

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2020 (Based on Japanese GAAP)

May 22, 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
 General Manager of Financial Strategy
 Inquiries: Department, Management Innovation Kazutaka Deguchi TEL 03-5276-5156
 Division
 Scheduled date of ordinary general meeting of shareholders: June 23, 2020
 Scheduled date to file Securities Report: June 23, 2020
 Scheduled date to commence dividend payments: June 24, 2020
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

(1) Consolidated operating results

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	%
Year ended March 31, 2020	487,856	(0.9)	34,045	(5.3)	36,597	(4.6)	14,342	(40.1)
Year ended March 31, 2019	492,087	5.2	35,944	1.6	38,363	3.6	23,952	3.9

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2020	77.24	–	6.1	4.5	7.0
Year ended March 31, 2019	126.14	–	10.4	5.5	7.3

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	920,786	343,589	24.8	1,236.32
As of March 31, 2019	717,630	252,582	33.3	1,268.95

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2020	32,370	(38,550)	71,667	121,912
Year ended March 31, 2019	(17,421)	(28,814)	486	56,570

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2019	–	–	–	20.00	20.00	3,927	15.9	1.6
Year ended March 31, 2020	–	–	–	20.00	20.00	3,888	25.9	1.6
Year ending March 31, 2021 (Forecast)	–	–	–	20.00	20.00		37.1	

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

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	662,000	35.7	32,400	(4.8)	29,800	(18.6)	10,000	(30.3)	53.85

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2020

(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2020	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 March 31, 2020	9,871,873 shares	As of March 31, 2019	9,446,812 shares
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Average number of shares during the period

Year ended March 31, 2020	185,692,655 shares	Year ended March 31, 2019	189,891,474 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
Assets		
Current assets		
Cash and deposits	57,949	119,198
Notes receivable, accounts receivable from completed construction contracts and other	217,889	256,492
Securities	260	3,330
Real estate for sale	1,947	1,987
Merchandise and finished goods	724	969
Costs on construction contracts in progress	8,113	25,495
Raw materials and supplies	1,070	2,186
Other	48,458	46,078
Allowance for doubtful accounts	(39)	(136)
Total current assets	336,374	455,601
Non-current assets		
Property, plant and equipment		
Buildings and structures	57,325	98,971
Machinery, vehicles, tools, furniture and fixtures	61,254	156,788
Land	20,542	59,576
Leased assets	2,147	1,563
Construction in progress	1,356	1,244
Accumulated depreciation	(76,261)	(181,251)
Total property, plant and equipment	66,365	136,893
Intangible assets		
Right to operate public facilities	124,344	118,933
Assets related to replacement investment to operate public facilities	25,313	24,613
Goodwill	–	48,689
Other	3,165	6,428
Total intangible assets	152,823	198,665
Investments and other assets		
Investment securities	154,950	113,334
Long-term loans receivable	2,589	5,488
Distressed receivables	376	310
Deferred tax assets	564	702
Other	4,987	13,520
Allowance for doubtful accounts	(2,003)	(4,114)
Total investments and other assets	161,464	129,240
Total non-current assets	380,653	464,799
Deferred assets	603	386
Total assets	717,630	920,786

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	12,193	10,328
Account payable for works in progress and other	96,839	108,410
Short-term borrowings	24,605	106,880
Current portion of non-recourse loans	1,819	1,616
Current portion of bonds payable	10,000	–
Lease obligations	468	244
Accounts payable - other	8,299	10,975
Income taxes payable	3,848	7,187
Advances received on construction contracts in progress	27,245	39,338
Provision for repairs	706	447
Provision for bonuses	4,022	7,268
Provision for bonuses for directors (and other officers)	140	241
Provision for warranties for completed construction	984	1,269
Provision for loss on construction contracts	217	310
Liabilities related to right to operate public facilities	4,397	4,449
Liabilities related to replacement investment to operate public facilities	2,093	3,443
Other	31,271	37,268
Total current liabilities	229,152	339,682
Non-current liabilities		
Bonds payable	15,000	30,000
Non-recourse bonds	20	20
Long-term borrowings	28,862	22,217
Non-recourse loans	19,099	17,482
Lease obligations	874	753
Deferred tax liabilities	9,267	6,646
Retirement benefit liability	18,139	21,422
Provision for share-based remuneration	–	102
Provision for loss on guarantees	–	212
Provision for loss on Anti-Monopoly Act	–	64
Liabilities related to right to operate public facilities	117,349	112,900
Liabilities related to replacement investment to operate public facilities	23,399	22,479
Other	3,883	3,214
Total non-current liabilities	235,896	237,515
Total liabilities	465,048	577,197

