

Tokyo, May 11, 2017

# SHIMIZU CORPORATION

## Consolidated Financial Report [Japanese GAAP]

### For the year ended March 31, 2017



Shares Listed: First section of the Tokyo Stock Exchange and Nagoya Stock Exchange  
 Stock Code: 1803  
 URL: <http://www.shimz.co.jp/english/>  
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Scheduled date of general meeting of shareholders: June 29, 2017  
 Scheduled date to file securities report: June 29, 2017  
 Scheduled date to commence dividend payments: June 30, 2017  
 Supplementary documents on financial results: Yes(in Japanese)  
 Holding of financial results presentation: Yes(for analysts and institutional investors)

## 1. Consolidated Financial Highlights

(Yen amounts have been rounded down to the nearest million)

### (1) Consolidated Results of Operations

(Percentage figures are changes from the same period in the previous fiscal year)

	Net Sales (Millions of Yen)		Operating Income (Millions of Yen)		Ordinary Income (Millions of Yen)		Net Income attributable to shareholders of the Corporation(Millions of Yen)	
Year ended March 31, 2017	1,567,427	Δ5.9%	128,835	36.1%	131,197	37.4%	98,946	66.8%
Year ended March 31, 2016	1,664,933	6.2%	94,668	89.2%	95,501	69.8%	59,322	77.6%

	Net Income per share (Yen)	Diluted Net Income per share (Yen)	ROE (Ratio of Net Income to Shareholders' Equity)	ROA (Ratio of Ordinary Income to Total assets)	Ratio of Operating Income to Net Sales
Year ended March 31, 2017	126.11	126.07	18.8%	7.7%	8.2%
Year ended March 31, 2016	75.61	75.57	12.4%	5.6%	5.7%

(Reference) Equity in earnings of affiliates Year ended March 31, 2017 : 909 Millions of Yen Year ended March 31, 2016 : 1,094 Millions of Yen

### (2) Consolidated Financial Position

	Total Assets (Millions of Yen)	Net Assets (Millions of Yen)	Shareholders' Equity attributable to shareholders of the Corporation(Millions of Yen)	Net Assets per share (Yen)
As of March 31, 2017	1,688,197	576,879	33.9%	728.78
As of March 31, 2016	1,722,936	485,655	27.9%	612.70

(Reference) Shareholders' Equity attributable to shareholders of the Corporation As of March 31, 2017 : 571,773 Millions of Yen As of March 31, 2016 : 480,715 Millions of Yen

### (3) Consolidated Cash Flows

	Cash Flows from Operating Activities (Millions of Yen)	Cash Flows from Investing Activities (Millions of Yen)	Cash Flows from Financing Activities (Millions of Yen)	Cash and Cash Equivalents at End of Year (Millions of Yen)
As of March 31, 2017	143,668	(34,654)	(65,375)	315,803
As of March 31, 2016	38,335	(14,051)	9,199	274,167

## 2. Dividends

	Dividends per share					Total amount of Dividends (Millions of Yen)	Dividends payout ratio (consolidated)	Ratio of Dividends to Net Assets (consolidated)
	End of 1Q (Yen)	End of 2Q (Yen)	End of 3Q (Yen)	Year-End (Yen)	Total (Yen)			
Year ended March 31, 2016	—	5.00	—	11.00	16.00	12,574	21.2%	2.6%
Year ended March 31, 2017	—	5.00	—	21.00	26.00	20,433	20.6%	3.9%
Year ending March 31, 2018 (Forecast)	—	10.00	—	10.00	20.00		22.7%	

(Note) Year-End dividend of 11.00Yen for Year ended March 31, 2016 includes a special dividend of 6.00Yen.

Year-End dividend of 21.00Yen for Year ended March 31, 2017 includes a special dividend of 16.00Yen.

End of 2Q dividend and Year-End dividend of 10.00Yen for Year ending March 31, 2018(forecast)

each includes a special dividend of 3.00Yen.

