

Brief report on the Financial Statements for the period ending March, 2016

[Japanese Standard] (Consolidated)

May 11, 2016

Name of listed company: DAI-DAN Co., Ltd.

Code No.: 1980 URL: <http://www.daidan.co.jp/>

Listed Shares Exchanges:

Tokyo Stock Exchange 1st section

Tel. (06) 6447 - 8003

Representative of Company: Shohei KITANO, Representative Director, President

Inquiries to be addressed to: Takayuki IKEDA, Director, Senior Executive Corporate Officer, Head of General Administration
Division

Date scheduled for ordinary shareholders general meeting convention: June 29, 2016

Date scheduled for asset securities report submission: June 29, 2016

Date scheduled for dividend payment commencement: June 30, 2016

Creating supplements to the financial statement: None

Holding a briefing sessions on the financial statement: Yes

(Amounts are indicated with figures less than 1 million yen discarded)

1. Consolidated business results for the period ending March, 2016 (From April 1, 2015 to March 31, 2016)

(1) Consolidated management performance (Percentage indications show increase or decrease from the previous period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Period ending March 2016	138,346	13.6	6,537	43.8	6,770	38.9	4,248	45.4
Period ending March 2015	121,780	-2.1	4,547	9.0	4,875	9.0	2,921	74.9

(Note) Comprehensive income Period ending March 2016 1,973 Million yen (-75.9%) Period ending March 2015 8,188 Million yen (169.9%)

	Net income per share		Net income per share after making potential share adjustments		Equity capital vs. net income ratio		Total asset vs. ordinary income ratio		Net sales vs. operating income ratio	
	Yen	Sen	Yen	Sen		%		%		%
Period ending March 2016	95.26	—	—	—	7.9	5.7	—	4.7	—	—
Period ending March 2015	65.50	—	—	—	5.9	4.3	—	3.7	—	—

(Reference) Investment income or loss on equity method Period ending March 2016 - Million yen Period ending March 2015 - Million yen

(2) Consolidated financial position

	Total assets		Net assets		Equity capital ratio		Net assets per share	
	Million yen		Million yen		%		Yen Sen	
Period ending March 2016	122,312		54,583		44.5		1,219.41	
Period ending March 2015	113,440		53,462		46.9		1,193.61	

(Reference) Equity capital Period ending March 2016 54,379 Million yen Period ending March 2015 53,236 Million yen

(3) Consolidated cash flows

	Cash flows from operating activities		Cash flows from investing activities		Cash flows from financing activities		Cash and equivalents at end of period	
	Million yen		Million yen		Million yen		Million yen	
Period ending March 2016	611		-493		-894		23,536	
Period ending March 2015	2,427		-401		-2,344		24,358	

2. Dividends

	Annual dividends						Total dividend (through year)	Dividend trend (consolidated)	Net asset vs. dividend ratio (consolidated)		
	End of first quarter		End of second quarter		End of third quarter					Period end	
	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen	Million yen	%	%
Period ending March 2015	—	—	8.00	—	—	—	10.00	18.00	802	27.5	1.6
Period ending March 2016	—	—	9.00	—	—	—	11.00	20.00	891	21.0	1.7
Period ending March 2017 (Forecast)	—	—	10.00	—	—	—	10.00	20.00		22.3	

(Note) Breakdown of dividend at the end of the current period of March 2016: ordinary dividend 9.00 yen and special dividend 2.00 yen

3. Estimate of consolidated performance for the period ending March 2017 (From April 1, 2016 to March 31, 2017)

(Percentage indications show increase or decrease from the previous period for total period and from the same quarter of the previous year for the 2nd quarter consolidated cumulative period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share	
	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%	Yen	Sen
2nd quarter consolidated cumulative period	60,500	-1.2	2,300	-3.5	2,300	-9.3	1,400	-10.9	31.39	
Total period	138,000	-0.3	6,500	-0.6	6,500	-4.0	4,000	-5.9	89.69	

(Reference) 1. Estimated net sales of construction contract orders (the 2nd quarter consolidated cumulative period) 71,500 Million yen

2. Estimated net sales of construction contract orders (Total period) 143,000 Million yen

* Annotations

(1) Changes in key subsidiaries in the period (changes in specific subsidiaries requiring changes of consolidation scope) None

(2) Changes in accounting policies, changes in accounting estimates, revision redisplay

① Changes in accounting policies due to revision of accounting standards etc.: Yes

② Changes in accounting policies other than ①: None

③ Changes in accounting estimates: None

④ Revision redisplay: None

(Note) For details, please refer to Attached Data p.14 “5. Consolidated Financial Statements, (5) Annotation Items Concerning Consolidated Financial Statements (Changes in Accounting Policies).”

(3) Number of issued shares (common stock)

① Number of issued shares at the end of period (including treasury stock)

Period ending March 2016 45,963,803 shares Period ending March 2015 45,963,803 shares

② Number of treasury stock at the end of period

Period ending March 2016 1,368,636 shares Period ending March 2015 1,362,322 shares

③ Average numbers of shares in the period

Period ending March 2016 44,598,149 shares Period ending March 2015 44,605,057 shares

(Reference) Outline of individual performance

1. Individual performance during the period ending March 2016 (From April 1, 2015 to March 31, 2016)

(1) Individual management performance (Percentage indications show increase or decrease from the previous period.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Period ending March 2016	137,072	13.7	6,489	43.7	6,721	41.1	4,216	48.0
Period ending March 2015	120,572	-1.9	4,515	11.2	4,763	9.3	2,848	78.1

	Net income per share		Net income per share after making potential share adjustments	
	Yen	Sen	Yen	Sen
Period ending March 2016		94.54		—
Period ending March 2015		63.87		—

(2) Individual financial condition

	Total assets	Net assets	Equity capital ratio	Net assets per share	
	Million yen	Million yen	%	Yen	Sen
Period ending March 2016	121,538	54,161	44.6	1,214.51	
Period ending March 2015	110,051	51,268	46.6	1,149.48	

(Reference) Equity capital Period ending March 2016 54,161 million yen Period ending March 2015 51,268 million yen

2. Individual performance forecast for the period ending March 2017 (From April 1, 2016 to March 31, 2017)

(Percentage indications show increase or decrease from the previous period for total period and from the same quarter of the previous year for the 2nd quarter cumulative period.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share	
	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%	Yen	Sen
2nd quarter consolidated cumulative period	60,000	-1.0	2,300	-2.3	2,300	-8.2	1,400	-10.5		31.39
Total period	137,000	-0.1	6,500	0.2	6,500	-3.3	4,000	-5.1		89.69

(Reference) ① Estimated net sales of construction contract orders (the 2nd quarter consolidated cumulative period) 71,000 million yen

② Estimated net sales of construction contract orders (Total period) 142,000 million yen

※ Display concerning state of audit proceeding implementation

Financial statement audit proceeding in accordance with Financial Instruments and Exchange Act is under way at the time of disclosure of this brief report.

