

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2019 (Based on Japanese GAAP)

February 7, 2020

Company name: Maeda Corporation
 Stock exchange listing: Tokyo
 Stock code: 1824 URL <http://www.maeda.co.jp/>
 Representative: President and Representative Director Soji Maeda
 Executive Officer and General Manager of Finance Department Satoru Tahara TEL 03-5276-5156
 Inquiries: Satoru Tahara
 Scheduled date to file Quarterly Securities Report: February 7, 2020
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2019 (from April 1, 2019 to December 31, 2019)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2019	352,642	0.9	25,683	(2.0)	29,873	7.2	23,275	24.3
Nine months ended December 31, 2018	349,401	1.6	26,212	(1.5)	27,864	1.1	18,730	13.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2019	125.27		–	
Nine months ended December 31, 2018	98.55		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2019	774,078	269,097	33.0
As of March 31, 2019	717,630	252,582	33.3

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2019	–	–	–	20.00	20.00
Year ending March 31, 2020	–	–	–	–	–
Year ending March 31, 2020 (Forecast)	–	–	–	20.00	20.00

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	477,000	(3.1)	31,700	(11.8)	35,000	(8.8)	25,500	6.5	137.31

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2019
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
 - Changes in accounting policies due to other reasons: No
 - Changes in accounting estimates: No
 - Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2019	194,608,482 shares	As of March 31, 2019	197,955,682 shares
-------------------------	--------------------	----------------------	--------------------

Number of treasury shares at the end of the period

As of December 31, 2019	9,305,008 shares	As of March 31, 2019	9,446,812 shares
-------------------------	------------------	----------------------	------------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2019	185,799,399 shares	Nine months ended December 31, 2018	190,053,474 shares
-------------------------------------	--------------------	-------------------------------------	--------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
Assets		
Current assets		
Cash and deposits	57,949	60,386
Notes receivable, accounts receivable from completed construction contracts and other	217,889	252,204
Securities	260	380
Real estate for sale	1,947	1,947
Merchandise and finished goods	724	1,319
Costs on construction contracts in progress	8,113	22,876
Development projects in progress	–	1,218
Raw materials and supplies	1,070	1,244
Other	48,458	45,731
Allowance for doubtful accounts	(39)	(53)
Total current assets	336,374	387,255
Non-current assets		
Property, plant and equipment	66,365	69,553
Intangible assets		
Right to operate public facilities	124,344	120,161
Assets related to replacement investment to operate public facilities	25,313	24,612
Other	3,165	4,924
Total intangible assets	152,823	149,699
Investments and other assets		
Investment securities	154,950	160,796
Deferred tax assets	564	545
Other	7,953	7,724
Allowance for doubtful accounts	(2,003)	(1,942)
Total investments and other assets	161,464	167,123
Total non-current assets	380,653	386,376
Deferred assets	603	446
Total assets	717,630	774,078

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	12,193	11,097
Account payable for works in progress and other	96,839	88,971
Short-term borrowings	24,605	65,552
Current portion of non-recourse loans	1,819	1,499
Current portion of bonds	10,000	–
Income taxes payable	3,848	162
Advances received on construction contracts in progress	27,245	36,869
Provision for loss on construction contracts	217	184
Other provisions	5,853	2,624
Liabilities related to right to operate public facilities	4,397	4,423
Liabilities related to replacement investment to operate public facilities	2,093	1,970
Other	40,039	45,202
Total current liabilities	229,152	258,558
Non-current liabilities		
Bonds payable	15,000	30,000
Non-recourse bonds	20	20
Long-term borrowings	28,862	28,031
Non-recourse loans	19,099	18,425
Deferred tax liabilities	9,267	10,618
Retirement benefit liability	18,139	16,932
Liabilities related to right to operate public facilities	117,349	115,131
Liabilities related to replacement investment to operate public facilities	23,399	23,599
Other	4,758	3,662
Total non-current liabilities	235,896	246,421
Total liabilities	465,048	504,980
Net assets		
Shareholders' equity		
Share capital	28,463	28,463
Capital surplus	36,798	36,835
Retained earnings	152,170	167,995
Treasury shares	(4,224)	(3,801)
Total shareholders' equity	213,207	229,493
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	33,091	32,739
Deferred gains or losses on hedges	(17)	(13)
Foreign currency translation adjustment	17	34
Remeasurements of defined benefit plans	(7,091)	(6,701)
Total accumulated other comprehensive income	26,000	26,059
Non-controlling interests	13,374	13,544
Total net assets	252,582	269,097
Total liabilities and net assets	717,630	774,078

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Net sales		
Net sales of completed construction contracts	308,739	308,734
Sales in other businesses	40,662	43,908
Total net sales	349,401	352,642
Cost of sales		
Cost of sales of completed construction contracts	271,364	268,952
Cost of sales in other businesses	31,663	34,615
Total cost of sales	303,028	303,568
Gross profit		
Gross profit on completed construction contracts	37,374	39,781
Gross profit - other business	8,998	9,292
Total gross profit	46,373	49,073
Selling, general and administrative expenses	20,161	23,390
Operating profit	26,212	25,683
Non-operating income		
Interest income	113	157
Dividend income	1,388	1,618
Foreign exchange gains	–	122
Share of profit of entities accounted for using equity method	2,107	4,246
Other	195	274
Total non-operating income	3,804	6,419
Non-operating expenses		
Interest expenses	1,636	1,689
Foreign exchange losses	106	–
Other	408	539
Total non-operating expenses	2,151	2,229
Ordinary profit	27,864	29,873
Extraordinary income		
Gain on sales of non-current assets	21	0
Gain on sales of investment securities	6	175
Gain on sales of shares of subsidiaries and associates	1,031	–
Other	9	4
Total extraordinary income	1,068	180
Extraordinary losses		
Loss on retirement of non-current assets	3	15
Impairment loss	41	0
Loss on valuation of golf club membership	11	22
Other	–	3
Total extraordinary losses	55	41
Profit before income taxes	28,877	30,012
Income taxes - current	6,413	3,953
Income taxes - deferred	2,262	1,515
Total income taxes	8,675	5,468
Profit	20,202	24,543
Profit attributable to non-controlling interests	1,472	1,267
Profit attributable to owners of parent	18,730	23,275

