>12,546</b>
<b>Profit</b>	<b>25,545</b>	<b>25,794</b>
Profit attributable to non-controlling interests	90	199
<b>Profit attributable to owners of parent</b>	<b>25,455</b>	<b>25,595</b>



## Consolidated Statements of Comprehensive Income

Years ended March 31, 2018 and 2019

	(Millions of yen)	
	Year ended March 31, 2018 (April 1, 2017 through March 31, 2018)	Year ended March 31, 2019 (April 1, 2018 through March 31, 2019)
Profit	25,545	25,794
Other comprehensive income		
Valuation difference on available-for-sale securities	3,456	360
Deferred gains or losses on hedges	(5)	31
Foreign currency translation adjustment	(53)	(348)
Remeasurements of defined benefit plans	708	227
Total other comprehensive income	4,106	272
Comprehensive income	29,652	26,066
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	29,498	25,881
Comprehensive income attributable to non-controlling interests	154	185

**(3) Consolidated Statements of Changes in Net Assets**

Year ended March 31, 2018 (April 1, 2017 through March 31, 2018)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	23,001	25,682	116,816	(8,233)	157,267
Changes during period					
Dividends from surplus			(4,612)		(4,612)
Profit attributable to owners of parent			25,455		25,455
Disposal of treasury stock		(1,321)		1,326	4
Purchase of treasury stock				(2,530)	(2,530)
Transfer of loss on disposal of treasury stock		1,321	(1,321)		-
Change in ownership interest of parent due to transactions with non-controlling interests					-
Capital increase of consolidated subsidiaries		(0)			(0)
Reversal of revaluation reserve for land					-
Net changes other than shareholders' equity					
Total changes during period	-	(0)	19,520	(1,204)	18,315
Balance at end of period	23,001	25,681	136,336	(9,437)	175,582

	Accumulated other comprehensive income						Non-controlling shareholders	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	63,513	1	5,676	(542)	(1,957)	66,691	2,937	226,895
Changes during period								
Dividends from surplus								(4,612)
Profit attributable to owners of parent								25,455
Disposal of treasury stock								4
Purchase of treasury stock								(2,530)
Transfer of loss on disposal of treasury stock								-
Change in ownership interest of parent due to transactions with non-controlling interests								-
Capital increase of consolidated subsidiaries								(0)
Reversal of revaluation reserve for land								-
Net changes other than shareholders' equity	3,455	(5)	-	(116)	708	4,042	140	4,183
Total changes during period	3,455	(5)	-	(116)	708	4,042	140	22,499
Balance at end of period	66,969	(3)	5,676	(658)	(1,249)	70,734	3,078	249,394

Year ended March 31, 2019 (April 1, 2018 through March 31, 2019)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	23,001	25,681	136,336	(9,437)	175,582
Changes during period					
Dividends from surplus			(6,140)		(6,140)
Profit attributable to owners of parent			25,595		25,595
Disposal of treasury stock				5	5
Purchase of treasury stock				(5)	(5)
Transfer of loss on disposal of treasury stock					-
Change in ownership interest of parent due to transactions with non-controlling interests		64			64
Capital increase of consolidated subsidiaries		(2)			(2)
Reversal of revaluation reserve for land			84		84
Net changes other than shareholders' equity					
Total changes during period	-	62	19,538	(0)	19,600
Balance at end of period	23,001	25,743	155,875	(9,438)	195,182

	Accumulated other comprehensive income						Non-controlling shareholders	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	66,969	(3)	5,676	(658)	(1,249)	70,734	3,078	249,394
Changes during period								
Dividends from surplus								(6,140)
Profit attributable to owners of parent								25,595
Disposal of treasury stock								5
Purchase of treasury stock								(5)
Transfer of loss on disposal of treasury stock								-
Change in ownership interest of parent due to transactions with non-controlling interests								64
Capital increase of consolidated subsidiaries								(2)
Reversal of revaluation reserve for land								84
Net changes other than shareholders' equity	361	31	(84)	(296)	227	240	(42)	197
Total changes during period	361	31	(84)	(296)	227	240	(42)	19,798
Balance at end of period	67,330	28	5,592	(955)	(1,021)	70,974	3,035	269,193