※ Explanation about adequate use of achievement forecasts and other noteworthy matters

The above forecasts are based on the information available at the time of preparation of this document and the assumption considered as reasonable.

Consequently, actual results differ materially from forecasts above due to changes in business results. For precautions for use of the assumptions for the above forecasts and forecasts of business results, please refer to information in the section “1. Analysis Concerning Operating Results and Financial Positions (1) Analysis Concerning Operating Results” on page 2.

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1. Analysis Concerning Operating Results and Financial Positions

(1) Analysis Concerning Operating Results

1) Operating Results in the Current Consolidated Accounting Year

Although the U.S. economy continued to expand mainly focusing on personal consumption backed by the improvement of employment, in Asia, in addition to the deceleration of China, the sluggish economies of emerging countries lasted long due to such as the fall of resource prices, thereby, the world economy during the current consolidated accounting year resulted in the continuance of stagnation as a whole. In the meantime, as to the Japanese economy, keeping a high level of corporate profits, it was expected to reveal a strength by the continuance of favorable employment environment, but it resulted in a non-transparent situation for the future due to the proceeding of strong yen since the end of the last year and the pushing-down of corporate business sentiments by the disturbance of stock markets.

In the construction industry, though the expansion of private-sector capital investment was expected and the investment solidly transitioned backed by the solid corporate profits, it did not reach real recovery due to the non-transparency of the business in the future.

Under these circumstances, as a result of our dealing with the securing of orders received and incomes based on the “Dai-Dan to Challenge a New Era,” our mid-term management plan, we achieved the following operating results in the current consolidated accounting year.

Net sales of construction contract orders received increased by 11,870 million yen over the previous consolidated accounting year to 143,503 million yen.

Net sales of completed construction contracts increased by 16,566 million yen over the previous consolidated accounting year to 138,346 million yen.

Gross profit on completed construction contracts increased by 2,150 million yen over the previous consolidated accounting year to 16,713 million yen thanks to the increase of the net sales of completed construction contracts and the improvement of the rate of the gross profit on completed construction contracts.

Operating income increased by 1,989 million yen over the previous consolidated accounting year to 6,537 million yen thanks to the increase of the gross profit on completed construction contracts.

Ordinary income increased by 1,895 million yen over the previous consolidated accounting year to 6,770 million yen thanks to the increase of the operating income.

Profit attributable to owners of parent for the current consolidated accounting year increased by 1,327 million yen over the previous consolidated accounting year to 4,248 million yen as a result of posting 47 million yen of gain of reversal of provision for antimonopoly law violations as an extraordinary profit, and then deducting income taxes-current, income-taxes deferred and loss attributable to non-controlling interests.

2) Prospects for the Next Period

In expectation of an increase in private capital investment due to improved corporate earnings, we forecast that consolidated operating results of the next period will achieve net sales of construction contract orders received of 143,000 million yen, net sales of completed construction contracts of 138,000 million yen, operating income of 6,500 million yen, ordinary income of 6,500 million yen, and current net income of 4,000 million yen attributable to owners of parent.

(2) Analysis Concerning Financial Positions

1) States of Assets, Liabilities and Net Assets

Total assets at the end of the current consolidated accounting year increased by 8,871 million yen from the end of the previous consolidated accounting year to 122,312 million yen.

Current assets increased by 10,872 million yen to 91,704 million yen, primarily due to increases in notes receivable and accounts receivable from completed construction contracts (6,645 million yen) as well as an increase of electronically recorded monetary claims (4,804 million yen).

Noncurrent assets decreased by 2,000 million yen from the end of the previous consolidated accounting year to 30,608 million yen, primarily due to a decrease of investment securities (950 million yen) and a decrease in net defined benefit asset (1,766 million yen).

Total liabilities at the end of the current consolidated accounting year increased by 7,751 million yen from the end of the previous consolidated accounting year to 67,729 million yen.

Current liabilities increased by 9,121 million yen from the end of the previous consolidated accounting year to 61,434 million yen, primarily due to increases in notes payable and accounts payable on construction (4,130 million yen), an increase in income taxes payable (632 million yen) and an increase in uncompleted construction contracts receivable (1,294 million yen).

Noncurrent liabilities decreased by 1,369 million yen from the end of the previous consolidated accounting year to 6,295 million yen, primarily due to a decrease in long-term loans payable (182 million yen), a decrease in deferred tax liabilities (1,028 million yen) and a decrease in provision for environment measures

(107 million yen).

Net assets at the end of the current consolidated accounting year increased by 1,120 million yen from the end of the previous consolidated accounting year to 54,583 million yen, primarily because an increase in retained earnings (3,401 million yen) exceeded a decrease in valuation difference on available-for-sale securities (470 million yen) and a decrease in remeasurements of defined benefit plans (1,762 million yen).

2) Status of Cash Flows

Cash and cash equivalents (hereinafter referred to as the “funds”) in the current consolidated accounting year decreased by 822 million yen (i.e., 3.4 %) from the end of the previous consolidated accounting year to 23,536 million yen. Cash flow statuses in the current consolidated accounting years and the causes are as follows:

(Cash Flows from Operating Activities)

As a result of operating activities, the funds increased by 611 million yen (2,427 million yen increase in the previous consolidated accounting year), mainly because funds increasing factors, such as posting of income before income taxes and minority interests, an increase in notes and accounts payable-trade and an increase in uncompleted construction contracts receivable exceeded funds decreasing factors such as an increase in accounts receivable.

(Cash Flows from Investing Activities)

As the result of investing activities, the funds decreased by 493 million yen (401 million yen decrease in the previous consolidated accounting year), primarily due to purchase of property, plant and equipment.

(Cash Flows from Financing Activities)

As the result of financing activities, the funds decreased by 894 million yen (2,344 million yen decrease in the previous consolidated accounting year), mainly because repayment of short- and long-term loans payable and dividends paid exceeded proceeds from short- and long-term loans payable.

(Reference) Transition of cash flow-related indexes

	Period ending March 2012	Period ending March 2013	Period ending March 2014	Period ending March 2015	Period ending March 2016
Equity capital ratio	40.8%	42.3%	41.7%	46.9%	44.5%
Equity capital ratio at market value	22.2%	21.1%	21.8%	32.2%	27.1%
Cash flow to interest-bearing liability ratio	9.0 years	6.0 years	2.4 years	2.5 years	9.7 years
Interest coverage ratio	5.5 times	8.2 times	20.7 times	15.7 times	4.2 times

Equity capital ratio:

Equity capital/Total assets

Equity capital ratio at market value:

Aggregate market value of shares/Total assets

Cash flow to interest-bearing liability ratio:

Interest-bearing liabilities/Operating cash flow

Interest coverage ratio:

Operating cash flow/Interest payment

* Indexes are all calculated by financial values on a consolidated basis.