## 3. Forecast of Consolidated Results of Operations

### for the Fiscal Year Ending March 2018(From April 1, 2017 to March 31, 2018)

(Percentage figures are changes from the same period in the previous fiscal year)

	Net Sales (Millions of Yen)		Operating Income (Millions of Yen)		Ordinary Income (Millions of Yen)		Net Income attributable to shareholders of the Corporation(Millions of Yen)		Net Income per share (Yen)
Six months ending September 30, 2017	760,000	6.7%	46,000	(11.1%)	48,000	(7.2%)	34,000	(3.0%)	43.34
Year ending March 31, 2018	1,600,000	2.1%	96,500	(25.1%)	100,000	(23.8%)	69,000	(30.3%)	87.95

## Explanatory Notes

**(1) Changes in major subsidiaries during the period : None**

**(2) Changes in accounting policies and in accounting estimates, and restatements**

①Changes in accounting policies due to amendment of accounting standards : None

②Changes in accounting policies other than ① above : None

③Changes in accounting estimates : None

④Restatements : None

**(3) Number of shares issued (Common stock)**

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

FY2016 ended March 31, 2017	788,514,613	FY2015 ended March 31, 2016	788,514,613
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②Number of treasury stocks at the end of the period

FY2016 ended March 31, 2017	3,949,498	FY2015 ended March 31, 2016	3,928,866
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③Average number of shares issued during the period

FY2016 ended March 31, 2017	784,576,143	FY2015 ended March 31, 2016	784,601,108
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## (Reference) Summary of Nonconsolidated Financial Results

### 1. Nonconsolidated Financial Highlights

#### (1) Nonconsolidated Results of Operations

(Percentage figures are changes from the same period in the previous fiscal year)

	Net Sales (Millions of Yen)		Operating Income (Millions of Yen)		Ordinary Income (Millions of Yen)		Net Income (Millions of Yen)	
Year ended March 31, 2017	1,291,550	△8.2%	110,267	40.3%	114,878	41.5%	86,020	65.2%
Year ended March 31, 2016	1,406,833	4.9%	78,607	122.2%	81,177	90.6%	52,077	121.1%

	Net Income per share (Yen)	Diluted Net Income per share (Yen)
Year ended March 31, 2017	109.45	—
Year ended March 31, 2016	66.26	—

#### (2) Nonconsolidated Financial Position

	Total Assets (Millions of Yen)	Net Assets (Millions of Yen)	Ratio of Shareholders' Equity to Total Assets	Net Assets per share (Yen)
As of March 31, 2017	1,434,690	481,879	33.6%	613.15
As of March 31, 2016	1,453,426	407,959	28.1%	519.08

(Reference) Shareholders' Equity As of March 31, 2017 : 481,879 Millions of Yen As of March 31, 2016 : 407,959 Millions of Yen

### 2. Forecast of Nonconsolidated Results of Operations

#### for the Fiscal Year Ending March 2018(From April 1, 2017 to March 31, 2018)

(Percentage figures are changes from the same period in the previous fiscal year)

	Net Sales (Millions of Yen)		Operating Income (Millions of Yen)		Ordinary Income (Millions of Yen)		Net Income (Millions of Yen)		Net Income per share (Yen)
Six months ending September 30, 2017	620,000	3.6%	42,000	(7.0%)	46,000	(3.8%)	34,000	3.2%	43.26
Year ending March 31, 2018	1,315,000	1.8%	85,000	(22.9%)	90,000	(21.7%)	66,000	(23.3%)	83.98

**This report is not subject to audit procedures**

#### Explanation regarding appropriate use of forecasts, and other specific comments

The forecast figures are based on information that the Company is able to obtain at the present point.

However, actual results may be different due to various factors, including, but not limited to, changes in the future economic conditions.

## Contents

CONSOLIDATED BALANCE SHEETS.....	2
CONSOLIDATED STATEMENTS OF INCOME.....	4
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME.....	5
CONSOLIDATED STATEMENTS OF CASH FLOWS.....	6
NONCONSOLIDATED BALANCE SHEETS.....	7
NONCONSOLIDATED STATEMENTS OF INCOME.....	9
BREAKDOWN OF ORDERS (NONCONSOLIDATED).....	10
FORECAST.....	11