**(4) Consolidated Statements of Cash Flows**

	(Millions of yen)	
	Year ended March 31, 2018 (April 1, 2017 through March 31, 2018)	Year ended March 31, 2019 (April 1, 2018 through March 31, 2019)
<b>Cash flows from operating activities</b>		
Profit before income taxes	35,834	38,341
Depreciation	1,840	2,178
Impairment loss	-	1,658
Amortization of goodwill	34	169
Increase (decrease) in allowance for doubtful accounts	10	459
Increase (decrease) in retirement benefit liability	369	(212)
Decrease (increase) in retirement benefit asset	(222)	(296)
Increase (decrease) in other provisions	(2,221)	2,467
Loss (gain) on valuation of short-term and long-term investment securities	1	12
Loss (gain) on sales of short-term and long-term investment securities	(2,983)	(3,059)
Loss (gain) on sales of property, plant and equipment	(24)	(25)
Loss on abandonment of non-current assets	452	503
Interest and dividend income	(3,074)	(3,298)
Interest expenses	823	779
Decrease (increase) in trade receivables	(2,266)	(90,392)
Decrease (increase) in costs on uncompleted construction contracts	7,437	617
Decrease (increase) in real estate for sale	1,597	160
Decrease (increase) in other current assets	(6,783)	1,352
Increase (decrease) in trade payables	(11,804)	25,753
Increase (decrease) in advances received on uncompleted construction contracts	1,035	(3,577)
Increase (decrease) in other current liabilities	2,094	934
Other, net	(206)	183
Subtotal	21,943	(25,288)
Interest and dividends received	3,078	3,304
Interest paid	(810)	(775)
Income taxes paid	(4,879)	(5,624)
Net cash provided by (used in) operating activities	19,331	(28,384)
<b>Cash flows from investing activities</b>		
Payments into time deposits	(194)	(886)
Proceeds from withdrawal of time deposits	220	63
Proceeds from sales and redemption of securities	-	400
Purchase of property, plant and equipment	(6,790)	(22,588)
Proceeds from sales of property, plant and equipment	38	25
Purchase of intangible assets	(1,888)	(883)
Proceeds from subsidy received	1,905	2,911
Purchase of investment securities	(5,051)	(7,326)
Proceeds from sales and redemption of investment securities	6,979	7,052
Loan advances	-	(4)
Collection of loans receivable	66	61
Payments of leasehold and guarantee deposits	(140)	(594)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(2,771)	(2,141)
Other, net	(185)	(564)
Net cash provided by (used in) investing activities	(7,812)	(24,475)

(Millions of yen)

	Year ended March 31, 2018 (April 1, 2017 through March 31, 2018)	Year ended March 31, 2019 (April 1, 2018 through March 31, 2019)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	120	1,520
Increase (decrease) in commercial papers	-	50,000
Proceeds from long-term borrowings	5,220	4,890
Repayments of long-term borrowings	(10,140)	(6,161)
Proceeds from issuance of bonds	10,000	5,000
Dividends paid	(4,612)	(6,140)
Dividends paid to non-controlling interests	(14)	(3)
Purchase of treasury shares	(2,530)	(5)
Other, net	(56)	(50)
Net cash provided by (used in) financing activities	(2,015)	49,047
Effect of exchange rate change on cash and cash equivalents	35	(150)
Net increase (decrease) in cash and cash equivalents	9,539	(3,962)
Cash and cash equivalents at beginning of period	90,986	100,526
Cash and cash equivalents at end of period	100,526	96,564