* Total market-price stock values are calculated on the basis of the number of issued stocks excluding treasury stock.

* Operating cash flow uses cash flows from operating activities given in consolidated cash flow calculation sheets.

* Interest-bearing liabilities cover all interest-paying liabilities of the liabilities given in the consolidated balance sheet.

Interest payment amount given in the consolidated cash flow calculation sheets is used for interest payment.

2. State of Corporate Group

Disclosure is omitted because of the absence of major changes from “Business Systematic Chart (Content of Business)” and “State of Affiliate Companies” in the latest securities report (submitted on June 26, 2015).

3. Management Policies

(1) Basic Policy on Management

Our Company Group enforces the management principles of “As a building services engineering and installation provider, we continually take on the challenge of creating value for our clients while contributing to the development of a better environment and stronger communities.” and provides customers with technologies and services, which are ahead of their needs, thus working toward upgrading the corporate value. Furthermore, the company has an on-target grasp of changes in the industrial structure and conducts the speedy and practical management with an eye toward becoming a vigorous company.

(2) Management Index Goal

In the mid-term management plan for 3 years starting from 2016 that was published on April 14, 2016, the Company Group aims to achieve net sales of construction contracts orders received of 151,000 million yen, net sales of completed construction contracts of 151,000 million yen and operating income of 7,500 million yen as the consolidated operating results in 2018 as the last year of the plan. We also set the 5% of operating income rate as the management index to achieve.

(3) Mid- and Long-Term Management Strategies and Tasks to Be Addresses

The Company made a mid-term management plan for 3 years from 2016 until 2018 that is called “Dai-Dan Creating and Supplying Environments Necessary for Customers-Always with You.”

The Company will welcome its 120th anniversary of its foundation in 2023. Although the current construction industry has been solidly transitioning backed by solid corporate profits, there are concerns for unstable world affairs, and particularly the Japanese economy from the year of 2020 Tokyo Olympic Games and later is non-transparent. Under these circumstances, in order to sustainably grow, the strengthening of management ground and the expansion of business areas are important challenges.

We positioned the 3 year mid-term management plan which we made this time as the first step toward the strengthening and innovation of company’s ground to realize long-term vision, noting 120th year anniversary of the foundation of the Company after 7 years.

The environments required by customers differ by customers. There are the most suitable environment pursued by each hospital, each factory and each office. We hope to continue to be a company which will realize and supply optimal environments required by customers by the cutting-edge space control technology which we have nourished up to now.

In the mid-term management plan, we classified what we should be in the following 4 categories, created key-words to each of them and prepared the following strategies.

I. [Key Technology] Customers’ partner to create environments

We aim at being the partner to create the environments required for customers’ business activities.

- (1) Strengthening of engineering power to the facilities which require advanced facility technology
- (2) Approach to the users of environments
- (3) Establishment of the system for developing together with cooperating companies

II. [Creation of Business] Creation of business areas making use of the technologies for light, air and water

We aim to create business areas making use of our technology to respond to the customers’ diverse needs for environments.

- (1) Creation of business making use of the features of an integrated facility builder

III. [Management Ground] Establishment of management ground which can respond to changes in the market

We aim to establish a management ground which is not susceptible to the changes of business.

- (1) Organizational management which responds to social affairs and the changes in the market
- (2) Strengthening of capital and financial standing
- (3) Strengthening of practical competence
- (4) Response to the diversified way of working

IV. [Corporate Responsibility] Company which responds to social needs

We aim to thoroughly go in compliance with laws and continue to be a company which responds to social needs as a corporate citizen.

- (1) Continuing promotion of compliance management and the strengthening of governance
- (2) Promotion of social contribution activities as a corporate citizen

Toward the achievement of the mid-term management plan which we made this time, we will tackle each strategy with full force, secure orders received and incomes, and will contribute to the development of the society as a good corporate citizen.

4. Fundamental Philosophy for Selection of Accounting Standard

Dai-Dan group adopts Japanese accounting standards because of small business overseas and less financing needs from overseas. Adoption of Japanese accounting standards secures comparability with other companies in the same business in Japan.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(in million yen)

	Previous Consolidated Accounting Year (As of March 31, 2015)	Current Consolidated Accounting Year (As of March 31, 2016)
Assets		
Current assets		
Cash and deposits	24,385	23,563
Notes receivable, accounts receivable from completed construction contracts and other	49,511	56,157
Electronically recorded monetary claims - operating	3,290	8,095
Costs on uncompleted construction contracts	424	385
Raw materials and supplies	0	0
Deferred tax assets	1,278	1,392
Other	1,945	2,117
Allowance for doubtful accounts	-5	-7
Total current assets	80,831	91,704
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	5,371	5,392
Accumulated depreciation	-2,737	-2,908
Buildings and structures, net	2,633	2,484
Machinery, equipment and vehicles	177	164
Accumulated depreciation	-132	-132
Machinery, equipment and vehicles, net	44	32
Tools, furniture and fixtures	800	808
Accumulated depreciation	-619	-650
Tools, furniture and fixtures, net	180	158
Land	1,048	1,063
Construction in progress	11	439
Total property, plant and equipment	3,919	4,178
Intangible assets	156	594
Investments and other assets		
Investment securities	17,494	16,543
Deferred tax assets	1	1
Net defined benefit assets	9,633	7,866
Other	1,595	1,612
Allowance for doubtful accounts	-190	-188
Total investments and other assets	28,533	25,836
Total noncurrent assets	32,609	30,608
Total assets	113,440	122,312

(in million yen)

	Previous Consolidated Accounting Year (As of March 31, 2015)	Current Consolidated Accounting Year (As of March 31, 2016)
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	37,937	42,067
Short-term loans payable	4,379	4,519
Income taxes payable	990	1,622
Advances received on uncompleted construction contracts	1,500	2,794
Provision for warranties for completed construction	85	81
Provision for loss on construction contracts	480	628
Loss reserve related to antimonopoly law	390	—
Provision for environment measures	—	2
Other	6,550	9,717
Total current liabilities	52,312	61,434
Noncurrent liabilities		
Long-term loans payable	1,583	1,401
Deferred tax liabilities	4,237	3,208
Net defined benefit liability	1,377	1,376
Provision for environment measures	107	—
Provision for overseas investment loss	6	5
Long-term accounts payable	352	303
Other	0	0
Total noncurrent liabilities	7,665	6,295
Total liabilities	59,978	67,729
Net Assets		
Shareholders' equity		
Capital stock	4,479	4,479
Capital surplus	4,809	4,809
Retained earnings	36,186	39,588
Treasury stock	-669	-674
Total shareholders' equity	44,807	48,203
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,797	6,326
Foreign currency translation adjustment	39	20
Remeasurements of defined benefit plans	1,592	-169
Total accumulated other comprehensive income	8,429	6,176
Minority interests	225	203
Total net assets	53,462	54,583
Total liabilities and net assets	113,440	122,312

