

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2019 (Based on Japanese GAAP)

November 13, 2019

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: November 13, 2019  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2019 (from April 1, 2019 to September 30, 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	%
Six months ended September 30, 2019	237,311	7.4	18,035	7.5	20,635	16.1	15,894	33.7
Six months ended September 30, 2018	221,034	3.4	16,770	(6.0)	17,774	(7.6)	11,886	(0.5)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2019	85.45	–
Six months ended September 30, 2018	62.55	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2019	736,334	257,108	33.1
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	Yen	Yen	Yen	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	137.30

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 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 September 30, 2019	194,608,482 shares	As of March 31, 2019	197,955,682 shares
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Number of treasury shares at the end of the period

As of September 30, 2019	9,362,773 shares	As of March 31, 2019	9,446,812 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2019	186,017,595 shares	Six months ended September 30, 2018	190,032,215 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2019	As of September 30, 2019
Assets		
Current assets		
Cash and deposits	57,949	55,910
Notes receivable, accounts receivable from completed construction contracts and other	217,889	238,832
Securities	260	381
Real estate for sale	1,947	1,947
Merchandise and finished goods	724	1,180
Costs on construction contracts in progress	8,113	15,753
Raw materials and supplies	1,070	1,082
Other	48,458	43,730
Allowance for doubtful accounts	(39)	(53)
Total current assets	336,374	358,765
Non-current assets		
Property, plant and equipment	66,365	68,329
Intangible assets		
Right to operate public facilities	124,344	121,538
Assets related to replacement investment to operate public facilities	25,313	24,815
Other	3,165	4,192
Total intangible assets	152,823	150,546
Investments and other assets		
Investment securities	154,950	151,744
Deferred tax assets	564	599
Other	7,953	7,814
Allowance for doubtful accounts	(2,003)	(1,971)
Total investments and other assets	161,464	158,185
Total non-current assets	380,653	377,061
Deferred assets	603	507
Total assets	717,630	736,334

(Millions of yen)

	As of March 31, 2019	As of September 30, 2019
<b>Liabilities</b>		
<b>Current liabilities</b>		
Electronically recorded obligations - operating	12,193	10,335
Account payable for works in progress and other	96,839	91,486
Short-term borrowings	24,605	54,438
Current portion of non-recourse loans	1,819	1,499
Current portion of bonds	10,000	–
Income taxes payable	3,848	3,612
Advances received on construction contracts in progress	27,245	32,317
Provision for loss on construction contracts	217	242
Other provisions	5,853	5,510
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	28,923
<b>Total current liabilities</b>	<b>229,152</b>	<b>234,761</b>
<b>Non-current liabilities</b>		
Bonds payable	15,000	30,000
Non-recourse bonds	20	20
Long-term borrowings	28,862	28,416
Non-recourse loans	19,099	18,425
Deferred tax liabilities	9,267	7,858
Retirement benefit liability	18,139	17,333
Liabilities related to right to operate public facilities	117,349	115,131
Liabilities related to replacement investment to operate public facilities	23,399	23,533
Other	4,758	3,746
<b>Total non-current liabilities</b>	<b>235,896</b>	<b>244,464</b>
<b>Total liabilities</b>	<b>465,048</b>	<b>479,226</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	28,463	28,463
Capital surplus	36,798	36,830
Retained earnings	152,170	160,614
Treasury shares	(4,224)	(3,885)
<b>Total shareholders' equity</b>	<b>213,207</b>	<b>222,022</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	33,091	28,550
Deferred gains or losses on hedges	(17)	(29)
Foreign currency translation adjustment	17	22
Remeasurements of defined benefit plans	(7,091)	(6,832)
<b>Total accumulated other comprehensive income</b>	<b>26,000</b>	<b>21,712</b>
<b>Non-controlling interests</b>	<b>13,374</b>	<b>13,373</b>
<b>Total net assets</b>	<b>252,582</b>	<b>257,108</b>
<b>Total liabilities and net assets</b>	<b>717,630</b>	<b>736,334</b>