## 4. Non-consolidated Financial Statements

## (1) Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
<b>Assets</b>		
Current assets		
Cash and deposits	66,782	78,048
Notes receivable-trade	1,181	4,592
Electronically recorded monetary claims – operating	1,093	231
Accounts receivable from completed construction contracts	127,014	208,060
Securities	20,029	-
Real estate for sale	6,570	8,270
Costs on uncompleted construction contracts	11,231	13,994
Costs on real estate business	665	1,121
Raw materials and supplies	669	516
Accounts receivable-other	1,501	977
Advances paid	10,518	11,353
Other	1,498	1,579
Allowance for doubtful accounts	(1,151)	(1,653)
Total current assets	247,605	327,093
Noncurrent assets		
Property, plant and equipment		
Buildings	34,194	36,313
Accumulated depreciation	(22,282)	(22,726)
Buildings, net	11,911	13,587
Structures	1,618	1,677
Accumulated depreciation	(1,303)	(1,344)
Structures, net	315	333
Machinery and equipment	6,708	6,282
Accumulated depreciation	(6,428)	(6,098)
Machinery and equipment, net	280	183
Vehicles	92	101
Accumulated depreciation	(92)	(88)
Vehicles, net	0	12
Tools, furniture and fixtures	1,710	2,268
Accumulated depreciation	(1,425)	(1,560)
Tools, furniture and fixtures, net	284	707
Land	64,900	75,255
Lease assets	297	284
Accumulated depreciation	(217)	(232)
Lease assets, net	79	52
Construction in progress	635	4,368
Total property, plant and equipment	78,408	94,500
Intangible assets		
Leasehold right	5,075	5,124
Software	1,302	1,425
Other	1,894	822
Total intangible assets	8,273	7,371

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
<b>Investments and other assets</b>		
Investment securities	167,791	170,262
Stocks of subsidiaries and affiliates	12,651	18,783
Investments in other securities of subsidiaries and affiliates	1,493	3,001
Investments in capital	1	1
Long-term loans receivable	3	3
Long-term loans receivable from employees	3	6
Long-term loans receivable from subsidiaries and affiliates	480	420
Claims provable in bankruptcy, claims provable in rehabilitation and other	6	0
Long-term prepaid expenses	87	232
Long-term non-operating accounts receivable	0	0
Prepaid pension cost	2,368	2,652
Other	2,306	2,824
Allowance for doubtful accounts	(262)	(234)
<b>Total investments and other assets</b>	<b>186,932</b>	<b>197,955</b>
<b>Total noncurrent assets</b>	<b>273,613</b>	<b>299,827</b>
<b>Total assets</b>	<b>521,218</b>	<b>626,920</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable-trade	2,227	2,449
Electronically recorded obligations - operating	17,259	23,814
Accounts payable for construction contracts	63,839	83,644
Short-term loans payable	21,631	23,586
Commercial papers	-	50,000
Lease obligations	38	21
Accounts payable-other	4,621	2,215
Income taxes payable	3,488	9,289
Advances received on uncompleted construction contracts	27,708	26,124
Deposits received	21,534	24,184
Provision for bonuses	7,058	6,105
Provision for warranties for completed construction	4,001	4,288
Provision for loss on construction contracts	418	3,526
Deposits received from employees	7,787	8,713
Other	8,774	5,709
<b>Total current liabilities</b>	<b>190,389</b>	<b>273,672</b>

	As of March 31, 2018	As of March 31, 2019
<b>Noncurrent liabilities</b>		
Bonds payable	20,000	25,000
Long-term loans payable	29,879	27,573
Lease obligations	37	27
Deferred tax liabilities	17,252	18,227
Deferred tax liabilities for land revaluation	7,272	7,235
Provision for retirement benefits	20,117	19,917
Provision for directors' retirement benefits	122	124
Provision for share allocation to directors	120	172
Provision for loss on business of subsidiaries and affiliates	58	163
Asset retirement obligations	148	236
Other	2,310	2,400
<b>Total noncurrent liabilities</b>	<b>97,320</b>	<b>101,078</b>
<b>Total liabilities</b>	<b>287,709</b>	<b>374,750</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	23,001	23,001
<b>Capital surplus</b>		
Legal capital surplus	25,573	25,573
<b>Total capital surplus</b>	<b>25,573</b>	<b>25,573</b>
<b>Retained earnings</b>		
Legal retained earnings	5,750	5,750
<b>Other retained earnings</b>		
Reserve for construction	35,000	50,000
General reserve	56,774	56,774
Retained earnings brought forward	24,247	27,596
<b>Total retained earnings</b>	<b>121,772</b>	<b>140,121</b>
Treasury stock	(9,437)	(9,438)
<b>Total shareholders' equity</b>	<b>160,909</b>	<b>179,257</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	66,926	67,289
Deferred gains or losses on hedges	(3)	29
Revaluation reserve for land	5,676	5,592
<b>Total valuation and translation adjustments</b>	<b>72,599</b>	<b>72,912</b>
<b>Total net assets</b>	<b>233,508</b>	<b>252,170</b>
<b>Total liabilities and net assets</b>	<b>521,218</b>	<b>626,920</b>