(2) Consolidated Income Statements and Consolidated Statements of Comprehensive Income
(Consolidated Income Statements)

(in million yen)

	Previous Consolidated Accounting Year (From April 1, 2014 to March 31, 2015)	Current Consolidated Accounting Year (From April 1, 2015 to March 31, 2016)
Net sales of completed construction contracts	121,780	138,346
Cost of sales of completed construction contracts	107,216	121,632
Gross profit on completed construction contracts	14,563	16,713
Selling, general and administrative expenses	10,016	10,176
Operating income	4,547	6,537
Non-operating income		
Interest income	15	13
Dividends income	209	250
Real estate rent	34	34
Insurance fee	105	106
Foreign exchange gain	139	—
Other	3	5
Total non-operating income	507	410
Non-operating expenses		
Interest expenses	157	144
Guarantee commission	6	11
Foreign exchange losses	—	11
Other	14	9
Total non-operating expenses	179	177
Ordinary income	4,875	6,770
Extraordinary income		
Income on sales of noncurrent assets	1	2
Gain on sales of investment securities	—	4
Gain on reversal of provision for environment measures	105	—
Profit reversed from the allowance for the loss relating to the antimonopoly law	—	47
Total extraordinary income	107	54
Extraordinary loss		
Impairment loss	5	—
Loss on retirement of non-current assets	105	1
Loss on valuation of investment securities	5	18
Loss on valuation of golf club membership	0	2
Provision of loss reserve related to antimonopoly law	92	—
Total extraordinary loss	210	22
Income before income taxes and minority interests	4,771	6,802
Income taxes-current	1,796	2,405
Income taxes-deferred	45	150
Total income taxes	1,842	2,556
Net income	2,929	4,246
Profit (loss) attributable to non-controlling interests	7	-2
Profit attributable to owners of parent	2,921	4,248

(Consolidated Statements of Comprehensive Income)

(in million yen)

	Previous Consolidated Accounting Year (From April 1, 2014 to March 31, 2015)	Current Consolidated Accounting Year (From April 1, 2015 to March 31, 2016)
Net income	2,929	4,246
Other comprehensive income		
Valuation difference on available-for-sale securities	3,106	-470
Foreign currency translation adjustment	0	-39
Remeasurements of defined benefit plans, before tax	2,151	-1,762
Total other comprehensive income	5,258	-2,273
Comprehensive income	8,188	1,973
(Particulars)		
Comprehensive income attributable to owners of parent	8,151	1,995
Comprehensive income attributable to non-controlling interests	36	-22

(3) Consolidated Statements of Changes in Net Assets

Current consolidated accounting year (From April 1, 2014 to March 31, 2015)

(in million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	4,479	4,809	34,597	-666	43,221
Cumulative effect of changes in accounting policies			-618		-618
Restated balance	4,479	4,809	33,979	-666	42,602
Changes of items during the period					
Dividends from surplus			-713		-713
Profit attributable to owners of parent			2,921		2,921
Purchase of treasury stock				-4	-4
Disposal of treasury stock		0		0	0
Increase that results from exclusion of subsidiaries from consolidation			0		0
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	0	2,207	-3	2,204
Balance at the end of current period	4,479	4,809	36,186	-669	44,807

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	3,690	68	-559	3,199	189	46,609
Cumulative effect of changes in accounting policies						-618
Restated balance	3,690	68	-559	3,199	189	45,991
Changes of items during the period						
Dividends from surplus						-713
Profit attributable to owners of parent						2,921
Purchase of treasury stock						-4
Disposal of treasury stock						0
Increase that results from exclusion of subsidiaries from consolidation						0
Net changes of items other than shareholders' equity	3,106	-28	2,151	5,230	36	5,266
Total changes of items during the period	3,106	-28	2,151	5,230	36	7,471
Balance at the end of current period	6,797	39	1,592	8,429	225	53,462

Current Consolidated Accounting Year (From April 1, 2015 to March 31, 2016)

(in million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	4,479	4,809	36,186	-669	44,807
Cumulative effect of changes in accounting policies			—		—
Restated balance	4,479	4,809	36,186	-669	44,807
Changes of items during the period					
Dividends from surplus			-847		-847
Profit attributable to owners of parent			4,248		4,248
Purchase of treasury stock				-5	-5
Disposal of treasury stock		—		—	—
Increase that results from exclusion of subsidiaries from consolidation			—		—
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	—	3,401	-5	3,395
Balance at the end of current period	4,479	4,809	39,588	-674	48,203

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	6,797	39	1,592	8,429	225	53,462
Cumulative effect of changes in accounting policies						—
Restated balance	6,797	39	1,592	8,429	225	53,462
Changes of items during the period						
Dividends from surplus						— 847
Profit attributable to owners of parent						4,248
Purchase of treasury stock						— 5
Disposal of treasury stock						—
Increase that results from exclusion of subsidiaries from consolidation						—
Net changes of items other than shareholders' equity	-470	-19	-1,762	-2,252	-22	-2,275
Total changes of items during the period	-470	-19	-1,762	-2,252	-22	1,120
Balance at the end of current period	6,326	20	— 169	6,176	203	54,583

(4) Statement of Consolidated Cash Flows

(in million yen)