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

### Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2018	Six months ended September 30, 2019
Net sales		
Net sales of completed construction contracts	194,530	208,330
Sales in other businesses	26,504	28,980
Total net sales	221,034	237,311
Cost of sales		
Cost of sales of completed construction contracts	170,466	180,997
Cost of sales in other businesses	20,587	22,933
Total cost of sales	191,053	203,931
Gross profit		
Gross profit on completed construction contracts	24,063	27,333
Gross profit - other business	5,916	6,047
Total gross profit	29,980	33,380
Selling, general and administrative expenses	13,209	15,344
Operating profit	16,770	18,035
Non-operating income		
Interest income	75	102
Dividend income	837	1,008
Share of profit of entities accounted for using equity method	1,318	2,994
Other	142	148
Total non-operating income	2,374	4,253
Non-operating expenses		
Interest expenses	1,087	1,105
Foreign exchange losses	15	144
Other	266	403
Total non-operating expenses	1,370	1,652
Ordinary profit	17,774	20,635
Extraordinary income		
Gain on sales of non-current assets	21	0
Gain on sales of investment securities	6	50
Gain on sales of shares of subsidiaries and associates	1,031	–
Other	5	4
Total extraordinary income	1,064	56
Extraordinary losses		
Loss on retirement of non-current assets	0	14
Impairment loss	41	0
Loss on valuation of golf club membership	11	22
Other	–	1
Total extraordinary losses	52	39
Profit before income taxes	18,786	20,652
Income taxes - current	4,632	3,562
Income taxes - deferred	1,332	391
Total income taxes	5,965	3,954
Profit	12,821	16,698
Profit attributable to non-controlling interests	934	803
Profit attributable to owners of parent	11,886	15,894

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2018	Six months ended September 30, 2019
Profit	12,821	16,698
Other comprehensive income		
Valuation difference on available-for-sale securities	4,088	(4,474)
Deferred gains or losses on hedges	82	(22)
Foreign currency translation adjustment	27	10
Remeasurements of defined benefit plans, net of tax	247	202
Share of other comprehensive income of entities accounted for using equity method	261	(39)
Total other comprehensive income	4,706	(4,323)
Comprehensive income	17,528	12,374
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,570	11,606
Comprehensive income attributable to non-controlling interests	957	768

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2018	Six months ended September 30, 2019
Cash flows from operating activities		
Profit before income taxes	18,786	20,652
Depreciation	6,204	7,380
Increase (decrease) in allowance for doubtful accounts	(32)	(17)
Increase (decrease) in provision for loss on construction contracts	(118)	25
Increase (decrease) in retirement benefit liability	(433)	(402)
Interest and dividend income	(913)	(1,110)
Interest expenses	1,087	1,105
Foreign exchange losses (gains)	(350)	171
Share of loss (profit) of entities accounted for using equity method	(1,318)	(2,994)
Loss (gain) on sales of short-term and long-term investment securities	(6)	(49)
Loss (gain) on sales of shares of subsidiaries and associates	(1,031)	–
Loss (gain) on sales of non-current assets	(29)	(1)
Decrease (increase) in trade receivables	3,912	(20,940)
Decrease (increase) in costs on construction contracts in progress	(4,257)	(7,639)
Decrease (increase) in inventories	(412)	(476)
Decrease (increase) in consumption taxes refund receivable	(8,033)	5,046
Increase (decrease) in trade payables	31	(7,213)
Increase (decrease) in advances received on construction contracts in progress	(7,688)	5,071
Increase (decrease) in deposits received	(3,248)	(6,662)
Other, net	(923)	(5,270)
Subtotal	1,225	(13,326)
Interest and dividends received	2,320	2,776
Interest paid	(1,169)	(1,121)
Income taxes paid	(9,250)	(3,531)
Net cash provided by (used in) operating activities	(6,874)	(15,203)
Cash flows from investing activities		
Proceeds from redemption of securities	–	30
Purchase of property, plant and equipment and intangible assets	(8,219)	(7,222)
Purchase of rights to operate public facilities	(2,166)	(2,029)
Payments for replacement investment to operate public facilities	(242)	(1,159)
Proceeds from sales of property, plant and equipment and intangible assets	92	1
Proceeds from subsidy income	93	46
Purchase of investment securities	(300)	(1,469)
Proceeds from sales of investment securities	300	225
Purchase of shares of subsidiaries and associates	(120)	(604)
Proceeds from sales of shares of subsidiaries and associates	1,260	–
Loan advances	(147)	(712)
Collection of loans receivable	29	438
Other, net	44	(236)
Net cash provided by (used in) investing activities	(9,375)	(12,693)

(Millions of yen)