(2) Non-consolidated Statements of Income

	(Millions of yen)	
	Year ended March 31, 2018 (April 1, 2017 through March 31, 2018)	Year ended March 31, 2019 (April 1, 2018 through March 31, 2019)
<b>Net sales</b>		
Net sales of completed construction contracts	392,249	458,657
Net sales of investment and development business and other	8,075	9,427
<b>Total net sales</b>	<b>400,325</b>	<b>468,084</b>
<b>Cost of sales</b>		
Cost of sales of completed construction contracts	338,590	399,925
Cost of sales on investment and development business and other	5,891	6,951
<b>Total cost of sales</b>	<b>344,481</b>	<b>406,876</b>
<b>Gross profit</b>		
Gross profit on completed construction contracts	53,659	58,731
Gross profit on investment and development business and other	2,184	2,476
<b>Total gross profit</b>	<b>55,843</b>	<b>61,208</b>
<b>Selling, general and administrative expenses</b>		
Directors' compensations	365	420
Provision for stock payments for directors	61	57
Employees' salaries and allowances	9,633	10,089
Provision for bonuses	4,338	4,367
Provision for directors' retirement benefits	46	50
Retirement benefit expenses	1,002	807
Legal welfare expenses	1,444	1,503
Welfare expenses	629	755
Repair and maintenance	245	225
Stationery expenses	1,593	1,891
Correspondence and transportation expenses	1,035	1,062
Power utilities expenses	108	109
Research study expenses	899	1,211
Advertising expenses	167	248
Provision of allowance for doubtful accounts	(4)	499
Entertainment expenses	622	615
Contribution	72	85
Rents	1,071	1,401
Depreciation	238	242
Taxes and dues	1,428	1,655
Insurance expenses	35	29
Miscellaneous expenses	1,842	1,663
<b>Total selling, general and administrative expenses</b>	<b>26,879</b>	<b>28,992</b>
<b>Operating income</b>	<b>28,963</b>	<b>32,215</b>

(Millions of yen)

	Year ended March 31, 2018 (April 1, 2017 through March 31, 2018)	Year ended March 31, 2019 (April 1, 2018 through March 31, 2019)
<b>Non-operating income</b>		
Interest income	27	23
Interest on securities	1	0
Dividend income	2,780	3,106
Dividend income of insurance	240	238
Miscellaneous income	309	451
<b>Total non-operating income</b>	<b>3,360</b>	<b>3,820</b>
<b>Non-operating expenses</b>		
Interest expenses	741	667
Interest on bonds	65	88
Commission fee	109	171
Miscellaneous expenses	131	78
<b>Total non-operating expenses</b>	<b>1,048</b>	<b>1,006</b>
Ordinary income	31,275	35,029
<b>Extraordinary income</b>		
Gain on sales of noncurrent assets	12	25
Gain on sales of investment securities	2,991	3,060
Other	233	59
<b>Total extraordinary income</b>	<b>3,237</b>	<b>3,146</b>
<b>Extraordinary loss</b>		
Loss on abandonment of noncurrent assets	452	503
Impairment loss	-	1,503
Loss on valuation of stocks of subsidiaries and affiliates	-	82
Provision for loss on business of subsidiaries and associates	-	157
Other	34	111
<b>Total extraordinary losses</b>	<b>486</b>	<b>2,358</b>
<b>Profit before income taxes</b>	<b>34,026</b>	<b>35,817</b>
Income taxes-current	4,230	10,571
Income taxes-deferred	5,372	841
<b>Total income taxes</b>	<b>9,602</b>	<b>11,412</b>
<b>Profit</b>	<b>24,424</b>	<b>24,405</b>