	Previous Consolidated Accounting Year (From April 1, 2014 to March 31, 2015)	Current Consolidated Accounting Year (From April 1, 2015 to March 31, 2016)
Net cash provided by (used in) operating activities		
Current net income before tax adjustments, etc.	4,771	6,802
Depreciation and amortization	345	284
Increase (decrease) in allowance for doubtful accounts	-475	-1
Increase (decrease) amount of net defined benefit liability	-89	-82
Increase (decrease) in provision for environmental measures	-112	-105
Interest and dividends income	-225	-263
Interest expenses	157	144
Increased (decrease) in reserve for overseas investment loss	-7	-0
Loss (gain) on valuation of investment securities	5	18
Loss (gain) on sales of investment securities	—	-4
Loss (gain) on sales of noncurrent assets	-1	-2
Loss on retirement of noncurrent assets	105	1
Impairment loss	5	—
Increased (decrease) in loss reserve related to antimonopoly law	92	-47
Reversal of foreign currency translation adjustment entailed in exclusion of consolidation	-73	—
Decrease (increase) in notes and accounts receivable-trade	4,387	-11,450
Decrease (increase) in costs on uncompleted construction contracts	-271	39
Decrease (increase) in other current assets	476	-164
Decrease (increase) in other noncurrent assets	475	4
Increase (decrease) in net defined benefit asset	-381	-749
Increase (decrease) in notes and accounts payable-trade	-2,070	4,130
Increase (decrease) in advances received on uncompleted construction contracts	-1,623	1,294
Increase (decrease) in other current liabilities	-450	2,898
Increase (decrease) in other noncurrent liabilities	—	-48
Subtotal	5,041	2,696
Interest and dividends income received	225	263
Interest expenses paid	-154	-143
Loss related to antimonopoly act paid	-473	-342
Income taxes (paid) refund	-2,210	-1,862
Net cash provided by (used in) operating activities	2,427	611
Net cash provided by (used in) investing activities		
Proceeds from withdrawal of time deposits	27	27
Payments into time deposits	-27	-27
Purchase of property, plant and equipment	-391	-259
Proceeds from sales of property, plant and equipment	3	2
Purchase of investment securities	-4	-4
Proceeds from sales and redemption of investment securities	13	13
Payments of loans receivable	-2	-2
Collection of loans receivable	2	3
Expenditures by acquiring of other noncurrent assets	-166	-269
Revenue by sales of other noncurrent assets	144	23
Net cash provided by (used in) investing activities	-401	-493

(in million yen)

	Previous Consolidated Accounting Year (From April 1, 2014 to March 31, 2015)	Current Consolidated Accounting Year (From April 1, 2015 to March 31, 2016)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	34,680	39,010
Decrease in short-term loans payable	-36,170	-38,710
Proceeds from long-term loans payable	1,950	1,800
Repayment of long-term loans payable	-2,087	-2,142
Purchase of treasury stock	-4	-5
Proceeds from sales of treasury stock	0	—
Cash dividends paid	-713	-847
Net cash provided by (used in) financing activities	-2,344	-894
Effect of exchange rate change on cash and cash equivalents	78	-45
Net increase (decrease) in cash and cash equivalents	-239	-822
Cash and cash equivalents at beginning of period	24,598	24,358
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-0	—
Cash and cash equivalents at end of period	24,358	23,536

(5) Annotation Items Concerning Consolidated Financial Statements

(Annotation Concerning Going Concern Premise)

No applicable items.

(Changes in Accounting Policy)

(Adoption of accounting standard for business combination)

Accounting Standard for Business Combination (ASBJ Statement No.21 September 13, 2013, hereinafter referred to as “Business Combination Accounting Standard”), Accounting Standard for Consolidate Financial Statements (ASBJ Statement No.22 September 13, 2013, hereinafter referred to as “Consolidated Accounting Standard”) and Accounting Standard for Business Divestitures (ASBJ Statement No.7 September 13, 2013, hereinafter referred to as “Business Divestitures Accounting Standard”) are applied from the current consolidated accounting year. We have changed accounting methods to post the difference coming from the changes of the Company’s equities in the subsidiaries which the Company continuously controls as capital surplus and as cost for the consolidated accounting year when costs related to acquisition occurred. In addition, as to the business combination to be executed from the beginning of the current consolidated accounting year, we have changed a method by which the review of allocation amounts of acquisition cost by the determination of temporary accounting disposal is reflected in the consolidated financial statements of the consolidated accounting year to which the date of business combination belongs. In addition, we have changed the description of the net income and changed the description from minority interests to non-controlling interests. So as to reflect the changes of the descriptions, in the previous consolidated accounting year, financial statements have been re-arranged.

As to the adoption of Business Combination Accounting Standard, it is in accordance with the transitional handling set forth in Section 58-2 (4) of Business Combination Accounting Standard, Section 44-5 (4) of Consolidated Accounting Standard and Section 57-4 (4) of Business Divestitures Accounting Standard, and applied from the beginning of the current consolidated accounting year for future accounting years. There is no influence on profit and loss by these changes.

(Change of the method of description)

(Consolidated balance sheet)

As to electronically recorded monetary claims which were described in the “notes receivable and accounts receivable from completed construction contracts” in the current assets in the previous consolidated accounting year, as its monetary importance in the total assets increased, the item is separately described from the current consolidated accounting year.

In order to reflect the change of the description method, the financial statements in the previous consolidated accounting year were re-arranged.

As a result, 52,802 million yen which was described in “notes receivable and accounts receivable from completed construction contracts” in the current assets of the consolidated balance sheet of the previous consolidated accounting year was re-arranged as 49,511 million yen of “notes receivable and accounts receivable from completed construction contracts” and 3,290 million yen of “electronically recorded monetary claims.”

(Relating to Consolidated Balance Sheet)

1. Mortgaged assets and secured liabilities

Mortgaged assets and secured liabilities are as follows:

	Previous Consolidated Accounting Year (March 31, 2015)	Current Consolidated Accounting Year (March 31, 2016)
Investment securities	138 million yen	96 million yen
Liability corresponding to the above:		
Short-term loans payable	100 million yen	75 million yen
Long-term loans payable	75	—

In addition to the above, the following asset is provided as mortgage for loans payable by the Company's investment companies engaged in PFI business:

Investment securities	29 million yen	29 million yen
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Further, the following asset is provided as mortgage for purchase liability performance bond of consolidated subsidiaries:

Time deposit	27 million yen	27 million yen
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2. Contingent liability

Loss indemnity is given to investors to the following consolidated subsidiary on the amount of investment:

	Previous Consolidated Accounting Year (March 31, 2015)	Current Consolidated Accounting Year (March 31, 2016)
DAI-DAN (THAILAND) CO., LTD.	18 million yen	16 million yen

(Relating to Consolidated Income and Loss Statement)

Main items of selling expenses and general administrative expenses are as follows:

	Previous consolidated accounting year (From April 1, 2014 to March 31, 2015)	Current consolidated accounting year (From April 1, 2015 to March 31, 2016)
Employee salary and allowance	4,034 million yen	4,274 million yen
Retirement benefit expenses	26	-385
Correspondence and transportation expenses	827	879
Computer expense	467	466
Depreciation	339	279
Provision of allowance for doubtful accounts	- 6	-4

(Account Statement of Changes in Consolidated Shareholder's Equity Etc.)