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
Net assets		
Shareholders' equity		
Share capital	28,463	28,463
Capital surplus	36,798	36,680
Retained earnings	152,170	158,907
Treasury shares	(4,224)	(4,097)
Total shareholders' equity	213,207	219,954
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	33,091	15,336
Deferred gains or losses on hedges	(17)	(16)
Foreign currency translation adjustment	17	(0)
Remeasurements of defined benefit plans	(7,091)	(6,880)
Total accumulated other comprehensive income	26,000	8,439
Non-controlling interests	13,374	115,195
Total net assets	252,582	343,589
Total liabilities and net assets	717,630	920,786

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Net sales		
Net sales of completed construction contracts	436,264	419,849
Sales in other businesses	55,823	68,006
Total net sales	492,087	487,856
Cost of sales		
Cost of sales of completed construction contracts	383,102	365,305
Cost of sales in other businesses	43,834	54,990
Total cost of sales	426,936	420,295
Gross profit		
Gross profit on completed construction contracts	53,162	54,544
Gross profit - other business	11,988	13,015
Total gross profit	65,150	67,560
Selling, general and administrative expenses	29,205	33,515
Operating profit	35,944	34,045
Non-operating income		
Interest income	136	199
Dividend income	1,490	1,753
Share of profit of entities accounted for using equity method	3,396	4,845
Other	320	333
Total non-operating income	5,344	7,131
Non-operating expenses		
Interest expenses	2,194	2,285
Commission for syndicated loans	–	1,314
Foreign exchange losses	93	285
Other	638	694
Total non-operating expenses	2,926	4,579
Ordinary profit	38,363	36,597
Extraordinary income		
Gain on sales of non-current assets	21	123
Gain on sales of investment securities	6	175
Gain on sales of shares of subsidiaries and associates	1,031	–
Gain on redemption of golf memberships	–	152
Other	12	4
Total extraordinary income	1,071	455
Extraordinary losses		
Loss on retirement of non-current assets	69	17
Loss on valuation of investment securities	–	1,124
Impairment loss	2,657	1,190
Loss on step acquisitions	–	7,640
Other	496	649
Total extraordinary losses	3,223	10,622
Profit before income taxes	36,212	26,430
Income taxes - current	9,392	7,911
Income taxes - deferred	1,151	2,236
Total income taxes	10,543	10,148
Profit	25,668	16,282
Profit attributable to non-controlling interests	1,715	1,939
Profit attributable to owners of parent	23,952	14,342

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Profit	25,668	16,282
Other comprehensive income		
Valuation difference on available-for-sale securities	360	(16,996)
Deferred gains or losses on hedges	(16)	0
Foreign currency translation adjustment	24	(39)
Remeasurements of defined benefit plans, net of tax	(1,470)	(269)
Share of other comprehensive income of entities accounted for using equity method	(100)	(477)
Total other comprehensive income	(1,202)	(17,781)
Comprehensive income	24,465	(1,499)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	23,058	(3,218)
Comprehensive income attributable to non-controlling interests	1,406	1,719

Consolidated statements of changes in equity

Fiscal year ended March 31, 2019

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	28,463	36,723	131,453	(2,441)	194,199
Changes during period					
Dividends of surplus			(3,040)		(3,040)
Profit attributable to owners of parent			23,952		23,952
Purchase of treasury shares				(1,831)	(1,831)
Disposal of treasury shares		74		47	121
Cancellation of treasury shares					-
Change in ownership interest of parent due to transactions with non-controlling interests		0			0
Change in scope of consolidation			(195)		(195)
Net changes in items other than shareholders' equity					
Total changes during period	-	74	20,716	(1,783)	19,007
Balance at end of period	28,463	36,798	152,170	(4,224)	213,207

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	32,551	(27)	6	(5,636)	26,894	13,296	234,390
Changes during period							
Dividends of surplus							(3,040)
Profit attributable to owners of parent							23,952
Purchase of treasury shares							(1,831)
Disposal of treasury shares							121
Cancellation of treasury shares							-
Change in ownership interest of parent due to transactions with non-controlling interests							0
Change in scope of consolidation							(195)
Net changes in items other than shareholders' equity	540	10	11	(1,455)	(893)	78	(815)
Total changes during period	540	10	11	(1,455)	(893)	78	18,192
Balance at end of period	33,091	(17)	17	(7,091)	26,000	13,374	252,582

