

Maeda Corporation



MAEDA

ANNUAL REPORT

For the year ended March 31, 2013

2013

BUILDING AND CIVIL ENGINEERING FOR THE WORLD

MAEDA Corporation Profile

Maeda Corporation is a comprehensive building and civil engineering contractor founded in Japan in 1919 and operating internationally since 1963. Over 3,700 employees have built a portfolio of civil engineering projects around the world, from dams, railways, subways, tunnels and subterranean works to highways and bridges, from water supply systems, to hydro, thermal, and nuclear power stations. Maeda also constructs schools, office buildings, hospitals and other public and commercial buildings and provides other related services.

With accumulated expertise and know-how in areas such as cost reduction, functional enhancement and risk avoidance, Maeda serves complete project needs, from planning and design through construction to maintenance.

Corporate Motto, enacted in January 1968

技 意 誠
術 欲 実

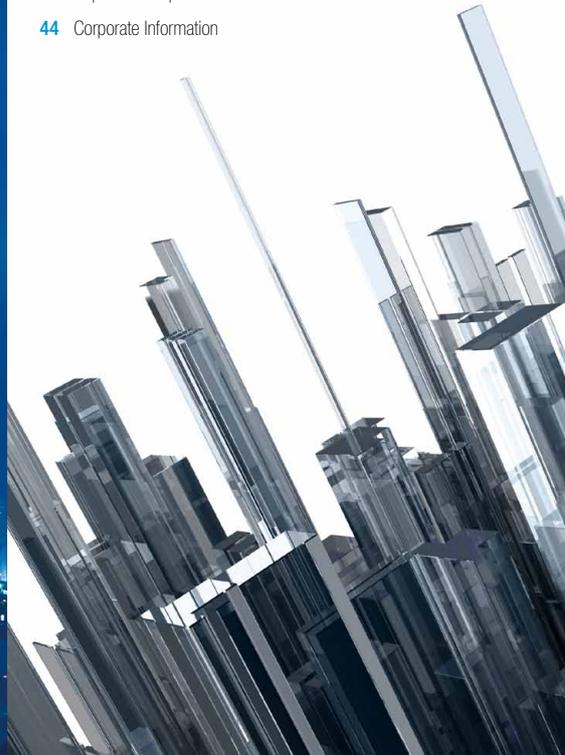


“Sincerity”

As long as business is kept ongoing, a company has to profit from it. Provided, however, that if it merely takes account of making profit regardless of the circumstances, the business may not last long. Only where a company conducts itself sincerely and keeps a genuine rapport with its clients, will its business last and develop. “Sincerity” is a pillar in carrying on business.

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“Willpower”

Being at work which is challenging, one has to fight with his very self. Without self-confidence, whereby one believes he shall in no event lose to anyone else in terms of technology, price and construction period, and without “Willpower” whereby one whips himself into overcoming challenges, no one can proceed with works. In essence, “ownership” does mean a lot to one’s working. “Willpower” is a resource that nourishes morale that is indispensable to one’s work as well as one’s life.

“Technology”

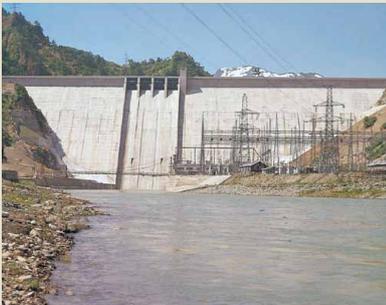
Maeda is a firm that sells its “Technology.” It is Maeda’s constant desire to deliver a work product which, with just a glance at its workmanship, can easily be identified as one completed by Maeda. It is the “Technology” that competitors like to borrow from Maeda, rather than that which Maeda tends to borrow from them, which gives Maeda an edge on them.

Forward-looking statement

This annual report contains forward-looking statements regarding the MAEDA Corporation future plans and strategies, as well as its results, estimates and forecasts. These statements are not based on historical fact, but represent management’s assumptions and beliefs based on information currently available, and involve certain risks and uncertainties. Potential risks and uncertainties include, but are not limited to, intense competition, market demand and various regulations relevant to the construction industry. Actual results and business performance may differ materially from these statements. Accordingly, investors are cautioned not to base investment decisions exclusively on forward-looking statements.

Maeda's history began with the construction of a hydroelectric power plant in 1919. Over 90 years later, Maeda is today broadly active internationally in construction of dams, tunnels and high-rise buildings, with demonstrated capabilities and an earned reputation for reliability.

1955



Tagokura Dam (Fukushima)

Tagokura Dam, a concrete gravity dam located in an upstream area of the Tadami River, was completed in November 1960. The dam height of 145m and volume of 1,985,000m³ made it the largest dam in Asia at the time. This was an enormous, make-or-break project for Maeda Corporation, which had not long before been reorganized and established as a joint-stock company in 1946, after the Second World War. The project attracted considerable attention in Japan, even becoming the subject of several novels. Maeda set a world record for concrete volume poured per day of 8,462m³.

1963



Kwai Chung Development Project (Hong Kong)

In 1963, Maeda, having established a strong track record in Japan, won an order in international competitive bidding for the Kwai Chung Development Project in Hong Kong. The objective for what was phase two of construction in the comprehensive development of the Kwai Chung district, decided upon by the Government of Hong Kong, was the creation of industrial and residential land through reclamation of Gin Drinkers Bay with spoil obtained by leveling the hills on the Lai Chi Kok Peninsula to the east of the bay and the Texaco Peninsula to the west. Although construction was plagued by a continuous onslaught of typhoons and other difficulties, Maeda completed the project by the contract deadline, an accomplishment considered unusual in Hong Kong at the time. Maeda subsequently made Hong Kong a base for expansion of its overseas business activities into Southeast Asia.



Seikan Tunnel (Hokkaido)

The 53.85-km Seikan Tunnel, which travels beneath the Tsugaru Strait and links Honshu and Hokkaido, is the world's longest undersea railway tunnel. Maeda was responsible for construction of the 14.7-km Yoshioka section, the deepest portion of the undersea section of the tunnel, located near the Hokkaido end. Construction began in 1972, and the main tunnel breakthrough occurred in March 1985 after the overcoming of problems of soft ground and water inflow at the incredible rate of 80 tons per minute.

1972

1982



Batang Ai Project (Malaysia)

In the Batang Ai hydroelectric project, Maeda built a main dam and three saddle dams with a height of 85m, length of 810m, and volume of 4 million m³ on Malaysia's Sarawak Island. All four dams are concrete-face rockfill dams, a type of dam of which there were few construction examples in Japan at the time. For the main dam (the Batang Ai Dam), Maeda built a 0.3-m thick steel-reinforced concrete facing by moving slip forms at a speed of 2.5 to 3.5 meters per hour.



Fukuoka Dome (Fukuoka)

The retractable dome roof, made of three fan-shaped panels, is 220m in diameter and 84-m high and takes only about 20 minutes to open or close. The key to achieving the functionality of the retractable dome was construction of the complexly shaped track for the trolleys that move the dome, which is shaped like a gutter with a three-dimensional curved surface. To build the track, Maeda used a construction method adapted from tunneling technology involving the use of a large sliding frame.



Hong Kong International Airport Passenger Terminal Building (Hong Kong)

A five-member consortium of British, Chinese, and Japanese companies including Maeda won the order from the Airport Authority Hong Kong for construction of a passenger terminal building with a total floor area of 498,000m² on a 1,248-hectare artificial island. Hong Kong International Airport is an international hub airport that has consistently been selected as the world's best airport since 2001 by an aviation-related research firm in the U.K. Maeda has subsequently continued to win orders for projects such as area expansion construction.



The Tokyo Towers (Tokyo)

The Tokyo Towers is a residential project consisting of two 193.5-m high-rise buildings housing a total of 2,794 condominium units. Each tower has 2 underground floors and 58 aboveground floors. High-strength concrete was used for the building frames and a four-m thick concrete mat slab for the foundations. Precast concrete materials were used for the columns, beams, corridors, and floors. As an earthquake countermeasure, 576 stud-type dampers have been installed in each tower. A pool, gym, party room, mini-theater and guestrooms are available for the use of residents.

1991

1995



Trans-Tokyo Bay Highway (Chiba)

Maeda was responsible for construction of Kisarazu Artificial Island (Umihotaru, photo), and the northern (eastbound) tunnel from Umihotaru to Kawasaki Artificial Island on the 15.1-km Trans-Tokyo Bay Highway, also known as the Tokyo Bay Aqua-Line, and often called the final large construction project of the 20th century. The large-diameter shield tunneling machine used for the project, the world's largest at the time, was 14.14m in outer diameter and 13.5m in length and weighed 3,200 tons. Leading-edge technologies were applied to segment assembly and direction control, including underground docking of two shield machines under the seabed.

1998

2001



Chiba Consumer Affairs Center (Chiba)

In 2001, Chiba City and a special purpose company, with Maeda as the lead company, entered into a project agreement for the design, construction, operation and maintenance of a public facility (a consumer affairs center and measurement and inspection laboratory complex) and the conduct of periodic inspections of specified measuring instruments previously conducted by Chiba City. The project is modeled on the build-operate-transfer (BOT) financing method, with Maeda designing, building, and owning the complex, which it rents to Chiba City. After thirty years, the complex will be transferred to the city. This approach enables stable, community-based business operation.

2004

2007



Stonecutters Bridge (Hong Kong)

Stonecutters Bridge, which straddles Rambler Channel between Tsing Yi and Cheung Sha Wan, is a component of Route 8, which links Hong Kong International Airport and Sha Tin in Kowloon. It is one of the world's largest cable-stayed bridges: 1,596m in total length, with 289-m high towers, and a main span of 1,018m. Maeda was also in charge of construction of the Kap Shui Mun Bridge in Hong Kong (a cable-stayed bridge for road and railway traffic completed in 1992 shown in the background of the photo). An image of Kap Shui Mun Bridge appears on the Hong Kong \$100 bill.



TAKING ON NEW CHALLENGES

Koichi Obara
President and Representative Director

Since its founding, Maeda Corporation has continually taken on a variety of challenges arising from the needs of the times, and delivered successful solutions: the world's longest and deepest undersea tunnel, the largest rockfill dam in the Asia Pacific region, Japan's first domed baseball stadium with a retractable roof and the country's largest super high-rise residential complex. In addition to this wide-range of technical challenges, Maeda Corporation has begun to address a whole new category of challenge—new business endeavors such as Japan's first PFI (Private Finance Initiative) business.

For the year under review, despite strong gains in sales, the overall business performance was impacted by the increasingly competitive environment in the construction industry in addition to a sudden rise in labor costs and deterioration in the profitability of a large-scale overseas project, and fell well short of target.

Specifically, a fall in profits in the construction business led to an operating loss of ¥7.1 billion, as the Group recorded net losses of ¥5.3 billion. Consolidated net sales that grew by 17.8% from the previous fiscal year in to ¥369.1 billion, were one bright note.