Previous consolidated accounting year (From April 1, 2014 to March 31, 2015)

1. Items relating to the type and number of issued stocks

Type of stock	Beginning of the current consolidated accounting period	Increase	Decrease	End of the current consolidated accounting period
Common stock (thousand shares)	45,963	—	—	45,963

2. Items relating to the type and number of treasury stocks

Type of stock	Beginning of the current consolidated accounting period	Increase	Decrease	End of the current consolidated accounting period
Common stock (thousand shares)	1,357	6	1	1,362

(Outline of variation causes)

Main items of increases are as follows:

Increase due to odd stock purchase demand 6 thousand shares

Main items of decreases are as follows:

Decrease due to odd stock sale demand 1 thousand shares

3. Matters pertaining to subscription rights to shares

There are no matters that come under this paragraph.

4. Items relating to dividend

(1) Paid amount of dividend

Resolution	Type of stock	Total dividends (in million yen)	Dividend per share (in yen)	Record date	Effective date
Ordinary general meeting of shareholders on June 27, 2014	Common stock	356	8.00	March 31, 2014	June 30, 2014
Board of directors on November 6, 2014	Common stock	356	8.00	September 30, 2014	December 1, 2014

(2) Of the dividends with their record date belonging to the current consolidated accounting year, those becoming effective in the next consolidated accounting period.

Resolution	Type of stock	Resource for dividend	Total dividends (in million yen)	Dividend per share (in yen)	Record date	Effective date
Ordinary general meeting of shareholders on June 26, 2015	Common stock	Surplus earnings	446	10.00	March 31, 2015	June 29, 2015

Current consolidated accounting year (From April 1, 2015 to March 31, 2016)

1. Items relating to the type and number of issued stocks

Type of stock	Beginning of the current consolidated accounting period	Increase	Decrease	End of the current consolidated accounting period
Common stock (thousand shares)	45,963	—	—	45,963

2. Items relating to the type and number of treasury stocks

Type of stock	Beginning of the current consolidated accounting period	Increase	Decrease	End of the current consolidated accounting period
Common stock (thousand shares)	1,362	6	—	1,368

(Outline of variation causes)

Main items of increases are as follows:

Increase due to odd stock purchase demand 6 thousand shares

3. Matters pertaining to subscription rights to shares

There are no matters that come under this paragraph.

4. Items relating to dividend

(1) Paid amount of dividend

Resolution	Type of stock	Total dividends (in million yen)	Dividend per share (in yen)	Record date	Effective date
Ordinary general meeting of shareholders on June 26, 2015	Common stock	446	10.00	March 31, 2015	June 29, 2015
Board of directors on November 6, 2015	Common stock	401	9.00	September 30, 2015	December 1, 2015

(2) Of the dividends with their record date belonging to the current consolidated accounting year, those becoming effective in the next consolidated accounting period.

Resolution	Type of stock	Resource for dividend	Total dividends (in million yen)	Dividend per share (in yen)	Record date	Effective date
Ordinary general meeting of shareholders on June 29, 2016	Common stock	Surplus earnings	490	11.00	March 31, 2016	June 30, 2016

(Relating to Consolidated Statements of Cash Flows)

The following table shows the relationship between the balance of cash and cash equivalents at the end of full-year period and the amounts of accounts listed in the full-year consolidated balance sheet

	Previous consolidated accounting year (From April 1, 2014 to March 31, 2015)	Current consolidated accounting year (From April 1, 2015 to March 31, 2016)
Cash and deposits	24,385 million yen	23,563 million yen
Time deposits with time period of more than three months	-27	-27
Cash and cash equivalents	24,358	23,536

(Segment Information etc.)

(Segment Information)

Previous consolidated accounting year (From April 1, 2014 to March 31, 2015)

Current consolidated accounting year (From April 1, 2015 to March 31, 2016)

Descriptions are omitted since the Company Group is a single segment of equipment work business.

(Per-share Information)

Items	Previous consolidated accounting year (From April 1, 2014 to March 31, 2015)	Current consolidated accounting year (From April 1, 2015 to March 31, 2016)
Per-share net assets	1,193.61 yen	1,219.41 yen
Net income per share	65.50 yen	95.26 yen

(Note) 1. Net income per share after making potential share adjustments is not mentioned because of the absence of potential shares.

2. Net income per share is calculated on the basis of the following:

	Previous consolidated accounting year (From April 1, 2014 to March 31, 2015)	Current consolidated accounting year (From April 1, 2015 to March 31, 2016)
Profit attributable to owners of parent (million yen)	2,921	4,248
Amount not belonging to common stock (million yen)	—	—
Profit attributable to owners of parent related to common stock (million yen)	2,921	4,248
Average number of common stock shares during the period (thousand shares)	44,605	44,598

(Important Events Subsequent to Balance Sheet Date)

Not applicable

(On Disclosure Omission)

Disclosure of annotations concerning real estate and consolidated comprehensive income statement such as lease transactions, tax effect accounting, financial products, securities, retirement benefit, asset retirement obligation, lease, etc. is omitted since disclosure necessity in the brief report on the financial statements is considered small.

No annotations exist in concerning information of the parties concerned, derivative transactions, stock options, etc. and business combination etc.

6. Individual Financial Statements

(1) Balance Sheets

(in million yen)

	Previous fiscal year (As of March 31, 2015)	Current fiscal year (As of March 31, 2016)
Assets		
Current assets		
Cash and deposits	23,518	22,853
Notes receivable-trade	2,983	2,456
Electronically recorded monetary claims - operating	3,290	8,095
Accounts receivable from completed construction contracts	46,306	53,460
Costs on uncompleted construction contracts	418	353
Raw materials and supplies	0	0
Prepaid expenses	16	15
Advances paid	933	771
Deferred tax assets	1,276	1,388
Other	989	1,316
Allowance for doubtful accounts	-5	-6
Total current assets	79,730	90,706
Noncurrent assets		
Property, plant and equipment		
Buildings	5,225	5,246
Accumulated depreciation	-2,627	-2,792
Buildings, net	2,597	2,454
Structures	143	143
Accumulated depreciation	-110	-115
Structures, net	33	27
Machinery and equipment	15	15
Accumulated depreciation	-9	-10
Machinery and equipment, net	6	4
Vehicles	129	126
Accumulated depreciation	-97	-100
Vehicles, net	32	25
Tools, furniture and fixtures	765	777
Accumulated depreciation	-592	-623
Tools, furniture and fixtures, net	172	154
Land	1,048	1,063
Construction in progress	11	439
Total property, plant and equipment	3,903	4,170
Intangible assets		
Software	113	82
Other	38	507
Total intangible assets	151	590

(in million yen)