Fiscal year ended March 31, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	28,463	36,798	152,170	(4,224)	213,207
Changes during period					
Dividends of surplus			(3,770)		(3,770)
Profit attributable to owners of parent			14,342		14,342
Purchase of treasury shares				(3,983)	(3,983)
Disposal of treasury shares		(12)		395	382
Cancellation of treasury shares		(61)	(3,654)	3,715	–
Change in ownership interest of parent due to transactions with non-controlling interests		(43)			(43)
Change in scope of consolidation			(179)		(179)
Net changes in items other than shareholders' equity					
Total changes during period	–	(117)	6,737	127	6,747
Balance at end of period	28,463	36,680	158,907	(4,097)	219,954

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	33,091	(17)	17	(7,091)	26,000	13,374	252,582
Changes during period							
Dividends of surplus							(3,770)
Profit attributable to owners of parent							14,342
Purchase of treasury shares							(3,983)
Disposal of treasury shares							382
Cancellation of treasury shares							–
Change in ownership interest of parent due to transactions with non-controlling interests							(43)
Change in scope of consolidation							(179)
Net changes in items other than shareholders' equity	(17,755)	0	(18)	211	(17,561)	101,820	84,259
Total changes during period	(17,755)	0	(18)	211	(17,561)	101,820	91,007
Balance at end of period	15,336	(16)	(0)	(6,880)	8,439	115,195	343,589

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Cash flows from operating activities		
Profit before income taxes	36,212	26,430
Depreciation	13,491	14,740
Impairment loss	2,657	1,190
Increase (decrease) in allowance for doubtful accounts	(2,535)	(88)
Increase (decrease) in provision for loss on construction contracts	25	13
Increase (decrease) in retirement benefit liability	(2,864)	(963)
Interest and dividend income	(1,627)	(1,952)
Interest expenses	2,194	2,285
Foreign exchange losses (gains)	(183)	196
Share of loss (profit) of entities accounted for using equity method	(3,396)	(4,845)
Loss (gain) on sales of short-term and long-term investment securities	(6)	(174)
Loss (gain) on sales of shares of subsidiaries and associates	(1,031)	567
Loss (gain) on valuation of short-term and long-term investment securities	–	1,124
Loss (gain) on sales of non-current assets	(27)	(116)
Loss (gain) on step acquisitions	–	7,640
Decrease (increase) in trade receivables	(54,340)	6,523
Decrease (increase) in costs on construction contracts in progress	87	(11,537)
Decrease (increase) in inventories	(7)	(284)
Decrease (increase) in consumption taxes refund receivable	(12,316)	10,749
Increase (decrease) in trade payables	18,810	(14,768)
Increase (decrease) in advances received on construction contracts in progress	(2,477)	8,210
Increase (decrease) in deposits received	909	2,583
Other, net	3,420	(8,094)
Subtotal	(3,005)	39,428
Interest and dividends received	3,046	3,633
Interest paid	(2,200)	(2,284)
Income taxes paid	(15,261)	(8,406)
Net cash provided by (used in) operating activities	(17,421)	32,370

(Millions of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Cash flows from investing activities		
Proceeds from redemption of securities	–	30
Purchase of property, plant and equipment and intangible assets	(18,677)	(13,050)
Purchase of rights to operate public facilities	(4,023)	(4,071)
Payments for replacement investment to operate public facilities	(1,444)	(1,180)
Proceeds from sales of property, plant and equipment and intangible assets	102	231
Proceeds from subsidy income	219	46
Purchase of investment securities	(5,888)	(8,975)
Proceeds from sales and redemption of investment securities	300	806
Purchase of shares of subsidiaries and associates	(184)	(1,539)
Proceeds from sales of shares of subsidiaries and associates	1,260	374
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(12,584)
Loan advances	(3,368)	(2,140)
Collection of loans receivable	2,958	3,254
Other, net	(69)	248
Net cash provided by (used in) investing activities	(28,814)	(38,550)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	11,485	88,205
Proceeds from long-term borrowings	10,500	2,500
Repayments of long-term borrowings	(10,782)	(14,810)
Increase in non-recourse loans payable	7,068	–
Decrease in non-recourse payable	(11,255)	(1,819)
Proceeds from issuance of bonds	–	14,909
Redemption of bonds	–	(10,000)
Repayments of finance lease obligations	(329)	(385)
Purchase of treasury shares	(1,795)	(2,204)
Dividends paid	(3,040)	(3,770)
Dividends paid to non-controlling interests	(1,297)	(739)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	–	(150)
Other, net	(66)	(66)
Net cash provided by (used in) financing activities	486	71,667
Effect of exchange rate change on cash and cash equivalents	59	(145)
Net increase (decrease) in cash and cash equivalents	(45,689)	65,341
Cash and cash equivalents at beginning of period	101,885	56,570
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	374	–
Cash and cash equivalents at end of period	56,570	121,912