**SHIMIZU CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**  
**as at March 31, 2016 and 2017**

	Millions of Yen		
	March 31, 2017	March 31, 2016	Increase (Decrease)
<b>ASSETS</b>			
Current Assets:			
Cash	¥ 172,803	¥ 189,167	¥ (16,364)
Notes and accounts receivable-trade	449,049	548,925	(99,876)
Marketable securities	143,000	85,202	57,798
Real estate for sale	39,479	21,620	17,859
Costs on uncompleted construction contracts	76,851	84,518	(7,667)
Costs on uncompleted real estate development projects	29,613	26,041	3,572
PFI projects and other inventories	52,033	57,983	(5,950)
Deferred tax assets	20,865	26,539	(5,674)
Other current assets	76,256	81,372	(5,116)
Less: Allowance for doubtful accounts	(861)	(976)	115
Total current assets	1,059,091	1,120,395	(61,304)
Non-Current Assets:			
Tangible fixed assets:			
Buildings and structures	169,974	167,046	2,928
Machinery, equipment and vehicles	59,270	58,675	595
Land	146,711	132,083	14,628
Construction in progress	4,368	2,719	1,649
Less: Accumulated depreciation	(133,628)	(129,142)	(4,486)
Total tangible fixed assets	246,696	231,382	15,314
Intangible fixed assets	4,574	4,274	300
Investments and other assets:			
Investment securities	359,902	349,447	10,455
Deferred tax assets	1,571	1,474	97
Other investments	18,568	18,250	318
Less: Allowance for doubtful accounts	(2,206)	(2,288)	82
Total investments and other assets	377,835	366,884	10,951
Total non-current assets	629,106	602,541	26,565
Total assets	¥ 1,688,197	¥ 1,722,936	¥ (34,739)

**SHIMIZU CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**  
**as at March 31, 2016 and 2017**

	Millions of Yen		
	March 31, 2017	March 31, 2016	Increase (Decrease)
<b>LIABILITIES</b>			
Current Liabilities:			
Notes and accounts payable-trade	¥ 390,395	¥ 441,301	¥ (50,906)
Short-term borrowings	121,171	125,120	(3,949)
Current portion of non-recourse borrowings	7,197	9,458	(2,261)
Current portion of bonds payable	15,000	25,000	(10,000)
Current portion of non-recourse bonds payable	659	668	(9)
Income taxes payable	21,284	19,520	1,764
Advances received on uncompleted construction contracts	93,530	102,916	(9,386)
Withholdings	85,343	83,049	2,294
Warranty reserve	3,037	3,799	(762)
Reserve for expected losses on construction contracts in process	13,008	22,950	(9,942)
Reserve for directors' bonuses	273	176	97
Other current liabilities	39,966	33,615	6,351
Total current liabilities	790,868	867,576	(76,708)
Non-Current Liabilities:			
Bonds payable	50,000	65,000	(15,000)
Convertible bond-type bonds with subscription rights to shares	30,106	30,136	(30)
Non-recourse bonds payable	14,940	16,785	(1,845)
Long-term borrowings	64,600	76,772	(12,172)
Non-recourse borrowings	36,335	43,542	(7,207)
Deferred tax liabilities	32,113	32,131	(18)
Deferred tax liabilities for revaluation reserve for land	17,738	17,847	(109)
Reserve for expected losses on affiliates' businesses	—	5,510	(5,510)
Net defined benefit liability	59,915	68,150	(8,235)
Other non-current liabilities	14,699	13,828	871
Total non-current liabilities	320,449	369,704	(49,255)
Total liabilities	1,111,318	1,237,281	(125,963)
<b>NET ASSETS</b>			
Shareholders' Equity:			
Common stock, no par value			
Authorized: 1,500,000 thousand shares			
Issued: 788,514 thousand shares as at March 31, 2016 and 2017	74,365	74,365	—
Additional paid-in capital	43,116	43,155	(39)
Retained earnings	306,128	219,507	86,621
Less: Treasury stock, at cost			
3,949 thousand shares as at March 31, 2017	(1,592)	—	(1,592)
3,928 thousand shares as at March 31, 2016	—	(1,571)	1,571
Total shareholders' equity	422,017	335,457	86,560
Accumulated Other Comprehensive Income:			
Net unrealized gain (loss) on other securities, net of taxes	132,894	131,849	1,045
Deferred gain (loss) on hedging, net of taxes	(20)	15	(35)
Revaluation reserve for land, net of taxes	26,044	26,293	(249)
Foreign currency translation adjustments	(638)	756	(1,394)
Remeasurements of defined benefit plans	(8,522)	(13,656)	5,134
Total accumulated other comprehensive income	149,756	145,258	4,498
Non-controlling Interests	5,105	4,939	166
Total net assets	576,879	485,655	91,224
Total liabilities and net assets	¥ 1,688,197	¥ 1,722,936	¥ (34,739)

**SHIMIZU CORPORATION**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**for the years ended March 31, 2016 and 2017**