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Profit	20,202	24,543
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,653)	(512)
Deferred gains or losses on hedges	(1)	7
Foreign currency translation adjustment	2	36
Remeasurements of defined benefit plans, net of tax	370	303
Share of other comprehensive income of entities accounted for using equity method	(131)	277
Total other comprehensive income	(3,413)	113
Comprehensive income	16,788	24,656
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	15,667	23,333
Comprehensive income attributable to non-controlling interests	1,121	1,322

Non-Consolidated Orders Received, Net Sales and Backlog

1. Orders Received

(Millions of Yen)

		Nine months ended December 31, 2018		Nine months ended December 31, 2019		Increase (Decrease)	
		Amount	%	Amount	%	Amount	%
Public Works	Public Works	20,625	8.3	24,167	7.9	3,542	17.2
	Private Works	126,470	50.9	158,951	51.7	32,481	25.7
	Overseas	5,743	2.3	1,160	0.4	(4,583)	(79.8)
Building Construction		152,838	61.5	184,278	59.9	31,440	20.6
Civil Engineering	Public Works	66,858	26.9	40,482	13.2	(26,375)	(39.5)
	Private Works	25,996	10.5	77,858	25.3	51,862	199.5
	Overseas	752	0.3	2,295	0.7	1,543	205.2
Civil Engineering		93,606	37.7	120,636	39.2	27,030	28.9
Construction Total	Public Works	87,483	35.2	64,649	21.0	(22,833)	(26.1)
	Private Works	152,466	61.4	236,809	77.0	84,343	55.3
	Overseas	6,495	2.6	3,455	1.1	(3,039)	(46.8)
Construction Total		246,445	99.2	304,915	99.1	58,470	23.7
Infrastructure Management		821	0.3	1,049	0.3	228	27.8
Real Estate		1,190	0.5	1,631	0.5	441	37.1
Total		248,457	100.0	307,597	100.0	59,140	23.8

2. Net Sales

(Millions of Yen)

		Nine months ended December 31, 2018		Nine months ended December 31, 2019		Increase (Decrease)	
		Amount	%	Amount	%	Amount	%
Public Works	Public Works	15,670	5.5	16,451	5.9	780	5.0
	Private Works	162,192	57.4	139,213	49.7	(22,979)	(14.2)
	Overseas	790	0.3	3,368	1.2	2,578	326.3
Building Construction		178,653	63.2	159,032	56.7	(19,621)	(11.0)
Civil Engineering	Public Works	70,411	24.9	79,856	28.5	9,444	13.4
	Private Works	29,695	10.5	36,022	12.8	6,326	21.3
	Overseas	1,997	0.7	2,956	1.1	959	48.0
Civil Engineering		102,104	36.1	118,834	42.4	16,730	16.4
Construction Total	Public Works	86,082	30.4	96,307	34.3	10,224	11.9
	Private Works	191,888	67.9	175,235	62.5	(16,653)	(8.7)
	Overseas	2,787	1.0	6,324	2.3	3,537	126.9
Construction Total		280,758	99.3	277,867	99.1	(2,890)	(1.0)
Infrastructure Management		821	0.3	1,049	0.4	228	27.8
Real Estate		1,153	0.4	1,455	0.5	301	26.1
Total		282,733	100.0	280,372	100.0	(2,360)	(0.8)

3. Backlog

(Millions of Yen)

		As of December 31, 2018		As of December 31, 2019		Increase (Decrease)	
		Amount	%	Amount	%	Amount	%
Public Works	Public Works	35,974	6.7	53,650	8.6	17,675	49.1
	Private Works	234,219	43.9	273,658	44.0	39,438	16.8
	Overseas	5,100	1.0	1,043	0.2	(4,057)	(79.5)
Building Construction		275,294	51.5	328,351	52.8	53,057	19.3
Civil Engineering	Public Works	171,949	32.2	129,968	20.9	(41,980)	(24.4)
	Private Works	83,966	15.7	162,220	26.1	78,253	93.2
	Overseas	2,617	0.5	1,603	0.3	(1,013)	(38.7)
Civil Engineering		258,533	48.4	293,793	47.2	35,259	13.6
Construction Total	Public Works	207,924	38.9	183,618	29.5	(24,305)	(11.7)
	Private Works	318,186	59.6	435,878	70.0	117,692	37.0
	Overseas	7,718	1.4	2,647	0.4	(5,070)	(65.7)
Construction Total		533,828	99.9	622,145	100.0	88,316	16.5
Infrastructure Management		–	–	–	–	–	–
Real Estate		286	0.1	287	0.0	1	0.6
Total		534,114	100.0	622,433	100.0	88,318	16.5