Non-Consolidated Orders Received, Net Sales and Backlog

1. Orders Received (Millions of Yen)

	Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Public Works	35,474	8.3	29,184	7.1	(6,289)	(17.7)
Private Works	205,571	48.0	208,769	51.1	3,198	1.6
Overseas	6,141	1.4	1,212	0.3	(4,928)	(80.3)
Building Construction	247,186	57.7	239,166	58.5	(8,019)	(3.2)
Public Works	95,698	22.4	63,739	15.6	(31,959)	(33.4)
Private Works	81,964	19.1	90,404	22.1	8,440	10.3
Overseas	760	0.2	2,242	0.5	1,482	194.9
Civil Engineering	178,423	41.7	156,387	38.3	(22,036)	(12.4)
Public Works	131,173	30.6	92,923	22.7	(38,249)	(29.2)
Private Works	287,535	67.2	299,174	73.2	11,639	4.0
Overseas	6,901	1.6	3,455	0.8	(3,446)	(49.9)
Construction Total	425,610	99.4	395,553	96.8	(30,056)	(7.1)
Infrastructure Management	1,039	0.2	1,594	0.4	555	53.4
Real Estate	1,441	0.3	11,397	2.8	9,956	690.9
Total	428,091	100.0	408,546	100.0	(19,544)	(4.6)

2. Net Sales (Millions of Yen)

	Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2020		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Public Works	20,560	5.1	29,325	7.6	8,765	42.6
Private Works	221,593	55.2	187,287	48.4	(34,305)	(15.5)
Overseas	3,036	0.8	4,011	1.0	974	32.1
Building Construction	245,190	61.1	220,624	57.0	(24,566)	(10.0)
Public Works	101,859	25.4	101,233	26.1	(625)	(0.6)
Private Works	49,246	12.3	49,643	12.8	396	0.8
Overseas	2,358	0.6	2,963	0.8	605	25.7
Civil Engineering	153,464	38.2	153,840	39.7	376	0.2
Public Works	122,419	30.5	130,559	33.7	8,139	6.6
Private Works	270,839	67.5	236,930	61.2	(33,909)	(12.5)
Overseas	5,395	1.3	6,974	1.8	1,579	29.3
Construction Total	398,654	99.3	374,464	96.7	(24,190)	(6.1)
Infrastructure Management	1,039	0.3	1,594	0.4	555	53.4
Real Estate	1,578	0.4	11,207	2.9	9,628	609.8
Total	401,273	100.0	387,266	100.0	(14,006)	(3.5)

3. Backlog (Millions of Yen)

	As of March 31, 2019		As of March 31, 2020		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Public Works	45,933	7.7	45,792	7.4	(141)	(0.3)
Private Works	253,920	42.7	275,402	44.7	21,482	8.5
Overseas	3,251	0.5	452	0.1	(2,798)	(86.1)
Building Construction	303,105	50.9	321,648	52.2	18,542	6.1
Public Works	169,342	28.5	131,847	21.4	(37,494)	(22.1)
Private Works	120,384	20.2	161,146	26.1	40,761	33.9
Overseas	2,264	0.4	1,544	0.3	(720)	(31.8)
Civil Engineering	291,991	49.1	294,537	47.8	2,546	0.9
Public Works	215,276	36.2	177,640	28.8	(37,635)	(17.5)
Private Works	374,304	62.9	436,549	70.8	62,244	16.6
Overseas	5,516	0.9	1,997	0.3	(3,519)	(63.8)
Construction Total	595,097	100.0	616,186	100.0	21,089	3.5
Infrastructure Management	–	–	–	–	–	–
Real Estate	111	0.0	301	0.0	190	170.3
Total	595,208	100.0	616,488	100.0	21,279	3.6