	Millions of Yen		
	Year ended March 31, 2017	Year ended March 31, 2016	Increase (Decrease)
Net Sales:			
Construction contracts	¥ 1,410,120	¥ 1,516,054	¥ (105,934)
Real estate development and other	157,306	148,879	8,427
	1,567,427	1,664,933	(97,506)
Cost of Sales:			
Construction contracts	1,222,346	1,357,546	(135,200)
Real estate development and other	135,460	132,012	3,448
	1,357,806	1,489,559	(131,753)
Gross profit:			
Construction contracts	187,774	158,508	29,266
Real estate development and other	21,845	16,866	4,979
	209,620	175,374	34,246
Selling, General and Administrative Expenses	80,784	80,706	78
Operating income	128,835	94,668	34,167
Non-Operating Income (Expenses):			
Interest and dividend income	5,663	5,632	31
Interest expenses	(2,842)	(3,171)	329
Equity in earnings of affiliates	909	1,094	(185)
Foreign exchange gain (loss)	(901)	(1,859)	958
Other, net	(467)	(862)	395
Ordinary income	131,197	95,501	35,696
Special Gains (Losses):			
Gain on sales of fixed assets	1,719	734	985
Loss on sales of fixed assets	(13)	(223)	210
Loss on devaluation of investment securities	(172)	—	(172)
Reversal of reserve for expected losses on affiliates' businesses	4,367	—	4,367
Loss on affiliates' businesses	—	(2,406)	2,406
Income before income taxes	137,098	93,605	43,493
Provision for Income Taxes:			
Current	35,076	32,402	2,674
Deferred	2,877	1,541	1,336
	37,953	33,943	4,010
Net income	99,144	59,661	39,483
Net income attributable to non-controlling interests	198	339	(141)
Net income attributable to shareholders of the Corporation	¥ 98,946	¥ 59,322	¥ 39,624

**SHIMIZU CORPORATION**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**for the years ended March 31, 2016 and 2017**

	Millions of Yen		
	Year ended March 31, 2017	Year ended March 31, 2016	Increase (Decrease)
Net income	¥ 99,144	¥ 59,661	¥ 39,483
Other comprehensive income:			
Net unrealized gain (loss) on other securities, net of taxes	980	(37,570)	38,550
Deferred gain (loss) on hedging, net of taxes	(56)	(10)	(46)
Revaluation reserve for land, net of taxes	—	994	(994)
Foreign currency translation adjustment	(1,454)	(1,252)	(202)
Remeasurements of defined benefit plans	5,208	(10,406)	15,614
Share of other comprehensive income of associates accounted for using equity method	41	(113)	154
Total other comprehensive income	4,719	(48,358)	53,077
Comprehensive income	¥ 103,864	¥ 11,303	¥ 92,561
Comprehensive income attributable to:			
Shareholders of the Corporation	¥ 103,693	¥ 11,299	¥ 92,394
Non-controlling interests	170	3	167