### (3) Non-consolidated Statements of Changes in Net Assets

Year ended March 31, 2018 (April 1, 2017 through March 31, 2018)

(Millions of yen)

	Shareholders' equity								Total retained earnings
	Capital stock	Capital surplus			Retained earnings			Total retained earnings	
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			
						Reserve for construction	General reserve		
Balance at beginning of period	23,001	25,573	-	25,573	5,750	15,000	36,774	45,757	103,282
Changes during period									
Provision of general reserve							20,000	(20,000)	
Provision of reserve for construction						20,000		(20,000)	-
Dividends from surplus								(4,612)	(4,612)
Profit								24,424	24,424
Disposal of treasury stock			(1,321)	(1,321)					
Purchase of treasury stock									
Transfer of loss on disposal of treasury stock			1,321	1,321				(1,321)	(1,321)
Reversal of revaluation reserve for land									
Net changes other than shareholders' equity									
Total changes during period	-	-	-	-	-	20,000	20,000	(21,510)	18,489
Balance at end of period	23,001	25,573	-	25,573	5,750	35,000	56,774	24,247	121,772

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	(8,233)	143,624	63,480	(0)	5,676	69,156	212,780
Changes during period							
Provision of general reserve		-					-
Provision of reserve for construction		-					-
Dividends from surplus		(4,612)					(4,612)
Profit		24,424					24,424
Disposal of treasury stock	1,326	4					4
Purchase of treasury stock	(2,530)	(2,530)					(2,530)
Transfer of loss on disposal of treasury stock		-					-
Reversal of revaluation reserve for land		-					-
Net changes other than shareholders' equity			3,445	(3)	-	3,442	3,442
Total changes during period	(1,204)	17,285	3,445	(3)	-	3,442	20,727
Balance at end of period	(9,437)	160,909	66,926	(3)	5,676	72,599	233,508

Year ended March 31, 2019 (April 1, 2018 through March 31, 2019)

(Millions of yen)

	Shareholders' equity								Total retained earnings
	Capital stock	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			
						Reserve for construction	General reserve		
Balance at beginning of period	23,001	25,573	-	25,573	5,750	35,000	56,774	24,247	121,772
Changes during period									
Provision of general reserve									-
Provision of reserve for construction						15,000		(15,000)	-
Dividends from surplus								(6,140)	(6,140)
Profit								24,405	24,405
Disposal of treasury stock									
Purchase of treasury stock									
Transfer of loss on disposal of treasury stock									
Reversal of revaluation reserve for land								84	84
Net changes other than shareholders' equity									
Total changes during period	-	-	-	-	-	15,000	-	3,348	18,348
Balance at end of period	23,001	25,573	-	25,573	5,750	50,000	56,774	27,596	140,121

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	(9,437)	160,909	66,926	(3)	5,676	72,599	233,508
Changes during period							
Provision of general reserve		-					-
Provision of reserve for construction		-					-
Dividends from surplus		(6,140)					(6,140)
Profit		24,405					24,405
Disposal of treasury stock	5	5					5
Purchase of treasury stock	(5)	(5)					(5)
Transfer of loss on disposal of treasury stock		-					-
Reversal of revaluation reserve for land		84					84
Net changes other than shareholders' equity			363	33	(84)	312	312
Total changes during period	(0)	18,348	363	33	(84)	312	18,661
Balance at end of period	(9,438)	179,257	67,289	29	5,592	72,912	252,170

## 5. Other

### (1) Summary of Consolidated Results and Forecasts

(Millions of yen)