The year ending March 2014 is a fresh start, and we intend to make the most of the opportunities ahead. For starters, the market environment in Japan is expected to undergo a dramatic improvement under the National Infrastructure Resilience Programme, a government growth strategy that aims at building a strong and secure nation with a primary focus on preventing and mitigating

disasters, plus additional resources for infrastructure maintenance and upgrade. The Programme makes active use of PPP (public-private partnerships) and PFI (private finance initiatives). Outside of Japan, newly developing countries, especially those in Asia, are also demanding large amounts of new infrastructure development.

In light of changing social needs and a thorough review of what led to our disappointing performance in the most recent fiscal year, we have developed the new medium-term management plan “Maeda STEP '13 – '15” in order to realize sustainable growth by Maeda Corporation. This plan weights our priorities firmly on the side of profit, not necessarily on pursuing orders for their total value. It has two pillars, 1) ensuring profits in core businesses and 2) establishing new revenue channels.

In line with the new priority, we have set the consolidated business performance targets for 2015, the final year of the new medium-term management plan, at net sales of ¥390.0 billion and operating income of ¥10.0 billion.

Within the framework of “establishing new revenue channels,” Maeda will focus on 1) globalization, 2) de-contracting and 3) environmental management.

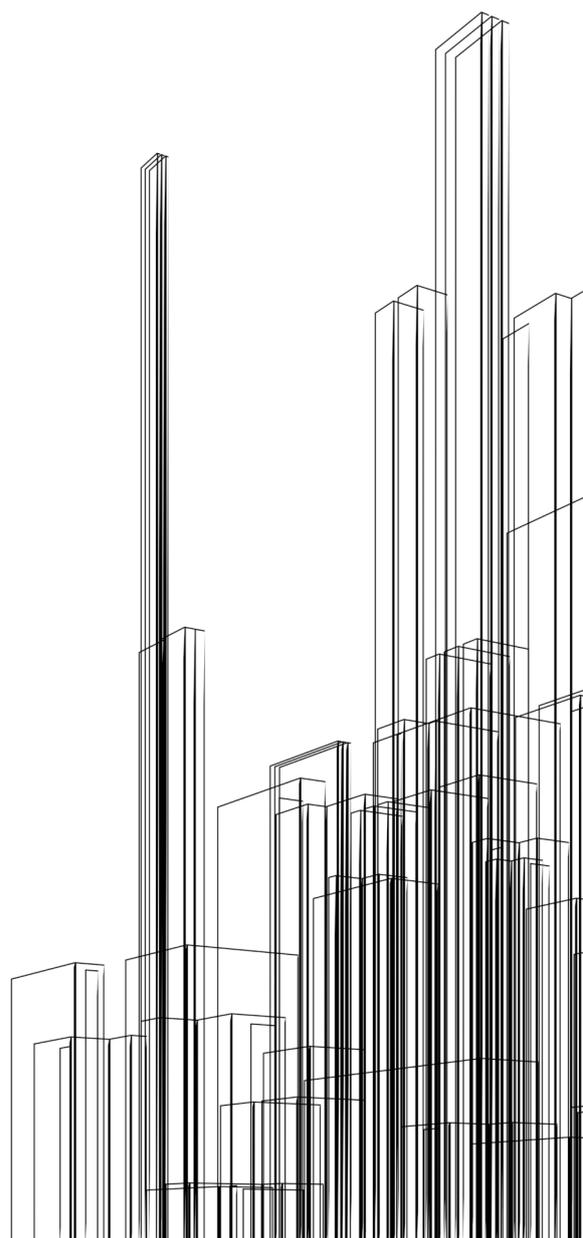
Specifically, to enhance our globalization, we set up the International Operations Division in 2012 while strengthening the management structure for global expansion by, for example, establishing new offices in Myanmar and Indonesia. We have been seeing encouraging results in the business alliance with COFICO, a general contractor in Vietnam as part of our goal to enhance competitiveness and profitability in overseas business by moving forward on alliances with local partners in other regions.

De-contracting is a strategy to capture more of the revenue channels from a given project by providing planning and design upstream of contracting work and services such as operation, inspection and maintenance following completion of construction. A primary area of focus for our de-contracting efforts is renewable energy such as megasolar and offshore wind power generation businesses. We are also aggressively involved in PPP projects in airports and toll roads and other areas with future promise.

Lastly, in environmental management, we are proud of continuing our distinctive environmental conservation activities named “Dividends for the Earth,”¹ since 2009. Maeda, as a corporation, is not only involved in financial contribution activities but also in continuing initiatives to lower the environmental impact of our worksites. Using an eco-point system, Maeda provides proactive support to environmental activities involving its employees under their own initiative as private individuals.

In response to new demands based on social needs in Japan and overseas, Maeda Corporation will take on new challenges by providing value to society in a variety of ways that capitalize on Maeda’s proven know-how and technology. The profits earned as a result will be returned to all of our stakeholders—shareholders, partners, employees, and the earth too. Through this recirculation, we aim for sustainable growth of both Maeda and society.

Note: 1. “Dividends for the Earth” is the name of our unique plan to contribute 2% of consolidated net profit towards environmental conservation of the earth.



Maeda is one of the leading companies in Japan's construction industry. Here are the track records of major works completed in the past year.

BUILDING PROJECTS



Nakamachidai New Residential

This building, located adjacent to a large, verdant public park in the Kohoku New Town district of Yokohama, is a large, seven-story suburban-type housing complex of reinforced concrete structures for 245 families designed and built by Maeda. The exterior is a dignified, classical design modeled after a stone-clad European building that blends in harmoniously with the surroundings.

KYB-Cadac Co., Ltd. New Plant Construction Project

This building, located in the Kaminokura Industrial Park in Ueda City, Nagano Prefecture, is a two-story steel casting plant designed and built by Maeda. The building was designed with improvement of the work environment in the plant and safety in mind. For instance, dust collection ducts in the plant are buried underground. Construction of the plant, which has a total floor area of 31,335m², was completed in just 9.5 months, including the midwinter season, thanks to harmonious cooperation from partner companies and site office personnel.





*BIM is an abbreviation for "building information modeling," a framework for promoting efficiency and streamlining in design, construction, and management processes by digitizing construction information.

Heat Recovery and Recycling Facility

This building is a heat recovery and recycling facility (waste disposal plant) located in Sayo, Sayo-gun, Hyogo Prefecture. The complex, with a total floor area of 11,058m², consists of a four-story steel and steel-reinforced concrete building and two two-story steel buildings. Collaborative design using Maeda's BIM* system made it possible to engage in efficient construction by integrating building and facilities construction.



Oita City Cultural Exchange Complex Facilities Development Project

This building, constructed as a PFI* project, is a multipurpose complex with a total floor area of 38,000m² that has seven functions: exchange, culture, public welfare, health, information, education and industry. As one of the project contractors, Maeda was able to methodically and systematically perform construction work by proposing construction methods from the design stage.

*PFI is an abbreviation for "private finance initiative," a method of building and operating public facilities utilizing private-sector funds, skills, and technologies.

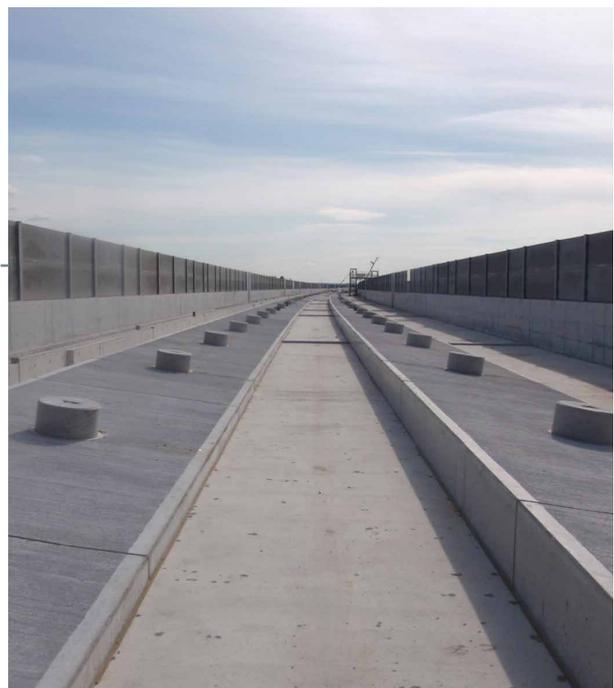
CIVIL ENGINEERING PROJECT

Hokkaido Shinkansen Iida Viaduct

Hokkaido Shinkansen illustration



This was a project to build a viaduct with a total length of 1,906m in Hokkaido, on a 38-km section of the Hokkaido Shinkansen (between Shin-Aomori and Shin-Hakodate) which is currently under construction and scheduled for completion in March 2016. The construction site received numerous visitors and extensive media coverage, and the project played a role in publicizing the Hokkaido Shinkansen. During construction, Maeda maintained close communications with local communities, by measures such as offering tours for students at nearby elementary schools.





National Route 13, Kami-Innai Tunnel Construction

This was a project to build a new 1,585-m tunnel on the Innai Road, a 3-km expressway under construction for use as a bypass on National Route 13 between Kami-innai and Shimo-innai in Yuzawa City, Akita Prefecture. This area is one with some of the heaviest snowfalls in the Tohoku Region, and the purpose of the bypass is to ensure wintertime traffic safety and reduce the number of traffic accidents. Since there are residential areas and hot spring facilities nearby, Maeda took measures to prevent noise, vibration and muddy water.



Nissai Akanuma Road Bridge Superstructure and Substructure Construction

This was a project to build the superstructure embankments for abutments and river protection on both sides of a bridge on the Nissai Akanuma Road, a municipal road in Sakado City. The bridge, with a total length of 219.2m and an effective width of 16.0m, spans the Oppe River, a Class-A river in the Arakawa River system. Since the main deck girder is narrow (approximately 6.8m in width), the bridge employs an innovative structure with reinforced concrete pillars supporting pedestrian walkways that jut out from the main girder. The project involved work within the river channel, and Maeda applied their ingenuity in ways such as limiting the principal construction work to the low-water season.

Toyomi Hydroelectric Power Plant Renewal Project

This was a project for large-scale repair work on a hydroelectric power plant that Maeda built on the left bank of the Agano River in Agano, Niigata Prefecture from 1927 to 1929, soon after the company was founded. The objective was to increase the plant's maximum power output from 56,400kW to 61,700kW through equipment efficiency improvements, while utilizing the existing dam, fishway and other facilities. Maeda engaged in environment-friendly construction practices such as effectively utilizing the many resulting concrete masses for purposes such as recycled aggregate concrete and backfill material within the site.



As demand in the construction market in Asia grows, seizing opportunities in Southeast Asia.