	Six months ended September 30, 2018	Six months ended September 30, 2019
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,522)	29,843
Repayments of long-term borrowings	(396)	(405)
Decrease in non-recourse payable	(1,273)	(993)
Proceeds from issuance of bonds	–	14,909
Redemption of bonds	–	(10,000)
Repayments of finance lease obligations	(160)	(162)
Purchase of treasury shares	(0)	(2,204)
Dividends paid	(3,040)	(3,770)
Dividends paid to non-controlling interests	(979)	(454)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	–	(150)
Other, net	(33)	(33)
Net cash provided by (used in) financing activities	(7,404)	26,576
Effect of exchange rate change on cash and cash equivalents	159	(84)
Net increase (decrease) in cash and cash equivalents	(23,494)	(1,405)
Cash and cash equivalents at beginning of period	101,885	56,570
Cash and cash equivalents at end of period	78,391	55,165



**Non-Consolidated Orders Received, Net Sales and Backlog**

1. Orders Received (Millions of Yen)

	Six months ended September 30, 2018		Six months ended September 30, 2019		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Public Works	17,421	10.2	18,916	12.0	1,495	8.6
Private Works	77,018	45.1	54,245	34.5	(22,772)	(29.6)
Overseas	5,019	2.9	1,077	0.7	(3,942)	(78.5)
Building Construction	99,459	58.3	74,239	47.3	(25,219)	(25.4)
Public Works	57,593	33.7	25,347	16.1	(32,246)	(56.0)
Private Works	11,393	6.7	53,361	34.0	41,967	368.3
Overseas	758	0.4	2,249	1.4	1,490	196.5
Civil Engineering	69,746	40.9	80,957	51.6	11,211	16.1
Public Works	75,014	44.0	44,264	28.2	(30,750)	(41.0)
Private Works	88,412	51.8	107,607	68.5	19,194	21.7
Overseas	5,778	3.4	3,326	2.1	(2,451)	(42.4)
Construction Total	169,205	99.1	155,197	98.8	(14,007)	(8.3)
Infrastructure Management	636	0.4	563	0.4	(72)	(11.4)
Real Estate	827	0.5	1,276	0.8	448	54.3
Total	170,669	100.0	157,037	100.0	(13,631)	(8.0)

2. Net Sales (Millions of Yen)

	Six months ended September 30, 2018		Six months ended September 30, 2019		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Public Works	11,688	6.5	8,941	4.7	(2,747)	(23.5)
Private Works	102,088	57.0	97,320	50.9	(4,768)	(4.7)
Overseas	354	0.2	2,783	1.5	2,429	685.5
Building Construction	114,131	63.7	109,044	57.0	(5,086)	(4.5)
Public Works	43,493	24.3	52,096	27.2	8,603	19.8
Private Works	18,416	10.3	25,587	13.4	7,171	38.9
Overseas	1,682	0.9	2,868	1.5	1,185	70.5
Civil Engineering	63,592	35.5	80,552	42.1	16,960	26.7
Public Works	55,181	30.8	61,037	31.9	5,855	10.6
Private Works	120,504	67.3	122,908	64.3	2,403	2.0
Overseas	2,036	1.1	5,652	3.0	3,615	177.5
Construction Total	177,723	99.2	189,597	99.1	11,874	6.7
Infrastructure Management	636	0.4	563	0.3	(72)	(11.4)
Real Estate	764	0.4	1,069	0.6	305	39.9
Total	179,123	100.0	191,230	100.0	12,106	6.8

3. Backlog (Millions of Yen)

	As of September 30, 2018		As of September 30, 2019		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Public Works	36,752	6.6	55,909	10.0	19,156	52.1
Private Works	244,871	43.7	210,845	37.6	(34,026)	(13.9)
Overseas	4,813	0.9	1,545	0.3	(3,267)	(67.9)
Building Construction	286,437	51.2	268,300	47.8	(18,137)	(6.3)
Public Works	189,603	33.9	142,592	25.4	(47,010)	(24.8)
Private Works	80,643	14.4	148,158	26.4	67,514	83.7
Overseas	2,938	0.5	1,645	0.3	(1,292)	(44.0)
Civil Engineering	273,185	48.8	292,396	52.1	19,211	7.0
Public Works	226,355	40.4	198,502	35.4	(27,853)	(12.3)
Private Works	325,515	58.1	359,003	64.0	33,487	10.3
Overseas	7,751	1.4	3,190	0.6	(4,560)	(58.8)
Construction Total	559,623	99.9	560,697	99.9	1,074	0.2
Infrastructure Management	–	–	–	–	–	–
Real Estate	313	0.1	319	0.1	6	1.9
Total	559,936	100.0	561,016	100.0	1,080	0.2