	Six-month Period from April					Full Year							
	FY2017	FY2018	FY2019	YoY (b)-(a)		FY2017	FY2018	FY2018	YoY (b)-(a)		FY2019	YoY (c)-(b)	
	Actual	Actual (a)	Forecast (b)	Amount	Percentage (%)	Actual (a)	Revised forecast Feb. 8, 2019	Actual (b)	Amount	Percentage (%)	Forecast (c)	Amount	Percentage (%)
Net sales	181,696	203,046	241,000	37,953	18.7	429,026	507,000	510,436	81,410	19.0	520,000	9,563	1.9
Domestic construction business	166,535	183,331	214,000	30,668	16.7	389,235	450,000	454,039	64,803	16.6	457,500	3,460	0.8
Architectural construction	120,236	141,022	164,000	22,977	16.3	279,971	349,000	355,045	75,073	26.8	340,000	-15,045	-4.2
Civil engineering	46,299	42,308	50,000	7,691	18.2	109,263	101,000	98,993	-10,269	-9.4	117,500	18,506	18.7
Investment and development business	2,862	2,627	3,200	572	21.8	5,637	9,900	9,786	4,148	73.6	8,800	-986	-10.1
Domestic Group companies	6,881	9,016	13,350	4,333	48.1	20,092	28,700	28,615	8,523	42.4	32,600	3,984	13.9
New business	56	66	50	-16	-24.5	192	150	212	19	10.4	150	-62	-29.3
Overseas business	5,360	8,005	10,400	2,394	29.9	13,867	18,250	17,782	3,914	28.2	20,950	3,167	17.8
Gross profit	25,937	25,213	28,800	3,586	14.2	60,341	63,400	67,109	6,768	11.2	66,200	-909	-1.4
Profit margin	12.3 %	12.4 %	12.0 %			14.1 %	12.5 %	13.1 %			12.7 %		
SG&A expenses	13,635	14,908	17,000	2,091	14.0	29,878	33,000	32,591	2,712	9.1	35,500	2,908	8.9
Operating income	12,301	10,304	11,800	1,495	14.5	30,463	30,400	34,518	4,055	13.3	30,700	-3,818	-11.1
Non-operating income	1,262	1,558	1,000	-558	-35.8	2,574	2,800	2,975	400	15.6	2,100	-875	-29.4
Ordinary income	13,563	11,862	12,800	937	7.9	33,037	33,200	37,493	4,456	13.5	32,800	-4,693	-12.5
Extraordinary income	1,463	571	500	-71	-12.5	2,796	1,300	847	-1,948	-69.7	1,000	152	18.0
Profit before income taxes	15,027	12,434	13,300	865	7.0	35,834	34,500	38,341	2,507	7.0	33,800	-4,541	-11.8
Income taxes	4,778	4,028	4,300	271	6.7	10,288	11,500	12,546	2,258	22.0	11,000	-1,546	-12.3
Profit	10,249	8,405	9,000	594	7.1	25,545	23,000	25,794	249	1.0	22,800	-2,994	-11.6
Profit attributable to non-controlling interests	-	143	-	-143	-	90	-	199	108	120.0	-	-199	-
Profit attributable to owners of parent	10,248	8,262	9,000	737	8.9	25,455	23,000	25,595	140	0.6	22,800	-2,795	-10.9

Notes: 1. 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. Net sales are based on business segments and intercompany sales are eliminated.

(2) Summary of Non-consolidated Results and Forecasts

(Millions of yen)