Gain a stronger foothold and Cultivate new operational bases

India

Mainly working for Japanese manufacturers. Offices in Delhi and Chennai

Myanmar

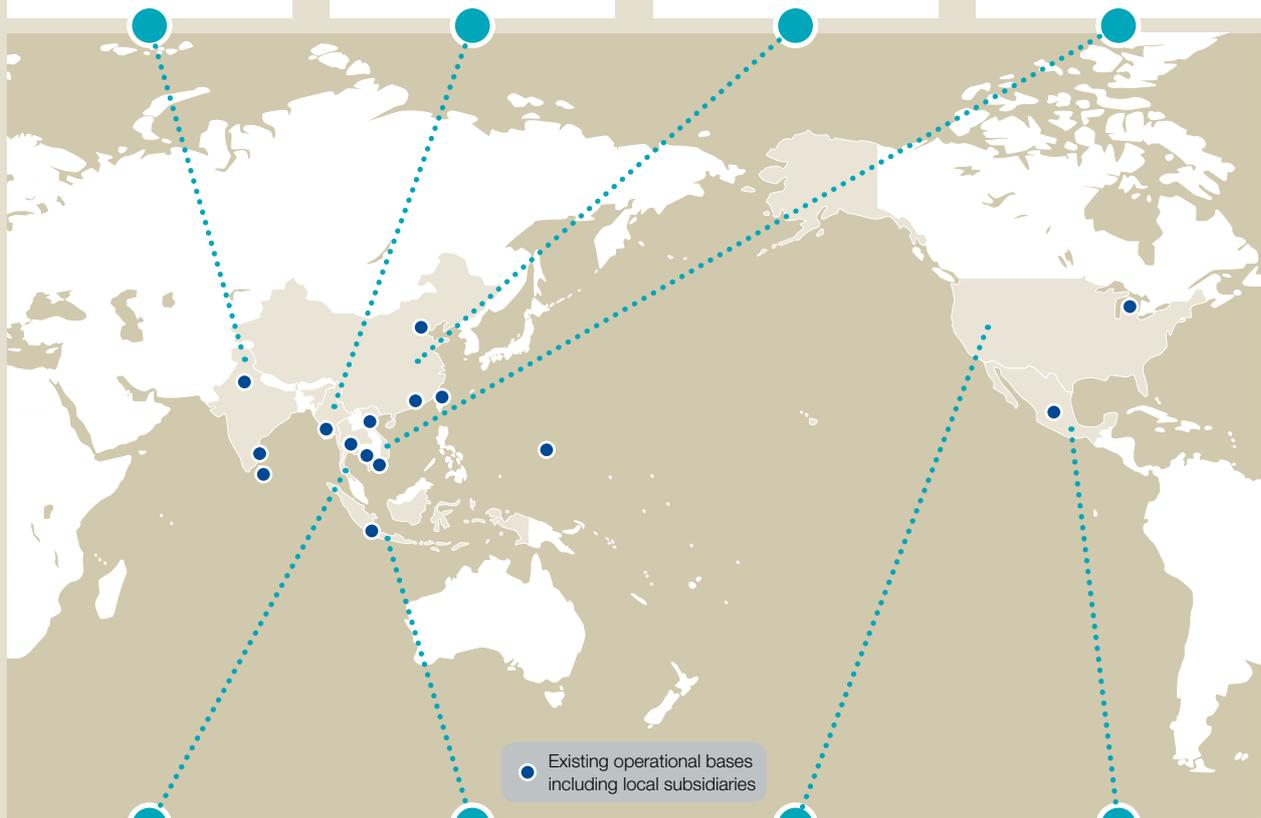
Promising attractive construction market with growth potential, opened new office in Yangon in Jan. 2013

China

Over 50 years in Hong Kong. And providing consultancy services in China

Vietnam

Enhancing ties with local partner to increase competitiveness



Thailand

Entered into Thailand in 1964 with a highway project, and established local subsidiary in 1984

Indonesia

Many Japanese manufacturers are entering the market. Reopened office in Jan. 2013

U.S.A.

Started business in 1985, mainly working on building works

Mexico

New office to be opened in 2013

Maeda's CSR

AIMING TO BE A COMPANY THAT IS NEEDED BY THE SOCIETY AND ITS CLIENTS.

Conceptual photo:

The Yasuoka Offshore
Wind Power Project
(provisional title) in
Shimonoseki city
Yamaguchi prefecture



Maeda has been conducting its business activities concentrating on the four promises to stakeholders to realize a sustainable society. By taking on the challenge of social issues through its business, Maeda aims to become a company needed by its stakeholders, including society and our clients.

Considering an Energy Portfolio

After the experience with the tsunami-caused nuclear power plant accident following the Great East Japan Earthquake, the country faces the critical challenge of finding the means to secure safe and reliable energy.

Embarking on its environmental business, Maeda has pushed ahead with renewable energy initiatives earlier than other companies in its field. Through acquisition of an EPC business involved in facilities construction for terrestrial wind power and our experience in solar power generation on Company sites, we have amassed considerable know-how in renewable energy production.

Capitalizing on this expertise, we are moving ahead with plans to enter big projects as a business operator. The offshore wind power business near Shimonoseki City in Yamaguchi Prefecture is one example of these projects. Involving itself not only in facilities construction, Maeda is expanding into “de-contracting”— a business area where the Company can leverage its corporate advantages.

In this way, Maeda has tied its business to pressing social issues and is embarking on new initiatives in these areas through our business operations.

Promises to Stakeholders

Supply of construction services for structures of high quality

>> See P.06

Initiatives to conserve the environment

Here

Social and regional contribution activities as a corporate citizen

Here

Compliance

>> See P.12

The Earth and the Future are also Maeda Stakeholders

Dividends for the Earth

The earth and the corporation, what kind of relationship do they have?

A construction company, for example, conducts its business with numerous resources and materials supplied from the earth, including oil, cement, lumber and steel.

Corporations have benefited from these resources in a one-sided manner as simple blessings from the earth. Maeda believes it is necessary to move a step away from this conventional corporate business relationship with the earth.

What this means is to transform the concept of our relationship to one in which the earth invests resources in our business, and just as we set aside a portion of the added value we produce and return it to our shareholders, we must consider it an obligation to redeem and distribute a portion of its invested value to repay our obligation to the earth.

This distribution is called “Dividends for the Earth.” We have set our aim at taking 2% of consolidated net profit and donating it to non-business activities that contribute to the earth’s environment. In the year ended



March 31, 2013, this total dividend distribution amounted to ¥40 million.

In implementing “Dividends for the Earth,” Maeda will put its pledge behind the non-business nature and the transparency of the contribution. The main actor will no longer be “the corporation,” but rather “those bearing responsibility for the earth’s environment and its activities.” We have therefore established the “Maeda Green Commitment” as an integrated plan for directing contributions based on “a Dividends for the Earth.”

Maeda will promote a variety of activities in such areas as environmental education, forest management, and preserving biodiversity by earning the cooperation of employees and their families together with the local community and non-profit organizations.

Structure and Internal Controls

Structure

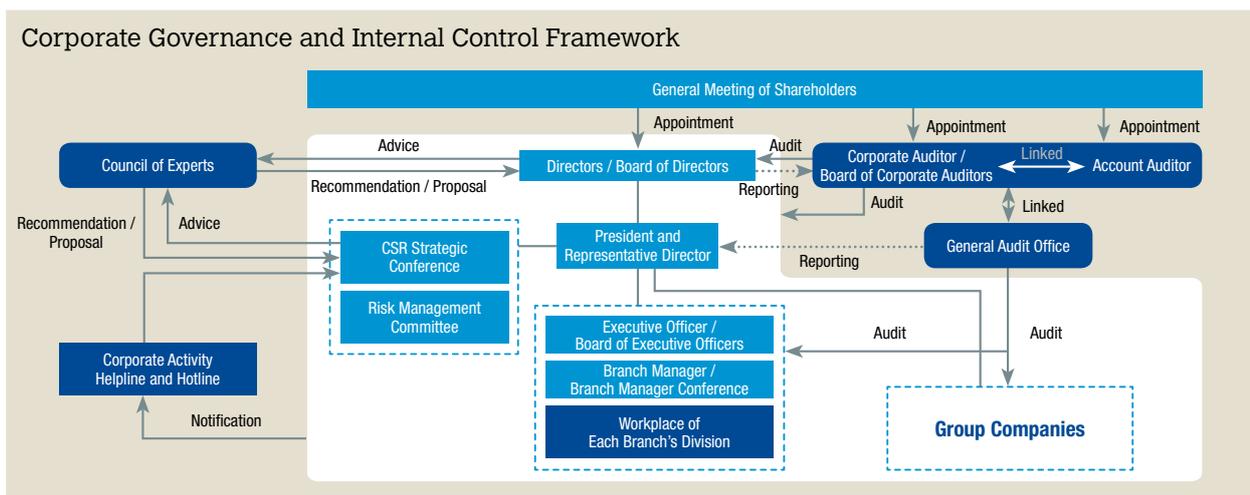
Maeda Corporation has put in place a management structure that aims to raise the efficiency, soundness, and transparency of business management and to better fulfill our responsibility to explain our business activities. We have introduced an executive officer system and shortened directors' terms of office to one year. As a measure to reinforce corporate governance, we have appointed two outside directors (out of a total of 13), and as a measure to reinforce the checking function, we have appointed three outside corporate auditors. The outside directors and outside corporate auditors attend all Board of Directors meetings. We have also established a "Council of Experts" composed of the President, responsible executive officers

and outside experts in law and accounting. The Expert Committee meets every month.

Internal controls

• Operation of an internal control system

In pursuit of thorough and consistent internal controls, Maeda has declared the basic policy of the internal control system and, with the aim of raising the effectiveness of the internal control system, has established a "CSR Strategy Committee" and a "Risk Management Committee" run at the upper management level with the President serving as Chairman, together with a "General Audit Office" to conduct audits independent of the execution departments.

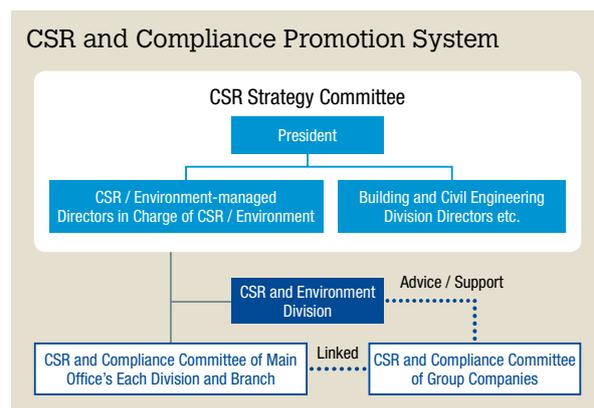


CSR and Compliance

Structure

Each company in the Maeda Group has established a corporate conduct charter and constructed a CSR and compliance system, and is rolling out activities in this area while creating linkages among these systems. Among the initiatives advanced in the CSR and compliance areas, a CSR and Compliance Committee has been set up at each business division, branch office, and Group company. Appointed committee members supplement the President, General Managers of Branches and Head Office and Division General Managers. And, in order to broaden, deepen, and firmly establish various activities related to CSR and compliance, the Company strives to have its company-wide policies assimilated in each

workplace in a thorough and consistent manner as well as to move forward on education, legal compliance, and locally based social contribution activities.