	Previous fiscal year (As of March 31, 2015)	Current fiscal year (As of March 31, 2016)
Investments and other assets		
Investment securities	17,428	16,478
Stocks of subsidiaries and affiliates	289	289
Long-term loans receivable from employees	5	5
Long-term loans receivable from subsidiaries and affiliates	44	44
Guarantee deposits	646	654
Long-term insurance premiums	144	144
Claims provable in bankruptcy, claims provable in rehabilitation and other	33	29
Prepaid pension cost	7,169	7,918
Golf club membership	596	597
Other	95	94
Allowance for doubtful accounts	-187	-186
Total investments and other assets	26,266	26,071
Total noncurrent assets	30,321	30,831
Total assets	110,051	121,538
Liabilities		
Current liabilities		
Notes payable-trade	6,355	7,047
Accounts payable for construction contracts	31,312	34,899
Short-term loans payable	2,400	2,700
Current portion of long-term loans payable	1,979	1,819
Accounts payable-other	428	1,026
Accrued expenses	2,788	3,615
Income taxes payable	990	1,602
Accrued consumption taxes	—	643
Advances received on uncompleted construction contracts	1,491	2,755
Deposits received	2,617	3,688
Deposits received from employees	671	688
Provision for warranties for completed construction	84	81
Provision for loss on construction contracts	480	628
Provision for loss related to antimonopoly law	390	—
Provision for environmental measures	—	2
Other	2	2
Total current liabilities	51,992	61,201
Noncurrent liabilities		
Long-term loans payable	1,583	1,401
Deferred tax liability	3,476	3,283
Provision for retirement benefits	1,264	1,181
Provision for environmental measures	107	—
Allowance for overseas investment loss	6	5
Long-term accounts payable-other	352	303
Other	0	0
Total noncurrent liabilities	6,791	6,175
Total liabilities	58,783	67,376

(in million yen)

	Previous fiscal year (As of March 31, 2015)	Current fiscal year (As of March 31, 2016)
Net Assets		
Shareholders' equity		
Capital stock	4,479	4,479
Capital surplus		
Legal capital surplus	4,716	4,716
Other capital surplus	93	93
Total capital surplus	4,809	4,809
Retained earnings		
Legal retained earnings	1,119	1,119
Other retained earnings		
Reserve for advanced depreciation of noncurrent assets	58	55
General reserve	29,720	29,720
Retained earnings brought forward	4,952	8,324
Total retained earnings	35,850	39,220
Treasury stock	-669	-674
Total shareholders' equity	44,471	47,835
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	6,797	6,326
Total valuation and translation adjustments	6,797	6,326
Total net assets	51,268	54,161
Total liabilities and net assets	110,051	121,538

(2) Income and Loss Statements

(in million yen)

	Previous fiscal year (From April 1, 2014 to March 31, 2015)	Current fiscal year (From April 1, 2015 to March 31, 2016)
Net sales of completed construction contracts	120,572	137,072
Cost of sales of completed construction contracts	106,188	120,555
Gross profit on completed construction contracts	14,384	16,517
Selling, general and administrative expenses	9,869	10,027
Operating income	4,515	6,489
Non-operating income		
Interest income	11	10
Dividends income	209	250
Real estate rent	34	34
Insurance fee	105	106
Foreign exchange gain	63	-
Other	2	5
Total non-operating income	427	407
Non-operating expenses		
Interest expenses	157	144
Guarantee commission	6	11
Foreign exchange gains	—	10
Other	14	9
Total non-operating expenses	179	175
Ordinary income	4,763	6,721
Extraordinary income		
Gain on sales of non-current assets	1	0
Gain on sales of investment securities	—	4
Profit reversed from the allowance for the loss relating to the antimonopoly law	—	47
Gain on reversal of provision for environment measures	105	—
Total extraordinary income	107	52
Extraordinary loss		
Impairment loss	5	—
Loss on retirement of noncurrent assets	105	1
Loss on valuation of investment securities	5	18
Loss on valuation of golf club membership	0	2
Loss reserve related to antimonopoly law	92	—
Total extraordinary losses	210	22
Income before income taxes	4,659	6,751
Income taxes-current	1,785	2,383
Income taxes-deferred	26	152
Total income taxes	1,811	2,535
Net income	2,848	4,216

(3) Statements of Changes in Net Assets

Previous Fiscal Year (From April 1, 2014 to March 31, 2015)

(in million yen)

	Shareholders' equity								
	Capital stock	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surpluses	Legal retained earnings	Other retained earnings			Total retained earnings
						Reserve for advanced depreciation of noncurrent assets	General reserve	Retained earnings brought forward	
Balance at the beginning of current period	4,479	4,716	93	4,809	1,119	61	29,720	3,432	34,334
Cumulative effect of changes in accounting policies								-618	-618
Restated balance	4,479	4,716	93	4,809	1,119	61	29,720	2,813	33,715
Changes of items during the period									
Reversal of reserve disposition						-3		3	—
Dividends from surplus								-713	-713
Net income								2,848	2,848
Purchase of treasury stock									
Disposal of treasury stock			0	0					—
Net changes of items other than shareholders' equity									
Total changes of items during the period	—	—	0	0	—	-3	—	2,138	2,135
Balance at the end of current period	4,479	4,716	93	4,809	1,119	58	29,720	4,952	35,850

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of current period	-666	42,957	3,690	3,690	46,648
Cumulative effect of changes in accounting policies		-618			-618
Restated balance	-666	42,339	3,690	3,690	46,029
Changes of items during the period					
Reversal of reserve disposition		—			—
Dividends from surplus		-713			-713
Net income		2,848			2,848
Purchase of treasury stock	-4	-4			-4
Disposal of treasury stock	0	0			0
Net changes of items other than shareholders' equity			3,106	3,106	3,106
Total changes of items during the period	-3	2,131	3,106	3,106	5,238
Balance at the end of current period	-669	44,471	6,797	6,797	51,268

Current Fiscal Year (From April 1, 2015 to March 31, 2016)

(in million yen)

	Shareholders' equity								
	Capital stock	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surpluses	Legal retained earnings	Other retained earnings			Total retained earnings
						Reserve for advanced depreciation of noncurrent assets	General reserve	Retained earnings brought forward	
Balance at the beginning of current period	4,479	4,716	93	4,809	1,119	58	29,720	4,952	35,850
Cumulative effect of changes in accounting policies								—	—
Restated balance	4,479	4,716	93	4,809	1,119	58	29,720	4,952	35,850
Changes of items during the period									
Reversal of reserve disposition						-3		3	—
Dividends from surplus								-847	-847
Net income								4,216	4,216
Purchase of treasury stock									
Disposal of treasury stock			—	—					—
Net changes of items other than shareholders' equity									
Total changes of items during the period	—	—	—	—	—	-3	—	3,372	3,369
Balance at the end of current period	4,479	4,716	93	4,809	1,119	55	29,720	8,324	39,220

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of current period	-669	44,471	6,797	6,797	51,268
Cumulative effect of changes in accounting policies		—			—
Restated balance	-669	44,471	6,797	6,797	51,268
Changes of items during the period					
Reversal of reserve disposition		—			—
Dividends from surplus		-847			-847
Net income		4,216			4,216
Purchase of treasury stock	-5	-5			-5
Disposal of treasury stock	—	—			—
Net changes of items other than shareholders' equity			-470	-470	-470
Total changes of items during the period	-5	3,363	-470	-470	2,892
Balance at the end of current period	-674	47,835	6,326	6,326	54,161

(4) Annotation Items Concerning Individual Finance Statements

(Notes to Going Concern Assumption)

None

(Change of the method of description)

(Balance Sheet)

As to “electronically recorded monetary claims - operating” which was described in the “Notes receivable-trade” in the current assets in the previous accounting year, as its monetary importance in the total assets increased, the item is separately described from the current accounting year.