	Six-month Period from April					Full Year							
	FY2017	FY2018	FY2019	YoY (b)-(a)		FY2017	FY2018	FY2018	YoY (b)-(a)		FY2019	YoY (c)-(b)	
	Actual	Actual (a)	Forecast (b)	Amount	Percentage (%)	Actual (a)	Revised forecast Feb. 8, 2019	Actual (b)	Amount	Percentage (%)	Forecast (c)	Amount	Percentage (%)
Orders received	201,090	272,855	205,000	-67,855	-24.9	449,522	514,400	549,233	99,711	22.2	470,000	-79,233	-14.4
Construction business	198,193	270,428	202,500	-67,928	-25.1	441,447	505,000	539,806	98,359	22.3	462,000	-77,806	-14.4
Domestic architectural construction	156,513	179,095	153,000	-26,095	-14.6	325,900	360,000	381,711	55,811	17.1	340,000	-41,711	-10.9
Domestic civil engineering	40,611	89,437	46,000	-43,437	-48.6	108,933	143,000	155,877	46,943	43.1	115,000	-40,877	-26.2
Overseas	1,068	1,896	3,500	1,603	84.6	6,613	2,000	2,217	-4,395	-66.5	7,000	4,782	215.6
Investment and development business and other	2,896	2,426	2,500	73	3.0	8,075	9,400	9,427	1,352	16.7	8,000	-1,427	-15.1
Net sales	170,582	187,345	219,500	32,154	17.2	400,325	464,500	468,084	67,759	16.9	471,500	3,415	0.7
Construction business	167,686	184,919	217,000	32,080	17.3	392,249	455,100	458,657	66,407	16.9	463,500	4,842	1.1
Domestic architectural construction	120,237	141,030	164,000	22,969	16.3	279,982	349,000	355,064	75,081	26.8	340,000	-15,064	-4.2
Domestic civil engineering	46,298	42,400	50,000	7,599	17.9	109,328	101,000	99,042	-10,286	-9.4	117,500	18,457	18.6
Overseas	1,149	1,488	3,000	1,511	101.5	2,938	5,100	4,550	1,612	54.9	6,000	1,449	31.8
Investment and development business and other	2,896	2,426	2,500	73	3.0	8,075	9,400	9,427	1,352	16.7	8,000	-1,427	-15.1
Gross profit	24,208	22,812	25,900	3,087	13.5	55,843	58,100	61,208	5,364	9.6	60,000	-1,208	-2.0
Profit margin	14.2 %	12.2 %	11.8 %			13.9 %	12.5 %	13.1 %			12.7 %		
Construction business	23,073	21,875	25,100	3,224	14.7	53,659	55,850	58,731	5,072	9.5	56,400	-2,331	-4.0
Domestic architectural construction	15,932	15,936	18,500	2,563	16.1	35,924	41,800	44,412	8,488	23.6	39,000	-5,412	-12.2
Domestic civil engineering	7,216	6,428	6,400	-28	-0.5	18,046	15,000	17,521	-524	-2.9	17,000	-521	-3.0
Overseas	-74	-490	200	690	-	-310	-950	-3,202	-2,891	-	400	3,602	-
Investment and development business and other	1,134	937	800	-137	-14.7	2,184	2,250	2,476	292	13.4	3,600	1,123	45.4
Profit margin	39.2 %	38.6 %	32.0 %			27.0 %	23.9 %	26.3 %			45.0 %		
SG&A expenses	12,269	13,411	15,000	1,588	11.8	26,879	29,400	28,992	2,112	7.9	31,500	2,507	8.6
Operating income	11,939	9,401	10,900	1,498	15.9	28,963	28,700	32,215	3,251	11.2	28,500	-3,715	-11.5
Non-operating income	1,163	1,476	1,000	-476	-32.3	2,312	2,700	2,814	502	21.7	2,100	-714	-25.4
Ordinary income	13,102	10,877	11,900	1,022	9.4	31,275	31,400	35,029	3,753	12.0	30,600	-4,429	-12.6
Extraordinary income	1,462	572	500	-72	-12.6	2,750	1,300	788	-1,962	-71.4	1,000	211	26.9
Profit before income taxes	14,565	11,449	12,400	950	8.3	34,026	32,700	35,817	1,790	5.3	31,600	-4,217	-11.8
Income taxes	4,545	3,640	3,900	260	7.1	9,602	10,400	11,412	1,809	18.8	10,000	-1,412	-12.4
Profit	10,020	7,809	8,500	690	8.8	24,424	22,300	24,405	-18	-0.1	21,600	-2,805	-11.5
Dividend per share (yen)	-	-	-	-	-	20.0	20.0	20.0	-	-	22.0	2.0	10.0

Notes: 1. These non-consolidated financial statements, exempt from the quarterly review by auditors for statutory disclosure, were prepared pursuant to *Ordinance on Terminology, Forms, and Preparation Methods of Quarterly Financial Statements, etc.*