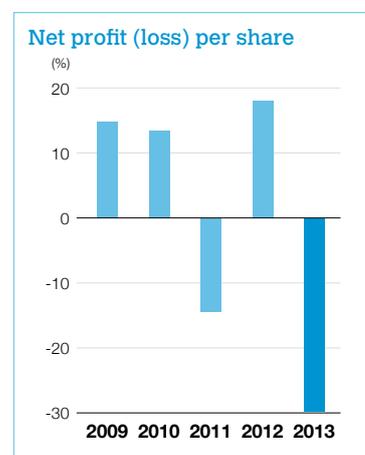
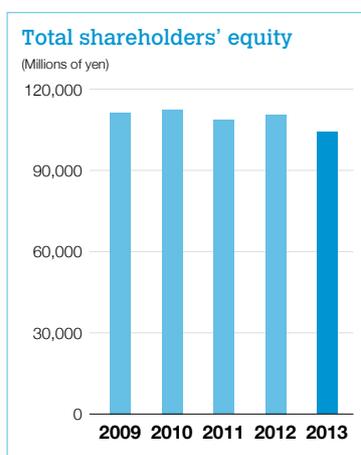
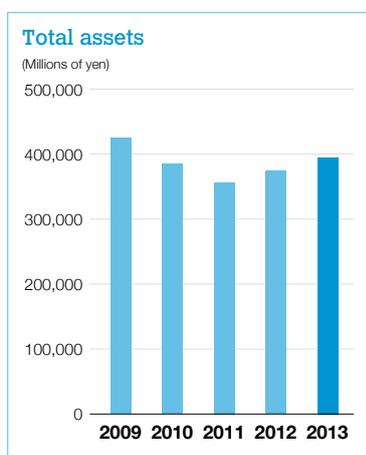
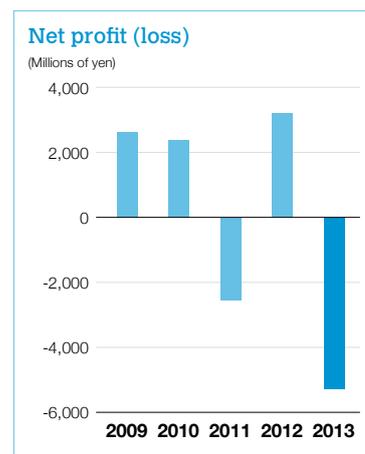
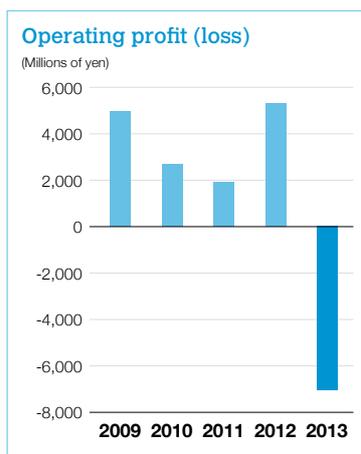
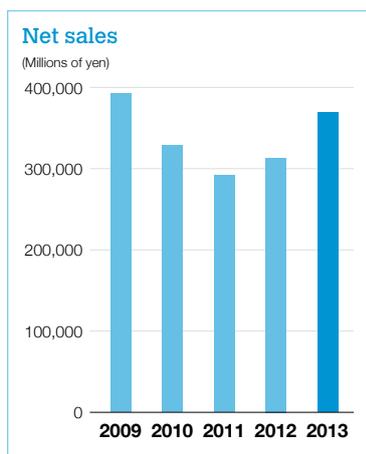
Consolidated Financial Highlights

Maeda Corporation and its consolidated subsidiaries
Years ended March 31

	Millions of yen		Thousands of U.S. dollars (Note)
	2012	2013	2013
For the year:			
Net sales	¥313,327	¥369,158	\$3,925,125
Operating profit (loss)	5,299	(7,051)	(74,971)
Net profit (loss)	3,197	(5,272)	(56,055)
At year-end:			
Total assets	373,950	394,633	4,195,991
Total shareholders' equity	110,628	104,112	1,106,985

Per share:	Yen	U.S. dollars
	Net profit (loss)	18.07
Cash dividends	7.00	7.00

Note: U.S. dollar amounts in the financial statements are translated from yen, for convenience only, at the rate of at ¥94.05 = U.S.\$1.00, the exchange rate prevailing on March 31, 2013.



Consolidated Balance Sheets

Maeda Corporation and Subsidiaries
As of March 31

ASSETS	Millions of yen		Thousands of U.S. dollars (Note 5)
	2012	2013	2013
Current assets:			
Cash and time deposits	¥ 33,398	¥ 35,002	\$ 372,164
Marketable securities (Notes 6 & 7)	403	—	—
Trade receivables:			
Notes	3,316	2,144	22,796
Accounts	117,371	126,096	1,340,734
Allowance for doubtful accounts	(524)	(406)	(4,317)
	120,163	127,834	1,359,213
Inventories (Notes 10 & 11)	44,470	37,136	394,854
Deferred tax assets (Note 14)	104	122	1,297
Other current assets	26,405	31,688	336,927
Total current assets	224,943	231,782	2,464,455
Investments and other assets:			
Investments in securities (Notes 6, 7 & 11)	42,708	54,150	575,758
Investments in and advances to unconsolidated subsidiaries and affiliates	36,680	39,102	415,758
Deferred tax assets (Note 14)	93	92	978
Intangible fixed assets	650	695	7,390
Long-term loans receivable	2,581	2,520	26,794
Claims provable in bankruptcy and other	8,626	8,183	87,007
Other investments	5,325	5,286	56,204
Allowance for doubtful accounts	(6,703)	(6,632)	(70,516)
Total investments and other assets	89,960	103,396	1,099,373
Property and equipment, at cost: (Note 11)			
Buildings and structures	58,768	58,423	621,191
Machinery and equipment	24,207	26,288	279,511
Vehicles	3,466	3,166	33,663
Tools, furniture and fixtures	6,875	7,194	76,491
Land	31,859	31,763	337,724
Construction in progress	3,137	2,764	29,389
Leased assets	390	754	8,017
	128,702	130,352	1,385,986
Accumulated depreciation	(69,655)	(70,897)	(753,823)
Property and equipment, net	59,047	59,455	632,163
TOTAL ASSETS	¥ 373,950	¥ 394,633	\$ 4,195,991

The accompanying notes are an integral part of the statements.

LIABILITIES & NET ASSETS	Millions of yen		Thousands of U.S. dollars (Note 5)
	2012	2013	2013
Current liabilities:			
Short-term debt (Note 11)	¥ 44,707	¥ 40,469	\$ 430,292
Trade payables	62,312	81,151	862,850
Lease obligations	90	114	1,212
Advances on construction work in progress	30,498	33,065	351,568
Accrued income taxes	976	452	4,806
Allowance for repairs and warranty	486	412	4,381
Accrued bonuses for employees	1,978	1,735	18,448
Accrued bonuses for directors	11	29	308
Reserve for defects on completed works	581	778	8,272
Allowance for loss on construction contracts (Note 19)	2,175	4,290	45,614
Reserve for indemnification for completed contracts in prior fiscal years	174	0	0
Other current liabilities	20,136	26,890	285,912
Total current liabilities	164,124	189,385	2,013,663
Long-term liabilities:			
Long-term debt (Note 11)	62,845	54,225	576,555
Lease obligations	271	506	5,380
Reserve for retirement benefits (Note 13)	17,241	17,637	187,528
Deferred tax liabilities (Note 14)	3,424	6,811	72,419
Other long-term liabilities	4,886	4,512	47,975
Total long-term liabilities	88,667	83,691	889,857
Commitments & contingent liabilities (Note 16)			
Net Assets			
Shareholders' equity:			
Common stock (Note 21)	23,455	23,455	249,389
Additional paid-in capital	31,715	31,715	337,214
Retained earnings	57,882	51,369	546,188
Treasury stock, at cost	(2,424)	(2,427)	(25,806)
Total shareholders' equity	110,628	104,112	1,106,985
Accumulated other comprehensive income:			
Unrealized gain on investments in securities	6,944	13,710	145,773
Foreign currency translation adjustments	(32)	(19)	(202)
Total accumulated other comprehensive income	6,912	13,691	145,571
Minority interests in consolidated subsidiaries	3,619	3,754	39,915
Total net assets	121,159	121,557	1,292,471
TOTAL LIABILITIES & NET ASSETS	¥ 373,950	¥ 394,633	\$ 4,195,991

The accompanying notes are an integral part of the statements.

Consolidated Statements of Income

Maeda Corporation and Subsidiaries
For the years ended March 31, 2012 and 2013

	Millions of yen		Thousands of U.S. dollars (Note 5)
	2012	2013	2013
Net sales	¥ 313,327	¥ 369,158	\$ 3,925,125
Cost of sales (Note 19)	287,220	353,916	3,763,062
Gross profit	26,107	15,242	162,063
Selling, general and administrative expenses (Note 17)	20,808	22,293	237,034
Operating profit (loss)	5,299	(7,051)	(74,971)
Other income (expenses):			
Interest and dividend income	1,008	854	9,080
Interest expenses	(2,135)	(1,843)	(19,596)
Gain on sale of investments in securities	32	21	223
Loss on sale of investments in securities	(320)	(88)	(936)
Loss on valuation of investments in securities	(373)	(130)	(1,382)
Foreign exchange gain (loss)	(525)	1,223	13,004
Gain on equity method investments	1,894	2,687	28,570
Impairment loss on fixed assets (Note 9)	(38)	(54)	(574)
Provision for doubtful accounts	(272)	—	—
Restoration support for the Great East Japan Earthquake	(144)	—	—
Other, net	(330)	(383)	(4,072)
	(1,203)	2,287	24,317
Profit (loss) before income taxes and minority interests	4,096	(4,764)	(50,654)
Income taxes:			
Current	790	406	4,317
Deferred	(22)	(19)	(202)
	768	387	4,115
Profit (loss) before minority interests	3,328	(5,151)	(54,769)
Minority interests in net income (loss) of consolidated subsidiaries	131	121	1,286
Net profit (loss)	¥ 3,197	¥ (5,272)	\$ (56,055)

	Yen	U.S. dollars
Per share:		
Primary earnings	¥ 18.07	¥ (29.74)
		\$ (0.32)

The accompanying notes are an integral part of the statements.

Consolidated Statements of Comprehensive Income

Maeda Corporation and Subsidiaries
For the years ended March 31, 2012 and 2013

	Millions of yen		Thousands of U.S. dollars (Note 5)
	2012	2013	2013
Profit (loss) before minority interests	¥ 3,328	¥ (5,151)	\$ (54,769)
Other comprehensive income:			
Unrealized gain (loss) on investments in securities	¥ 345	¥ 6,641	\$ 70,612
Share of other comprehensive income of companies accounted for by equity method	115	147	1,563
Total other comprehensive income (Note 20)	460	6,788	72,175
Total comprehensive income	¥ 3,788	¥ 1,637	\$ 17,406
Total comprehensive income attributable to:			
Shareholders of Maeda Corporation	¥ 3,709	¥ 1,508	\$ 16,034
Minority interests	79	129	1,372

The accompanying notes are an integral part of the statements.