**SHIMIZU CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**for the years ended March 31, 2016 and 2017**

	Millions of Yen		
	Year ended March 31, 2017	Year ended March 31, 2016	Increase (Decrease)
Cash Flows from Operating Activities:			
Income before income taxes	¥ 137,098	¥ 93,605	¥ 43,493
Adjustments for:			
Depreciation and amortization	11,662	11,568	94
Increase (decrease) in allowance for doubtful accounts	(191)	(359)	168
Increase (decrease) in reserve for expected losses on construction contracts in process	(9,941)	(6,092)	(3,849)
Increase (decrease) in net defined benefit liability	(844)	(1,516)	672
Loss (gain) on sales of fixed assets	(1,385)	219	(1,604)
Loss (gain) on valuation of investment securities	172	—	172
Loss (gain) on sales of investment securities	(320)	(729)	409
Interest and dividend income	(5,663)	(5,632)	(31)
Interest expenses	2,842	3,171	(329)
(Increase) decrease in notes and accounts receivable-trade	99,686	(76,836)	176,522
(Increase) decrease in real estate for sale	(16,916)	4,733	(21,649)
(Increase) decrease in costs on uncompleted construction contracts	7,592	(21,308)	28,900
(Increase) decrease in uncompleted real estate development projects	(3,572)	6,714	(10,286)
(Increase) decrease in PFI projects and other inventories	5,950	5,763	187
Increase (decrease) in notes and accounts payable-trade	(50,441)	(12,014)	(38,427)
Increase (decrease) in advances received on uncompleted construction contracts	(8,831)	16,493	(25,324)
Other, net	8,040	53,118	(45,078)
Subtotal	174,936	70,898	104,038
Interest and dividends received	6,038	6,220	(182)
Interest paid	(2,927)	(3,164)	237
Income taxes paid	(34,379)	(35,618)	1,239
Net cash provided by (used in) operating activities	143,668	38,335	105,333
Cash Flows from Investing Activities:			
Acquisition of tangible fixed assets	(30,940)	(16,006)	(14,934)
Proceeds from sales of tangible fixed assets	5,064	487	4,577
Acquisition of marketable securities and investment securities	(9,100)	(388)	(8,712)
Proceeds from sales of marketable securities and investment securities	705	2,647	(1,942)
Other, net	(383)	(791)	408
Net cash provided by (used in) investing activities	(34,654)	(14,051)	(20,603)
Cash Flows from Financing Activities:			
Net increase (decrease) in short-term borrowings	(520)	880	(1,400)
Proceeds from long-term borrowings	10,750	17,450	(6,700)
Repayments of long-term borrowings	(26,397)	(34,275)	7,878
Proceeds from non-recourse borrowings	—	13,444	(13,444)
Repayments of non-recourse borrowings	(9,468)	(8,152)	(1,316)
Redemption of bonds	(25,000)	—	(25,000)
Proceeds from issuance of non-recourse bonds	15,600	—	15,600
Redemption of non-recourse bonds	(17,453)	(2,547)	(14,906)
Proceeds from issuance of convertible bond-type bonds with subscription rights to shares	—	30,150	(30,150)
Dividends	(12,574)	(7,466)	(5,108)
Other, net	(312)	(282)	(30)
Net cash provided by (used in) financing activities	(65,375)	9,199	(74,574)
Effect of exchange rate changes on Cash and Cash Equivalents	(2,003)	(1,798)	(205)
Net increase (decrease) in Cash and Cash Equivalents	41,635	31,685	9,950
Cash and Cash Equivalents at beginning of year	274,167	242,482	31,685
Cash and Cash Equivalents at end of year	¥ 315,803	¥ 274,167	¥ 41,636

**SHIMIZU CORPORATION**  
**NONCONSOLIDATED BALANCE SHEETS**  
**as at March 31, 2016 and 2017**

	Millions of Yen		
	March 31, 2017	March 31, 2016	Increase (Decrease)
<b>ASSETS</b>			
Current Assets:			
Cash	¥ 111,060	¥ 131,204	¥ (20,144)
Notes receivable	32,760	38,227	(5,467)
Accounts receivable from completed construction contracts	375,048	439,898	(64,850)
Marketable securities	143,000	85,000	58,000
Real estate for sale	14,713	3,314	11,399
Costs on uncompleted construction contracts	71,643	80,805	(9,162)
Materials and supplies	92	121	(29)
Prepaid expenses	67	66	1
Deferred tax assets	19,729	24,855	(5,126)
Other current assets	68,100	72,237	(4,137)
Less: Allowance for doubtful accounts	(766)	(844)	78
Total current assets	835,450	874,887	(39,437)
Non-Current Assets:			
Tangible fixed assets:			
Buildings	69,403	71,657	(2,254)
Structures	1,503	1,438	65
Machinery and equipment	1,227	1,036	191
Vehicles	431	394	37
Tools, furniture and fixtures	3,200	3,065	135
Land	122,984	107,315	15,669
Construction in progress	3,641	2,594	1,047
Total tangible fixed assets	202,393	187,502	14,891
Intangible fixed assets:			
Leasehold	1,543	1,556	(13)
Software	1,664	1,515	149
Other intangible fixed assets	41	44	(3)
Total intangible fixed assets	3,249	3,117	132
Investments and other assets:			
Investment securities	335,241	336,566	(1,325)
Investments in subsidiaries and affiliates	34,733	34,757	(24)
Investments in other securities of subsidiaries and affiliates	10,225	4,025	6,200
Investments in capital	130	130	—
Long-term loans	22	25	(3)
Long-term loans to employees	4	6	(2)
Long-term loans to subsidiaries and affiliates	5,278	6,282	(1,004)
Claims in bankruptcy or reorganization proceedings	1	2	(1)
Long-term prepaid expenses	1,012	1,140	(128)
Other investments	9,211	7,378	1,833
Less: Allowance for doubtful accounts	(2,264)	(2,396)	132
Total investments and other assets	393,597	387,918	5,679
Total non-current assets	599,240	578,538	20,702
Total assets	¥ 1,434,690	¥ 1,453,426	¥ (18,736)