In order to reflect the change of the description method, the financial statements in the previous accounting year were re-arranged.

As a result, 6,274 million yen which was described in “Notes receivable-trade” in the current assets of the balance sheet of the previous accounting year was re-arranged as 2,983 million yen of “Notes receivable-trade” and 3,290 million yen of “Electronically recorded monetary claims - operating”.

7. Others

(1) Board Member Changes

1) Changes in Representative Directors

None

2) Change in other board members

• Nominees as new director

Director, Corporate Officer, in charge of Central Japan Area, General Manager of Nagoya Branch

Tomoki Tateishi

(currently, Senior Corporate Officer, in charge of Central Japan Area, General Manager of Nagoya Branch)

• Nominee as new corporate auditor

Corporate Auditor (full-time)

Masaharu Takitani

(currently, Corporate Auditor of OSJB Holdings Corporation and Corporate Auditor of Oriental Shiraishi Corporation)

Corporate Auditor (full-time)

Hideshi Osaki

(currently, treated as Board Member, Deputy General Manager of Kyushu Branch, Manager of Administration Department at Kyushu Branch)

Corporate Auditor (part-time)

Koji Kono

(currently, Counselor, Osaka Gas Co., Ltd.)

Corporate Auditor (part-time)

Yoshimitsu Nishiuchi

(currently, Corporate Officer, in charge of
Technical Construction Division)

(Note) Messrs. Masaharu Takitani and Koji Kono are nominees as outside corporate auditors.

• Corporate Auditor scheduled to retire

Current Corporate Auditor (full-time)

Syuichi Sakuragi

(scheduled to be appointed as part-time
adviser of the Company)

Current Corporate Auditor (full-time)

Kenjiro Ando

(scheduled to be appointed as part-time
adviser of the Company)

Current Corporate Auditor
(part-time)

Akira Tsuchikawa

(Retiring)

Current Corporate Auditor
(part-time)

Hachiro Kitamura

(Retiring)

(Note) Messrs. Syuichi Sakuragi and Hachiro Kitamura are outside corporate auditors.

3) Scheduled Date of Appointment and Retirement

June 29, 2016

(2) Others

Divisional net sales of construction contract orders received, completed construction contracts, and
uncompleted construction contracts (consolidated)

(in million yen)

		Previous consolidated accounting year		Current consolidated accounting year		Difference	
		(From April 1, 2014 to March 31, 2015)		(From April 1, 2015 to March 31, 2016)			
		Amount	Component ratio %	Amount	Component ratio %	Amount	%
Net sales of construction contract orders received	Electrical equipment installations	30,235	23.0	27,700	19.3	-2,534	-8.4
	Air-conditioning installations	72,122	54.8	83,880	58.5	11,758	16.3
	Plumbing	29,275	22.2	31,922	22.2	2,647	9.0
	Total	131,633	100.0	143,503	100.0	11,870	9.0
	(Renovations)	63,987	48.6	75,814	52.8	11,826	18.5
	(Overseas operations)	9,929	7.5	4,260	3.0	-5,669	-57.1
Net sales of completed construction contracts	Electrical equipment installations	26,076	21.4	30,805	22.3	4,729	18.1
	Air-conditioning installations	71,245	58.5	77,298	55.9	6,052	8.5
	Plumbing	24,458	20.1	30,242	21.8	5,783	23.6
	Total	121,780	100.0	138,346	100.0	16,566	13.6
	(Renovations)	63,383	52.0	77,421	56.0	14,037	22.1
	(Overseas operations)	9,718	8.0	9,381	6.8	-336	-3.5
Net sales of uncompleted construction contracts	Electrical equipment installations	17,530	19.0	14,425	14.8	-3,104	-17.7
	Air-conditioning installations	52,797	57.0	59,379	60.8	6,581	12.5
	Plumbing	22,241	24.0	23,921	24.4	1,680	7.6
	Total	92,569	100.0	97,727	100.0	5,157	5.6
	(Renovations)	27,268	29.5	25,661	26.3	-1,607	-5.9
	(Overseas operations)	8,063	8.7	2,942	3.0	-5,121	-63.5

Divisional net sales of construction contract orders received, completed construction contracts, and uncompleted construction contracts (individual)

(in million yen)

		Previous fiscal year		Current fiscal year		Difference	
		(From April 1, 2014 to March 31, 2015)		(From April 1, 2015 to March 31, 2016)			
		Amount	Component ratio %	Amount	Component ratio %	Amount	%
Net sales of construction contract orders received	Electrical equipment installations	29,809	22.9	27,465	19.3	-2,343	-7.9
	Air-conditioning installations	71,534	54.9	83,335	58.5	11,800	16.5
	Plumbing	28,986	22.2	31,572	22.2	2,585	8.9
	Total	130,330	100.0	142,372	100.0	12,042	9.2
	(Renovations)	62,666	48.1	74,668	52.4	12,002	19.2
	(Overseas operations)	9,195	7.1	3,814	2.7	-5,380	-58.5
Net sales of completed construction contracts	Electrical equipment installations	25,702	21.3	30,475	22.2	4,773	18.6
	Air-conditioning installations	70,724	58.7	76,682	56.0	5,958	8.4
	Plumbing	24,145	20.0	29,914	21.8	5,768	23.9
	Total	120,572	100.0	137,072	100.0	16,500	13.7
	(Renovations)	62,160	51.6	76,134	55.5	13,974	22.5
	(Overseas operations)	9,021	7.5	8,751	6.4	-270	-3.0
Net sales of uncompleted construction contracts	Electrical equipment installations	17,342	18.8	14,332	14.7	-3,010	-17.4
	Air-conditioning installations	52,596	57.1	59,248	60.8	6,652	12.6
	Plumbing	22,148	24.1	23,806	24.5	1,657	7.5
	Total	92,086	100.0	97,386	100.0	5,299	5.8
	(Renovations)	26,783	29.1	25,318	26.0	-1,465	-5.5
	(Overseas operations)	7,716	8.4	2,779	2.9	-4,937	-64.0