Consolidated Statements of Changes in Net Assets

Maeda Corporation and Subsidiaries
For the years ended March 31, 2012 and 2013

Millions of yen

	Shareholders' equity				Total shareholders' equity	Accumulated other comprehensive income			Minority interests in consolidated subsidiaries	Total net assets
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock, at cost		Unrealized gain on investments in securities	Foreign currency translation adjustments	Total Accumulated other comprehensive income		
Balance at April 1, 2011	¥ 23,455	¥ 31,710	¥ 55,923	¥ (2,519)	¥ 108,569	¥ 6,430	¥ (30)	¥ 6,400	¥ 3,470	¥ 118,439
Changes during the year:										
Cash dividends paid at ¥7.0 per share	—	—	(1,238)	—	(1,238)	—	—	—	—	(1,238)
Net profit for the year	—	—	3,197	—	3,197	—	—	—	—	3,197
Acquisition of treasury stock	—	—	—	(0)	(0)	—	—	—	—	(0)
Sale of treasury stock	—	5	—	95	100	—	—	—	—	100
Net changes other than shareholders' equity	—	—	—	—	—	514	(2)	512	149	661
Total changes during the year	—	5	1,959	95	2,059	514	(2)	512	149	2,720
Balance at April 1, 2012	¥ 23,455	¥ 31,715	¥ 57,882	¥ (2,424)	¥ 110,628	¥ 6,944	¥ (32)	¥ 6,912	¥ 3,619	¥ 121,159
Changes during the year:										
Cash dividends paid at ¥7.0 per share	—	—	(1,241)	—	(1,241)	—	—	—	—	(1,241)
Net loss for the year	—	—	(5,272)	—	(5,272)	—	—	—	—	(5,272)
Acquisition of treasury stock	—	—	—	(3)	(3)	—	—	—	—	(3)
Sale of treasury stock	—	—	—	—	—	—	—	—	—	—
Net changes other than shareholders' equity	—	—	—	—	—	6,766	13	6,779	135	6,914
Total changes during the year	—	—	(6,513)	(3)	(6,516)	6,766	13	6,779	135	398
Balance at March 31, 2013	¥ 23,455	¥ 31,715	¥ 51,369	¥ (2,427)	¥ 104,112	¥ 13,710	¥ (19)	¥ 13,691	¥ 3,754	¥ 121,557

Thousands of U.S. dollars (Note 5)

	Shareholders' equity				Total shareholders' equity	Accumulated other comprehensive income			Minority interests in consolidated subsidiaries	Total net assets
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock, at cost		Unrealized gain on investments in securities	Foreign currency translation adjustments	Total Accumulated other comprehensive income		
Balance at April 1, 2012	\$ 249,389	\$ 337,214	\$ 615,439	\$ (25,774)	\$ 1,176,268	\$ 73,833	\$ (340)	\$ 73,493	\$ 38,480	\$ 1,288,241
Changes during the year:										
Cash dividends paid at \$0.09 per share	—	—	(13,195)	—	(13,195)	—	—	—	—	(13,195)
Net loss for the year	—	—	(56,056)	—	(56,056)	—	—	—	—	(56,056)
Acquisition of treasury stock	—	—	—	(32)	(32)	—	—	—	—	(32)
Sale of treasury stock	—	—	—	—	—	—	—	—	—	—
Net changes other than shareholders' equity	—	—	—	—	—	71,940	138	72,078	1,435	73,513
Total changes during the year	—	—	(69,251)	(32)	(69,283)	71,940	138	72,078	1,435	4,230
Balance at March 31, 2013	\$ 249,389	\$ 337,214	\$ 546,188	\$ (25,806)	\$ 1,106,985	\$ 145,773	\$ (202)	\$ 145,571	\$ 39,915	\$ 1,292,471

The accompanying notes are an integral part of the statements.

Consolidated Statements of Cash Flows

Maeda Corporation and Subsidiaries
For the years ended March 31, 2012 and 2013

	Millions of yen		Thousands of U.S. dollars (Note 5)
	2012	2013	2013
Cash Flows from Operating Activities:			
Profit (loss) before income taxes and minority interests	¥ 4,096	¥ (4,764)	\$ (50,654)
Depreciation	4,353	3,946	41,956
Impairment loss on fixed assets	38	54	574
Increase (decrease) in allowance for doubtful accounts	5	(189)	(2,010)
Increase (decrease) in allowance for losses on construction contracts	825	2,115	22,488
Increase (decrease) in reserve for retirement benefits	412	396	4,210
Interest and dividend income	(1,008)	(854)	(9,080)
Interest expenses	2,135	1,843	19,596
Foreign exchange loss (gain)	64	(554)	(5,890)
Loss (gain) on sales of short-term and long-term investment securities	288	85	904
Loss (gain) on valuation of short-term and long-term investment securities	471	61	649
(Increase) decrease in trade receivables	(11,655)	(7,553)	(80,308)
(Increase) decrease in construction work in progress	1,695	(225)	(2,392)
(Increase) decrease in other inventories	(327)	7,909	84,093
(Increase) decrease in consumption tax receivables	(634)	383	4,072
Increase (decrease) in trade payables	13,117	18,839	200,308
Increase (decrease) in advances on construction work in progress	7,312	2,566	27,283
Other	198	(2,299)	(24,444)
Sub-total	21,385	21,759	231,355
Receipt of interest and dividend income	1,309	1,653	17,576
Payment of interest expenses	(2,107)	(1,820)	(19,351)
Payment of income taxes	(171)	(852)	(9,059)
Cash flows provided by operating activities	20,416	20,740	220,521
Cash Flows from Investing Activities:			
Proceeds from sale and redemption of marketable securities	—	406	4,317
Acquisition of property and equipment and intangible assets	(2,702)	(4,734)	(50,335)
Proceeds from sale of property and equipment and intangible assets	170	347	3,689
Acquisition of investments in securities	(1,286)	(1,695)	(18,022)
Proceeds from sale of investments in securities	469	131	1,393
Lending of long-term loans receivable	(46)	(209)	(2,222)
Collection of long-term loans receivable	288	300	3,190
Other	(639)	954	10,143
Cash flows used in investing activities	(3,746)	(4,500)	(47,847)
Cash Flows from Financing Activities:			
Increase (decrease) in short-term loans	(5,703)	(7,777)	(82,690)
Increase in long-term loans	4,500	14,700	156,300
Repayment of long-term loans	(2,793)	(20,964)	(222,903)
Proceeds from issuance of bonds	14,905	9,952	105,816
Repayment of bonds	(20,000)	(8,876)	(94,375)
Payment of finance lease obligations	(91)	(112)	(1,191)
Payment of cash dividends	(1,238)	(1,241)	(13,195)
Sale of treasury stock	100	—	—
Acquisition of treasury stock	(0)	(1)	(11)
Cash flows used in financing activities	(10,320)	(14,319)	(152,249)
Exchange difference of cash and cash equivalents	(112)	612	6,507
Increase (decrease) in cash and cash equivalents	6,238	2,533	26,932
Cash and cash equivalents at beginning of the year	25,953	32,191	342,276
Cash and cash equivalents at end of the year	¥ 32,191	¥ 34,724	\$ 369,208

The accompanying notes are an integral part of the statements.

Notes to the Consolidated Financial Statements

Maeda Corporation and Subsidiaries

01 Basis of Presenting Consolidated Financial Statements

(1) Accounting principles and presentation

Maeda Corporation (the "Company") and its consolidated subsidiaries maintain their books of account in conformity with the financial accounting standards of Japan, and, its foreign subsidiaries maintain their books of account in conformity with those countries of domicile.

Effective April 1, 2008, the Company adopted the "Practical Solution to Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements (PITF No.18)". In accordance with PITF No.18, the accompanying consolidated financial statements for the years ended March 31, 2012 and 2013 have been prepared by using, the accounts of foreign consolidated subsidiaries prepared in accordance with either International Financial Reporting Standards (IFRS) or accounting principles generally accepted in the United States as adjusted for certain items. Until March 31, 2008, the accompanying consolidated financial statements had been prepared by using the accounts of foreign consolidated subsidiaries prepared in accordance with accounting principles generally accepted in their countries of domicile.

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of IFRS, and have been compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Law of Japan.

Certain amounts in the prior years' financial statements have been reclassified to conform to the current year's presentation.

Certain reclassifications have been made to present the accompanying consolidated financial statements in a format which is familiar to readers outside Japan.

(2) Scope of consolidation

The Company has nineteen (19) subsidiaries ("controlled companies", wherein the decision-making body of entity is controlled) as of March 31, 2013. The accompanying consolidated financial statements include the accounts of the Company and seven (7) significant subsidiaries, controlled directly or indirectly by the Company, as listed below:

Consolidated subsidiaries:

Name of subsidiary	Segment (Main business)	Equity ownership percentage	March 31, 2013	
			Millions of yen	Thousands of U.S. dollars
Maeda Seisakusho Co., Ltd.	Other (Manufacturing, sales and rental of construction machinery and others)	43.0% *{0.7} **{9.8}	¥ 3,160	\$ 33,599
JM Corporation	Building	100.0 *{—}	350	3,721
Fujimi Koken Co., Ltd.	Other (Production and sales of construction materials)	50.0 *{—}	250	2,658
Fujimi Building Services Co., Ltd.	Building	75.0 *{25.0}	100	1,063
Seiyu Estate Co., Ltd.	Real estate	98.8 *{2.4}	50	532
Miyama Kogyo Co., Ltd.	Civil engineering	74.2 *{24.2}	25	266
Anonymous Association—Aomi Seaside Project	Real estate	— *{—}	—	—

* The corresponding figures represent the indirect ownership percentage included in "Equity ownership percentage."

** The corresponding figure represents the ownership percentage of those closely related or with ties to the Company not included in "Equity ownership percentage."

Note: One of the consolidated subsidiaries, Anonymous Association—Shinonome Residential Tower was liquidated during the period ended March 31, 2013.

The accounts of the other twelve (12) subsidiaries have not been consolidated with the Company because of the insignificant amount of total assets, net sales, net profit and retained earnings, but two (2) of the unconsolidated subsidiaries are accounted for by the equity method.

(3) Consolidation and elimination

For the purposes of preparing the consolidated financial statements, all significant inter-company transactions, account balances and unrealized profits among the Company and its consolidated subsidiaries have been eliminated, and the portion thereof attributable to minority interests is charged to minority interests.

Differences between the cost and the underlying net equity at fair value of investments in consolidated subsidiaries and in companies which are accounted for by the equity method are amortized by the straight-line method over periods not exceeding 5 years. However, immaterial goodwill and negative goodwill are charged or credited to income in the year of acquisition.

(4) Investments in unconsolidated subsidiaries and affiliates

As of March 31, 2013, the Company has twelve (12) affiliates (“influenced companies”, wherein the financial and operating or business decision-making body of an entity that is not a subsidiary can be influenced to a material degree).