**SHIMIZU CORPORATION**  
**NONCONSOLIDATED BALANCE SHEETS**  
**as at March 31, 2016 and 2017**

	Millions of Yen		
	March 31, 2017	March 31, 2016	Increase (Decrease)
<b>LIABILITIES</b>			
Current Liabilities:			
Notes payable	¥ 107,935	¥ 9,688	¥ 98,247
Accounts payable for construction contracts	233,832	369,063	(135,231)
Short-term borrowings	91,856	87,807	4,049
Current portion of bonds payable	15,000	25,000	(10,000)
Lease obligations	459	422	37
Accounts payable—other	14,222	7,528	6,694
Accrued expenses	17,135	18,162	(1,027)
Income taxes payable	19,100	16,513	2,587
Advances received on uncompleted construction contracts	77,322	90,537	(13,215)
Withholdings	111,557	112,946	(1,389)
Warranty reserve	2,863	3,240	(377)
Reserve for expected losses on construction contracts in process	12,347	22,630	(10,283)
Reserve for directors' bonuses	273	176	97
Asset retirement obligations	99	98	1
Other current liabilities	275	260	15
Total current liabilities	704,282	764,077	(59,795)
Non-Current Liabilities:			
Bonds payable	50,000	65,000	(15,000)
Convertible bond-type bonds with subscription rights to shares	30,106	30,136	(30)
Long-term borrowings	60,478	71,955	(11,477)
Lease obligations	864	828	36
Deferred tax liabilities	34,687	37,052	(2,365)
Deferred tax liabilities for revaluation reserve for land	17,738	17,847	(109)
Reserve for employees' retirement benefits	42,966	43,911	(945)
Reserve for expected losses on affiliates' businesses	—	4,172	(4,172)
Asset retirement obligations	8	8	0
Other non-current liabilities	11,678	10,478	1,200
Total non-current liabilities	248,528	281,390	(32,862)
Total liabilities	952,810	1,045,467	(92,657)
<b>NET ASSETS</b>			
Shareholders' Equity:			
Common stock, no par value			
Authorized: 1,500,000 thousand shares			
Issued: 788,514 thousand shares as at March 31, 2016 and 2017	74,365	74,365	—
Additional paid-in capital:			
Capital reserve	43,143	43,143	—
Other additional paid-in capital	1	0	1
Retained earnings:			
Legal reserve	18,394	18,394	—
Contingent Reserve	101,300	61,400	39,900
Other retained earnings	88,398	54,603	33,795
Less: Treasury stock, at cost			
2,610 thousand shares as at March 31, 2017	(1,170)	—	(1,170)
2,590 thousand shares as at March 31, 2016	—	(1,149)	1,149
Total shareholders' equity	324,432	250,758	73,674
Valuation and Translation Adjustments:			
Net unrealized gain (loss) on other securities, net of taxes	131,418	130,896	522
Deferred gain (loss) on hedging, net of taxes	(15)	10	(25)
Revaluation reserve for land, net of taxes	26,044	26,293	(249)
Total valuation and translation adjustments	157,446	157,200	246
Total net assets	481,879	407,959	73,920
Total liabilities and net assets	¥ 1,434,690	¥ 1,453,426	¥ (18,736)