2. 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	FY2017 From Apr. 1, 2017 to Mar. 31, 2018		FY2018 From Apr. 1, 2018 to Mar. 31, 2019		Change	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Percentage (%)
I Construction business						
(A) Domestic construction business						
(a) Architectural construction						
Public sector	27,774	6.2	48,593	8.8	20,819	75.0
Private sector	298,125	66.3	333,117	60.7	34,991	11.7
Subtotal	325,900	72.5	381,711	69.5	55,811	17.1
(b) Civil engineering						
Public sector	88,396	19.7	127,276	23.2	38,880	44.0
Private sector	20,537	4.6	28,601	5.2	8,063	39.3
Subtotal	108,933	24.2	155,877	28.4	46,943	43.1
(c) Total (a)+(b)						
Public sector	116,170	25.8	175,869	32.0	59,699	51.4
Private sector	318,663	70.9	361,718	65.9	43,055	13.5
Subtotal	434,833	96.7	537,588	97.9	102,754	23.6
(B) Overseas business	6,613	1.5	2,217	0.4	-4,395	-66.5
(C) Total (A)+(B)	441,447	98.2	539,806	98.3	98,359	22.3
II Investment and development business	5,669	1.3	9,378	1.7	3,708	65.4
III New business	2,406	0.5	49	0.0	-2,356	-97.9
IV Total (I + II + III)	449,522	100.0	549,233	100.0	99,711	22.2

2) Net Sales

(Millions of yen)

Business segment/Classification	FY2017 From Apr. 1, 2017 to Mar. 31, 2018		FY2018 From Apr. 1, 2018 to Mar. 31, 2019		Change	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Percentage (%)
I Construction business						
(A) Domestic construction business						
(a) Architectural construction						
Public sector	37,576	9.4	32,300	6.9	-5,275	-14.0
Private sector	242,406	60.6	322,763	69.0	80,356	33.1
Subtotal	279,982	69.9	355,064	75.9	75,081	26.8
(b) Civil engineering						
Public sector	93,852	23.4	80,410	17.2	-13,441	-14.3
Private sector	15,476	3.9	18,632	4.0	3,155	20.4
Subtotal	109,328	27.3	99,042	21.2	-10,286	-9.4
(c) Total (a)+(b)						
Public sector	131,428	32.8	112,711	24.1	-18,717	-14.2
Private sector	257,883	64.4	341,395	72.9	83,512	32.4
Subtotal	389,311	97.2	454,106	97.0	64,795	16.6
(B) Overseas business	2,938	0.7	4,550	1.0	1,612	54.9
(C) Total (A)+(B)	392,249	98.0	458,657	98.0	66,407	16.9
II Investment and development business	5,669	1.4	9,378	2.0	3,708	65.4
III New business	2,406	0.6	49	0.0	-2,356	-97.9
IV Total (I + II + III)	400,325	100.0	468,084	100.0	67,759	16.9

3) Balance Brought Forward

(Millions of yen)

Business segment/Classification	FY2017 (As of March 31, 2018)		FY2018 (As of March 31, 2019)		Change	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Percentage (%)
I Construction business						
(A) Domestic construction business						
(a) Architectural construction						
Public sector	41,531	6.3	45,347	6.1	3,816	9.2
Private sector	427,822	64.7	450,653	60.7	22,830	5.3
Subtotal	469,353	71.0	496,000	66.8	26,647	5.7
(b) Civil engineering						
Public sector	157,056	23.8	208,764	28.1	51,707	32.9
Private sector	25,362	3.8	30,489	4.1	5,127	20.2
Subtotal	182,418	27.6	239,253	32.2	56,835	31.2
(c) Total (a)+(b)						
Public sector	198,587	30.0	254,111	34.2	55,524	28.0
Private sector	453,184	68.6	481,142	64.8	27,958	6.2
Subtotal	651,772	98.6	735,254	99.1	83,482	12.8
(B) Overseas business	9,261	1.4	6,928	0.9	-2,333	-25.2
(C) Total (A)+(B)	661,034	100.0	742,183	100.0	81,149	12.3
II Investment and development business	-	-	-	-	-	-
III New business	-	-	-	-	-	-
IV Total (I + II + III)	661,034	100.0	742,183	100.0	81,149	12.3