Investments in two (2) unconsolidated subsidiaries and four (4) affiliates are accounted for by the equity method, under which the Company’s equity in the net profit of these affiliates is included in consolidated profit with appropriate elimination of inter-company profit as of March 31, 2013, and for the year then ended. The remaining investments in unconsolidated subsidiaries and affiliates are stated at cost since the investments do not have a material effect on consolidated net profit and retained earnings in the consolidated financial statements.

Major unconsolidated subsidiary accounted by the equity method;

Thai Maeda Corporation Ltd.

Major affiliates accounted by the equity method;

Maeda Road Construction Co., Ltd.

Toyo Construction Co., Ltd.

Major unconsolidated subsidiary not accounted by the equity method;

Chiba City Consumer Life PFI Service Co., Ltd.

Major affiliate not accounted by the equity method;

Jindai Hospital Parking Service Co., Ltd.

02 Summary of Significant Accounting Policies

(1) Revenue recognition

Sales are recognized by the percentage-of-completion method for the construction contracts, whose profit/loss and stage of completion of the contracts can be estimated reliably at the balance sheet date, and by the completed-contract method for the other construction contracts.

Sales for the year ended March 31, 2013 include ¥290,451 million (\$3,088,262 thousand) of sales based on the percentage-of-completion method.

(2) Financial instruments

1) Securities

Bonds held to maturity: Amortized cost method

Other securities:

Securities with market value:

Market price method based on the market value as of the balance sheet date. (Net unrealized gains or losses on these securities are reported as a separate item in net assets at a net-of-tax amount, and sales costs are calculated based on the moving average cost method.)

Securities without market value:

Moving average cost method

2) Derivatives

All derivatives are stated at fair value, with changes in fair value included in net profit or loss for the period in which they arise, except for derivatives that are designated as “hedging instruments”.

Gains or losses arising from changes in fair value of the derivatives designated as “hedging instruments” are deferred as assets or liabilities and included in net profit or loss in the same period

during which the gains and losses on the hedged items or transactions are recognized.

The derivatives designated as hedging instruments by the Company are principally interest rate swaps and forward foreign exchange contracts. The related hedged items are trade accounts receivable and payable, long-term bank loans, and debt securities issued by the Company.

The Company has a policy of utilizing the above hedging instruments in order to reduce the Company's exposure to the risks of interest rate and exchange rate fluctuations. Thus, the Company's purchases of the hedging instruments are limited to, at maximum, the amounts of the hedged items.

The Company evaluates effectiveness of its hedging activities by reference to the accumulated gains or losses on the hedging instruments and the related hedged items from the commencement of the hedges.

(3) Inventories

Construction work in progress is stated at the specific identification cost.

Real estate held for sale, merchandise and finished products, project costs for development and others and materials in stock are stated at the specific identification cost (write-down according to decreased profitability method).

(4) Property and equipment

Depreciation costs of property and equipment are computed by the declining balance method over the estimated useful lives of respective assets except for buildings (not including facilities annexed to buildings) acquired after April 1, 1998, whose depreciation costs are computed by the straight-line method over the estimated useful lives of respective assets.

Useful lives and residual values of property and equipment are in accordance with the Corporation Tax Act of Japan.

Depreciation costs of certain tangible assets held by certain consolidated subsidiaries are computed in the proportion that production for a period relates to management's estimate of production.

(5) Intangible fixed assets and long-term prepaid expense

The straight-line method is adopted. Software for the Company is amortized by the straight-line method over 5 years, the useful life set by the Company.

(6) Leased assets

The leased assets under finance lease contracts that transfer ownership to the lessee are depreciated by the same method applicable to the Company's own fixed assets, but the leased assets that do not transfer ownership are fully depreciated to a zero residual value by the straight-line method over the period of the lease contract.

Finance lease contracts that do not transfer ownership to the lessee, which had commenced prior to the adoption of the "Accounting Standard for Lease Transactions" (Accounting Standards Board of Japan (ASBJ) Statement No. 13), out of the finance lease contracts without title-transfer are accounted for as ordinary operating lease contracts.

(7) Bond issuance expense

Bond issuance expenses are fully amortized at the time of issuance.

(8) Allowance for doubtful accounts

The Company and consolidated subsidiaries provide the allowance for doubtful accounts by the method which uses the percentage of its own actual experience of bad debt loss written off against the balance of total receivables plus the amount deemed necessary to cover individual accounts estimated to be uncollectible.

(9) Allowance for repairs and warranty

An allowance for repair costs of heavy machinery has been provided based on an estimate cost as of the end of the fiscal year.

(10) Accrued bonuses for employees

Accrued bonuses for employees represents the estimated amount of bonuses to employees attributable to their services rendered within the period.

(11) Accrued bonuses for directors

Accrued bonuses for directors represents the estimated amount of bonuses to directors attributable to their services rendered within the period.

(12) Reserve for defects on completed works

A reserve has been provided based on the previous fiscal year's experience in respect of the expenses for defect liabilities of the completed works.

(13) Allowance for loss on construction contracts

An allowance for loss on construction contracts has been provided based on an estimate of the total losses which can be anticipated for the future and beyond in respect of construction contracts on which eventual losses are deemed inevitable and amounts thereof can reasonably be estimated.

(14) Reserve for indemnification for completed contracts in the past fiscal years

A reserve has been provided for losses estimated in relation to the repair works and others of the contracts far beyond the defect liability periods.

(15) Reserve for retirement benefits

The accrued retirement benefit represents the estimated present value of projected benefit obligations and plan assets for the employees.

Unrecognized actuarial differences are amortized on a straight-line basis over 10 to 15 years from the following fiscal year.

Unrecognized prior service costs are amortized on a straight-line basis over 15 years.

(16) Amortization of goodwill

Goodwill is amortized on a straight-line basis over 5 years.

In case that there is no significance in amount, goodwill is, however, amortized at once.

(17) Cash and cash equivalents

For the preparation of cash flow statements, cash and cash equivalents comprise cash in hand, deposits held at call with banks, net of overdrafts, all highly liquid investments with maturities of three (3) months or less and commercial paper.

(18) Consumption tax

Consumption tax payable or receivable is excluded from each account in the consolidated statements of income.

03 Accounting Changes

Effective the fiscal year ended March 31, 2013, the Company and its domestic subsidiaries apply the revised method for calculating depreciation costs of tangible assets acquired on or after April 1, 2012 in accordance with the revised Corporation Tax Act of Japan.

The impact on profit for the fiscal year ended March 31, 2013 due to this change was immaterial.

04 Accounting Standards Issued but Not Yet Effective

Accounting Standard for Retirement Benefits (ASBJ Statement No. 26 issued May 17, 2012) and Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No.25 issued May 17, 2012) have not been applied for the year ended March 31, 2013.

The ASBJ has been deliberating establishment of a revised accounting standard for retirement benefits from the viewpoint of improvements to financial reporting and international convergence, mainly focusing on (a) how actuarial gains and losses and past service costs should be accounted for, (b) how retirement benefit obligations and current service costs should be determined and (c) enhancement of disclosures.

The above Accounting Standard and Guidance shall be applied from the end of the fiscal year ending March 31, 2014, but the revised computation method for retirement benefit obligations and current service costs shall be applied from the fiscal year starting April 1, 2014.

The effects of adopting the Accounting Standard and Guidance are currently being evaluated.

05 U.S. Dollar Amounts

The translation of yen amounts into U.S. dollar amounts is included solely for the convenience of readers outside Japan and has been made, as a matter of arithmetic computation only, at ¥94.05 = U.S.\$1.00, the approximate rate of exchange in effect on March 29, 2013, instead of March 31, 2013, which fell on a holiday for financial institutions in Japan. The translation should not be construed as a representation that yen have been, could have been, or could in the future be, converted into U.S. dollars at the above or any other rate.

06 Financial Instruments

(1) Financial instruments

1) Policy of financial instruments

The Company and its group raise funds mainly necessary for construction business according to its financial planning by means of borrowings from banks and bonds.

Temporary surplus funds are managed by means of safe and secured financial instruments. The Company has a policy of utilizing derivative transactions in order to avoid the Company's exposure to the risks mentioned below, but not for trading or speculative purposes.

2) Financial instruments, risks and risks management

Notes and accounts of trade receivables are exposed to the credit risks of the clients. The Company attempts to reduce the risks of disability or delay in collection of debt by the routine confirmation of the debt balances and examination of credit standing of each client in accordance with the project award control procedures, the accounting rules and other rules of the Company. The consolidated subsidiaries manage the risks according to the Company's regulations.

Marketable securities and investments in securities include mainly the securities of subsidiaries, affiliates, and business partners. Marketable securities of the business partners are exposed to the stock market fluctuation risks, and the Company, examining the fair values and financial status of such companies, makes continuous review of the possession situation, by taking a market and the relationship with such companies into consideration.

Trade payables and others as liabilities are to be paid mostly within one year. Part of foreign currency trade payables is exposed to the foreign exchange market fluctuation risks, but they are constantly within the amount of the same foreign currency trade receivables. Forward foreign exchange contracts are utilized against the payment for part of the amount fixed by the long-term contract in order to avoid the exchange rate fluctuation risks.

Loans and bonds are utilized for the purpose of operating funds (mainly from short-term debt) and investments in facilities and others (mainly from long-term debt), and the terms for redemption (repayment) are seven years at longest. Part of long-term debt is exposed to the interest rate fluctuation risks, and interest rate swaps transactions are utilized in order to fix interest. Forward foreign exchange contracts are utilized in order to hedge the exchange rate fluctuation risks against part of foreign currency loans.

The risks in funding liquidity are managed and controlled by monitoring and maintaining the funding liquidity in hand, and by preparing and reviewing the financial planning timely by the department in charge based on the reports from the subsidiaries, affiliates and the branches of the Company. Cash Management System (CMS) is operated among the consolidated subsidiaries and affiliates in order to promote mutual exploitation of surplus funds within the Company's group. It enhances efficiency of funding, and is useful for the maintenance and management of the funding liquidity in hand.

The derivative transactions are conducted and managed in accordance with the Company's regulations for authority for approval, and such transactions are conducted only with highly-rated financial institutions in order to reduce the credit risks.

The explanation for hedging instruments, hedged items, policy for hedge accounting and evaluation of effectiveness of hedging activities are provided in aforementioned "(2) Derivatives" of "(2) Financial instruments" in Note "2. Summary of Significant Accounting Policies".

3) Supplemental explanation on fair value of financial instruments

The fair values of financial instruments are based on the fair market value. The financial instruments without market value, are evaluated by reasonable assessment, and such evaluations based on variable factors may change in line with by the adoption of the new assumptions.