**SHIMIZU CORPORATION**  
**NONCONSOLIDATED STATEMENTS OF INCOME**  
**for the years ended March 31, 2016 and 2017**

	Millions of Yen		
	Year ended March 31, 2017	Year ended March 31, 2016	Increase (Decrease)
Net Sales:			
Construction contracts	¥ 1,245,031	¥ 1,350,347	¥ (105,316)
Real estate development and other	46,518	56,485	(9,967)
	1,291,550	1,406,833	(115,283)
Cost of Sales:			
Construction contracts	1,080,720	1,216,342	(135,622)
Real estate development and other	36,790	47,472	(10,682)
	1,117,511	1,263,814	(146,303)
Gross profit:			
Construction contracts	164,311	134,005	30,306
Real estate development and other	9,728	9,013	715
	174,039	143,018	31,021
Selling, General and Administrative Expenses	63,772	64,411	(639)
Operating income	110,267	78,607	31,660
Non-Operating Income (Expenses):			
Interest and dividend income	8,099	8,017	82
Interest expenses	(2,434)	(2,623)	189
Foreign exchange gain (loss)	(824)	(1,846)	1,022
Other, net	(229)	(976)	747
Ordinary income	114,878	81,177	33,701
Special Gains (Losses):			
Gain on sales of fixed assets	361	729	(368)
Loss on sales of fixed assets	(6)	(223)	217
Loss on devaluation of investment securities	(169)	—	(169)
Loss on devaluation of shares of subsidiaries and associates	(221)	—	(221)
Reversal of reserve for expected losses on affiliates' businesses	4,172	—	4,172
Loss on affiliates' businesses	—	(1,033)	1,033
Income before income taxes	119,014	80,649	38,365
Provision for Income Taxes:			
Current	30,530	26,930	3,600
Deferred	2,464	1,642	822
	32,994	28,572	4,422
Net income	¥ 86,020	¥ 52,077	¥ 33,943

**SHIMIZU CORPORATION**  
**BREAKDOWN OF ORDERS (NONCONSOLIDATED)**  
**for the years ended March 31, 2016 and 2017**

(1) Construction orders awarded and contracts

Millions of Yen

			Year ended March 31, 2017	Year ended March 31, 2016	Increase(Decrease)	
						%
Architectural Construction	Domestic Operations		1,082,992	965,369	117,623	12.2
	Overseas Operations		29,695	35,405	(5,710)	(16.1)
	Sub total		1,112,687	1,000,775	111,912	11.2
Civil Engineering	Domestic Operations		311,519	252,578	58,941	23.3
	Overseas Operations		146	31,280	(31,134)	(99.5)
	Sub total		311,666	283,858	27,808	9.8
Construction business(orders)			1,424,353	1,284,633	139,720	10.9
Real estate development and other(contracts)			60,707	57,266	3,441	6.0
Total			1,485,061	1,341,900	143,161	10.7

(2) Net sales

Millions of Yen

			Year ended March 31, 2017	Year ended March 31, 2016	Increase(Decrease)	
						%
Architectural Construction	Domestic Operations		908,171	985,558	(77,387)	(7.9)
	Overseas Operations		48,215	82,026	(33,811)	(41.2)
	Sub total		956,387	1,067,585	(111,198)	(10.4)
Civil Engineering	Domestic Operations		259,895	257,482	2,413	0.9
	Overseas Operations		28,749	25,279	3,470	13.7
	Sub total		288,644	282,762	5,882	2.1
Construction business			1,245,031	1,350,347	(105,316)	(7.8)
Real estate development and other			46,518	56,485	(9,967)	(17.6)
Total			1,291,550	1,406,833	(115,283)	(8.2)

(3) Backlog

Millions of Yen

			March 31, 2017	March 31, 2016	Increase(Decrease)	
						%
Architectural Construction	Domestic Operations		1,008,599	833,778	174,821	21.0
	Overseas Operations		39,478	57,999	(18,521)	(31.9)
	Sub total		1,048,078	891,777	156,301	17.5
Civil Engineering	Domestic Operations		447,818	396,194	51,624	13.0
	Overseas Operations		40,131	68,734	(28,603)	(41.6)
	Sub total		487,950	464,928	23,022	5.0
Construction business			1,536,028	1,356,706	179,322	13.2
Real estate development and other			40,694	26,505	14,189	53.5
Total			1,576,722	1,383,212	193,510	14.0

**SHIMIZU CORPORATION**  
**FORECAST**  
**for the year ending March 31, 2018**

(1) Consolidated Operating Performance

Millions of Yen

	Net Sales	Operating Income	Ordinary Income	Net Income attributable to shareholders of the Corporation
Six months ending September 30, 2017	760,000	46,000	48,000	34,000
Year ending March 31, 2018	1,600,000	96,500	100,000	69,000

(2) Nonconsolidated Operating Performance

Millions of Yen

	Net Sales	Operating Income	Ordinary Income	Net Income
Six months ending September 30, 2017	620,000	42,000	46,000	34,000
Year ending March 31, 2018	1,315,000	85,000	90,000	66,000

(3) Construction orders awarded and contracts (Nonconsolidated)

Millions of Yen

	Construction business (orders)	Real estate development and other (contracts)	Total
Six months ending September 30, 2017	665,000	30,000	695,000
Year ending March 31, 2018	1,400,000	55,000	1,455,000