(2) Fair value and other

Fair values of financial instruments, except for those for which the fair value is recognized as extremely difficult to determine, as of March 31, 2012 and 2013 are summarized as follows:

March 31, 2012	Millions of yen		
	Book value	Fair value	Difference
(a) Cash and time deposits	¥ 33,398	¥ 33,398	¥ —
(b) Trade receivables	120,687	119,903	(784)
(c) Marketable securities and investment in securities	73,069	66,446	(6,623)
Total assets	¥ 227,154	¥ 219,747	¥ (7,407)
(a) Trade payables	¥ 62,312	¥ 62,312	¥ —
(b) Short-term loans	35,831	35,831	—
(c) Corporate bonds*	51,976	52,380	404
(d) Long-term loans	19,745	19,934	189
Total liabilities	¥ 169,864	¥ 170,457	¥ 593
(a) Derivative transactions**	¥ —	¥ —	¥ —

March 31, 2013	Millions of yen		
	Book value	Fair value	Difference
(a) Cash and time deposits	¥ 35,002	¥ 35,002	¥ —
(b) Trade receivables	128,240	127,973	(267)
(c) Marketable securities and investments in securities	85,940	79,657	(6,283)
Total assets	¥ 249,182	¥ 242,632	¥ (6,550)
(a) Trade payables	¥ 81,151	¥ 81,151	¥ —
(b) Short-term loans	15,369	15,369	—
(c) Corporate bonds*	53,100	52,962	(138)
(d) Long-term loans	26,225	26,246	21
Total liabilities	¥ 175,845	¥ 175,728	(117)
(a) Derivative transactions**	¥ —	¥ —	¥ —

Notes to the Consolidated Financial Statements

March 31, 2013	Thousands of U.S. dollars		
	Book value	Fair value	Difference
(a) Cash and time deposits	\$ 372,164	\$ 372,164	\$ —
(b) Trade receivables	1,363,530	1,360,691	(2,839)
(c) Marketable securities and investments in securities	913,769	846,964	(66,805)
Total assets	\$ 2,649,463	\$ 2,579,819	\$ (69,644)
(a) Trade payables	\$ 862,850	\$ 862,850	\$ —
(b) Short-term loans	163,413	163,413	—
(c) Corporate bonds*	564,593	563,126	(1,467)
(d) Long-term loans	278,841	279,064	223
Total liabilities	\$ 1,869,697	\$ 1,868,453	\$ (1,244)
(a) Derivative transactions**	\$ —	\$ —	\$ —

* "(c) Corporate bonds" includes those to be redeemed within one year.

** The value of assets and liabilities arising from derivatives is shown at net value, and with the amount in parentheses representing net liability position.

Notes: 1. Method of determining the fair values of financial instruments, securities and derivatives

Assets:

(a) Cash and time deposits

Cash and time deposits are stated at book value since all time deposits are short term and their fair value is almost equivalent to the book value.

(b) Trade receivables—Notes and Accounts

Each trade receivable is evaluated by the present value discounted by the rate in consideration of the maturity period of each trade receivable classified by period and credit risk of each debtor.

(c) Marketable securities and Investments in securities

The values of stocks are based on market value, and the values of bonds are based on market value or the values provided by corresponding financial institutions.

Liabilities:

(a) Trade payables and (b) short-term loans

Trade payables and short-term loans are stated at book value since they are settled in a short term and their fair value is almost equivalent to the book value.

(c) Corporate bonds

The values of bonds are based on market value.

The values of bonds without market value are evaluated by the present value of the principals and interests discounted by the rate in consideration of the remaining period of bonds and credit risks of issuers.

(d) Long-term loans

Long-term loans with floating interest rate are stated at book value since the market rates are reflected in a short term and their fair value is almost equivalent to the book value.

Long-term loans with fixed interest rate are evaluated by the present value discounted by the expected rate applied to new loans equivalent to the principal and interest of present long-term loans with fixed interest rate.

Derivative transactions;

(a) Derivative transactions

Forward foreign exchange contracts are based on the evaluations and others presented by the financial institutions.

The fair values of interest rate swaps transactions designated as "hedging instruments" are included in the fair values of long-term loans since the fair values are accounted for together with the hedged long-term loans.

2. Financial instruments for which the fair value is recognized as extremely difficult to determine

Unlisted stocks and others of ¥6,721 million as of March 31, 2012 at book value were not included in "Investments in securities" since their fair values are recognized as extremely difficult to determine without market value and their future cash flows cannot be estimated.

Unlisted stocks and others of ¥7,312 million (\$77,746 thousand) as of March 31, 2013 at book value are not included in "Marketable securities and investments in securities" since their fair values are recognized as extremely difficult to determine without market value and their future cash flows cannot be estimated.

3. Repayment schedule of trade receivables, marketable securities and investments in securities with fixed term and other

March 31, 2012	Millions of yen			
	Within 1 year	Over 1 year within 5 yrs	Over 5 years within 10 yrs	Over 10 years
(1) Cash and time deposits	¥ 33,398	¥ —	¥ —	¥ —
(2) Trade receivables—Notes and accounts	103,293	16,261	969	164
(3) Investments in securities:				
Held-to-maturity securities				
National/Municipal bonds	—	—	20	—
Corporate bonds	—	—	—	—
Other securities w/fixed term				
National/Municipal bonds	100	—	200	—
Corporate bonds	351	1,094	—	147
Total	¥ 137,142	¥ 17,355	¥ 1,189	¥ 311

March 31, 2013	Millions of yen			
	Within 1 year	Over 1 year within 5 yrs	Over 5 years within 10 yrs	Over 10 years
(1) Cash and time deposits	¥ 35,002	¥ —	¥ —	¥ —
(2) Trade receivables—Notes and accounts	116,767	11,106	227	139
(3) Investments in securities:				
Held-to-maturity securities				
National/Municipal bonds	—	—	20	—
Corporate bonds	—	—	—	—
Other securities w/fixed term				
National/Municipal bonds	—	101	200	—
Corporate bonds	—	1,263	100	147
Total	¥ 151,769	¥ 12,470	¥ 547	¥ 286

March 31, 2013	Thousands of U.S. dollars			
	Within 1 year	Over 1 year within 5 yrs	Over 5 years within 10 yrs	Over 10 years
(1) Cash and time deposits	\$ 372,164	\$ —	\$ —	\$ —
(2) Trade receivables—Notes and accounts	1,241,541	118,086	2,414	1,478
(3) Investments in securities:				
Held-to-maturity securities				
National/Municipal bonds	—	—	213	—
Corporate bonds	—	—	—	—
Other securities w/fixed term				
National/Municipal bonds	—	1,074	2,126	—
Corporate bonds	—	13,429	1,063	1,563
Total	\$ 1,613,705	\$ 132,589	\$ 5,816	\$ 3,041

4. Repayment schedule of corporate bonds, long-term debt and lease obligation
 Repayment schedule of corporate bonds, long-term loans and lease obligation is presented in "11. Short-Term Debt, Long-Term Debt and Lease Obligations".

07 Fair Value Information on Marketable Securities and Investments in Securities

Fair value information on marketable securities and investments in securities as of March 31, 2012 and 2013 are summarized as follows:

(1) Held-to-maturity securities

March 31, 2012	Millions of yen		
	Book value	Fair value	Unrealized gain (loss)
Securities with fair value that exceed book value			
National/Municipal bonds	¥ 20	¥ 21	¥ 1
Corporate bonds	—	—	—
Sub-total	¥ 20	¥ 21	¥ 1
Securities with fair value that do not exceed book value			
National/Municipal bonds	¥ —	¥ —	¥ —
Corporate bonds	—	—	—
Sub-total	¥ —	¥ —	¥ —
Total	¥ 20	¥ 21	¥ 1

March 31, 2013	Millions of yen		
	Book value	Fair value	Unrealized gain (loss)
Securities with fair value that exceed book value			
National/Municipal bonds	¥ 20	¥ 22	¥ 2
Corporate bonds	—	—	—
Sub-total	¥ 20	¥ 22	¥ 2
Securities with fair value that do not exceed book value			
National/Municipal bonds	¥ —	¥ —	¥ —
Corporate bonds	—	—	—
Sub-total	¥ —	¥ —	¥ —
Total	¥ 20	¥ 22	¥ 2

Notes to the Consolidated Financial Statements

March 31, 2013	Thousands of U.S. dollars		
	Book value	Fair value	Unrealized gain (loss)
Securities with fair value that exceed book value			
National/Municipal bonds	\$ 213	\$ 234	\$ 21
Corporate bonds	—	—	—
Sub-total	\$ 213	\$ 234	\$ 21
Securities with fair value that do not exceed book value			
National/Municipal bonds	\$ —	\$ —	\$ —
Corporate bonds	—	—	—
Sub-total	\$ —	\$ —	\$ —
Total	\$ 213	\$ 234	\$ 21

(2) Other securities

March 31, 2012	Millions of yen		
	Book value	Acquisition cost	Unrealized gain (loss)
Other securities with book value that exceed acquisition cost			
Stocks	¥ 29,808	¥ 17,679	¥ 12,129
Securities			
National/Municipal bonds	317	301	16
Other	46	46	0
Other	5	4	1
Sub-total	¥ 30,176	¥ 18,030	¥ 12,146
Other securities with book value that do not exceed acquisition cost			
Stocks	¥ 7,190	¥ 8,568	¥ (1,378)
Securities			
National/Municipal bonds	—	—	—
Other	869	881	(12)
Other	112	131	(19)
Sub-total	¥ 8,171	¥ 9,580	¥ (1,409)
Total	¥ 38,347	¥ 27,610	¥ 10,737

Note: Unlisted stocks and others of ¥4,742 million at book value were not included in the "(2) Other securities" since their fair values were recognized as extremely difficult to determine without market quotations available.

March 31, 2013	Millions of yen		
	Book value	Acquisition cost	Unrealized gain (loss)
Other securities with book value that exceed acquisition cost			
Stocks	¥ 44,976	¥ 23,786	¥ 21,190
Securities			
National/Municipal bonds	327	301	26
Other	445	376	69
Other	—	—	—
Sub-total	¥ 45,748	¥ 24,463	¥ 21,285
Other securities with book value that do not exceed acquisition cost			
Stocks	¥ 2,713	¥ 3,138	¥ (425)
Securities			
National/Municipal bonds	—	—	—
Other	502	504	(2)
Other	86	100	(14)
Sub-total	¥ 3,301	¥ 3,742	¥ (441)
Total	¥ 49,049	¥ 28,205	¥ 20,844

March 31, 2013	Thousands of U.S. dollars		
	Book value	Acquisition cost	Unrealized gain (loss)
Other securities with book value that exceed acquisition cost			
Stocks	\$ 478,214	\$ 252,908	\$ 225,306
Securities			
National/Municipal bonds	3,477	3,200	277
Other	4,731	3,998	733
Other	—	—	—
Sub-total	\$ 486,422	\$ 260,106	\$ 226,316
Other securities with book value that do not exceed acquisition cost			
Stocks	\$ 28,846	\$ 33,365	\$ (4,519)
Securities			
National/Municipal bonds	—	—	—
Other	5,338	5,359	(21)
Other	914	1,063	(149)
Sub-total	\$ 35,098	\$ 39,787	\$ (4,689)
Total	\$ 521,520	\$ 299,893	\$ 221,627

Note: Unlisted stocks and others of ¥5,081 million (\$54,024 thousand) at book value are not included in the "(2) Other securities" since their fair values are recognized as extremely difficult to determine without market quotations available.

(3) "Other securities" sold

Year ended March 31, 2012	Millions of yen		
	Proceeds	Gain	Loss
Stocks	¥ 299	¥ —	¥ (312)
Securities			
National/Municipal bonds	—	—	—
Corporate bonds	—	—	—
Other	—	—	—
Other	61	28	(8)
Total	¥ 360	¥ 28	¥ (320)

Year ended March 31, 2013	Millions of yen		
	Proceeds	Gain	Loss
Stocks	¥ 80	¥ 0	¥ (68)
Securities			
National/Municipal bonds	—	—	—
Corporate bonds	—	—	—
Other	328	—	(18)
Other	45	34	(23)
Total	¥ 453	¥ 34	¥ (109)

Year ended March 31, 2013	Thousands of U.S. dollars		
	Proceeds	Gain	Loss
Stocks	\$ 851	\$ 0	\$ (723)
Securities			
National/Municipal bonds	—	—	—
Corporate bonds	—	—	—
Other	3,488	—	(191)
Other	478	362	(245)
Total	\$ 4,817	\$ 362	\$ (1,159)

(4) Impairment loss on other securities

Impairment loss on securities amounted to ¥373 million, including ¥339 million of stocks with market value in other securities, ¥29 million of stocks without market value in other securities and ¥5 million of affiliates' stocks for the year ended March 31, 2012.

Impairment loss on securities amounted to ¥130 million (\$1,382 thousand), including ¥127 million (\$1,350 thousand) of stocks with market value in other securities and ¥3 million (\$32 thousand) of stocks without market value in other securities for the year ended March 31, 2013.

Notes to the Consolidated Financial Statements

08 Derivative Financial Instruments

Derivative financial instruments information as of March 31, 2012 and 2013 are summarized as follows:

(1) Derivative transactions not designated as "hedging instruments"

Currency-related transactions

For the year ended March 31, 2012 : Not applicable

For the year ended March 31, 2013 : Not applicable

(2) Derivative transactions designated as "hedging instruments"

Interest-rate-related transactions

March 31, 2012	Millions of yen			Fair value
	Hedged item	Contract amount	Contract amount over 1 year	
Deferral accounting as "hedging instruments"				
Interest rate swap transactions —Variable interest received and fixed interest paid	Long-term loans	¥ 24,550	¥ 13,550	See Note

March 31, 2013	Millions of yen			Fair value
	Hedged item	Contract amount	Contract amount over 1 year	
Deferral accounting as "hedging instruments"				
Interest rate swap transactions —Variable interest received and fixed interest paid	Long-term loans	¥ 19,550	¥ 18,750	See Note

March 31, 2013	Thousands of U.S. dollars			Fair value
	Hedged item	Contract amount	Contract amount over 1 year	
Deferral accounting as "hedging instruments"				
Interest rate swap transactions —Variable interest received and fixed interest paid	Long-term loans	\$ 207,868	\$ 199,362	See Note

Note: Fair value of interest rate swap transactions designated as "hedging instruments" is included in the fair values of the long-term loans under the special hedge accounting method for interest rate swaps.

09 Impairment Loss on Fixed Assets

Fixed assets for business use are grouped by business, and fixed assets for rent, golf courses and the fixed assets to be disposed are grouped based on an individual asset.

Impairment loss of ¥38 million for the year ended March 31, 2012 was recorded since the book values of the properties had been reduced to the recoverable values due to the decline in land prices and other.

The recoverable amounts of the fixed assets were of their net realizable values based on amounts determined by valuations made in accordance with real estate appraisal standards or publicly-assessed land values and other for the year ended March 31, 2012.

Impairment loss of ¥54 million (\$574 thousand) for the year ended March 31, 2013 is recorded since the book values of the properties have been reduced to the recoverable values due to the decline in the value of the fixed assets for rent and other.

The recoverable amounts of the fixed assets are of their net realizable values based on amounts determined by valuations made in accordance with real estate appraisal standards or publicly-assessed land values and other for the year ended March 31, 2013.

Impairment losses on fixed assets for the years ended March 31, 2012 and 2013 are summarized as follows:

Years ended March 31			Millions of yen		Thousands of U.S. dollars
			2012	2013	2013
Location	Type of assets	Use			
Niigata, and other	Buildings, land and other	Idle and Other	¥ 38	¥ —	\$ —
Fukui, and other	Land and building	For rent and other	—	54	574
Total			¥ 38	¥ 54	\$ 574

10 Inventories

Inventories as of March 31, 2012 and 2013 are summarized as follows:

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Real estate held for sale	¥ 15,500	¥ 17,785	\$ 189,102
Merchandise and finished products	1,147	900	9,569
Construction work in progress	13,017	13,243	140,808
Project costs for development and others	13,964	4,316	45,891
Materials in stock	842	892	9,484
Total	¥ 44,470	¥ 37,136	\$ 394,854

Notes: 1. Inventories are written down based on the decreased profitability and ¥94 million of loss on write-down of inventories for the year ended March 31, 2012 and ¥1,284 million (\$13,652 thousand) of loss on write-down of inventories for the year ended March 31, 2013 are included in "Cost of Sales" in the Consolidated Statements of Income.

2. The amount of construction work in progress is not offset by the allowance for losses on construction contracts and both are presented. The amounts of construction work in progress for which an allowance for losses on construction contracts is provided are ¥481 million for the year ended March 31, 2012 and ¥39 million (\$415 thousand) for the year ended March 31, 2013.

11 Short-Term Debt, Long-Term Debt and Lease Obligations

Short-term debt and lease obligations due within one year as of March 31, 2012 and 2013 are summarized as follows:

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Bank loans bearing interest with an average rate of 0.9% per annum	¥ 19,087	¥ 11,369	\$ 120,882
Current portion of long-term loans	25,620	29,100	309,410
Total short-term debt	¥ 44,707	¥ 40,469	\$ 430,292
Lease obligations due within one year	¥ 90	¥ 114	\$ 1,212
Total	¥ 44,797	¥ 40,583	\$ 431,504

Long-term debt and lease obligations as of March 31, 2012 and 2013 are summarized as follows:

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Corporate bonds			
—Issued by Maeda Corporation			
2.23% 12th series bonds due in 2013	¥ 5,000	¥ 5,000	\$ 53,163
2.24% 15th series bonds due in 2014	10,000	10,000	106,327
2.13% 16th series bonds due in 2012	3,000	—	—
1.28% 17th series bonds due in 2013	10,000	10,000	106,327
1.58% 18th series bonds due in 2014	3,000	3,000	31,898
0.90% 19th series bonds due in 2014	10,000	10,000	106,326
0.85% 21st series bonds due in 2015	—	10,000	106,326
1.42% 20th series bonds due in 2016	5,000	5,000	53,163
—Issued by Anonymous Association Shinonome Residential Tower			
6-month TSR+1.25% 1 st series bonds due in 2012	5,876	—	—
—Issued by JM Corporation			
0.55% 1 st series bonds due in 2013	100	100	1,063
Sub-total	51,976	53,100	564,593
Long-term loans due in between 2013–2018 bearing interest with an average rate of 1.6% per annum	36,489	30,225	321,372
	88,465	83,325	885,965
Less—Portion due within one year	(25,620)	(29,100)	(309,410)
Total	¥ 62,845	¥ 54,225	\$ 576,555
Lease obligations due after one year	¥ 271	¥ 506	\$ 5,380
Total	¥ 63,116	¥ 54,731	\$ 581,935

Note: Average rates of interest are calculated by weighted average method using the interest rates and the loan balance as of the year end. Average rates of interest of lease obligations are omitted since the balance of lease obligations in the balance sheets includes the interests thereof.

Notes to the Consolidated Financial Statements

The annual maturities of short-term debt, corporate bonds, long-term debt and lease obligations as of March 31, 2012 and 2013 are as follows:

Year ending March 31	Millions of yen			
	March 31, 2012			
	Short-term debt	Corporate bonds	Long-term debt	Lease obligations
2013	¥ 19,086	¥ 8,876	¥ 16,744	¥ 90
2014	—	25,100	8,020	95
2015	—	13,000	8,150	159
2016	—	—	300	12
2017	—	5,000	3,275	5
2018 and thereafter	—	—	—	—
Total	¥ 19,086	¥ 51,976	¥ 36,489	¥ 361

Year ending March 31	Millions of yen			
	March 31, 2013			
	Short-term debt	Corporate bonds	Long-term debt	Lease obligations
2014	¥ 11,369	¥ 25,100	¥ 4,000	¥ 114
2015	—	13,000	8,350	245
2016	—	10,000	3,600	69
2017	—	5,000	3,275	121
2018	—	—	11,000	60
2019 and thereafter	—	—	—	11
Total	¥ 11,369	¥ 53,100	¥ 30,225	¥ 620

Year ending March 31	Thousands of U.S. dollars			
	March 31, 2013			
	Short-term debt	Corporate bonds	Long-term debt	Lease obligations
2014	\$ 120,882	\$ 266,879	\$ 42,531	\$ 1,212
2015	—	138,225	88,783	2,605
2016	—	106,326	38,277	734
2017	—	53,163	34,822	1,286
2018	—	—	116,959	638
2019 and thereafter	—	—	—	117
Total	\$ 120,882	\$ 564,593	\$ 321,372	\$ 6,592

The assets pledged as collateral for short-term debt and long-term debt as of March 31, 2012 and 2013 are summarized as follows:

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Marketable securities	¥ 85	¥ —	\$ —
Real estate held for sale	10,558	10,192	108,368
Project costs for development and others	11,959	—	—
Buildings and structures	918	864	9,187
Land	389	389	4,136
Investments in securities	1,703	1,812	19,266
Total	¥ 25,612	¥ 13,257	\$ 140,957

The secured liabilities as of March 31, 2012 and 2013 are summarized as follows:

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Short-term loans	¥ 5,100	¥ 5,100	\$ 54,227
Corporate bonds due within one year	5,876	—	—
Trade payables	8	8	85
Corporate bonds	—	—	—
Long-term loans	5,395	4,375	46,518
Other long-term liabilities	260	252	2,679
Total	¥ 16,639	¥ 9,735	\$ 103,509

The Company entered into committed loan facility agreements in the total amount of ¥20,000 million (\$212,653 thousand) with 5 banks. There is no outstanding balance under those agreements as of March 31, 2013.

12 Lease Transactions

Finance lease contracts that do not transfer ownership

The finance lease contracts that do not transfer ownership commencing on or before March 31, 2008, are accounted in accordance with the standard lease contracts transactions, and their details as of March 31, 2012 and 2013 are presented as below:

Acquisition cost, accumulated depreciation, net book value and depreciation expenses of leased assets, which include the portion of interest thereon, are summarized as follows:

March 31, 2012	Millions of yen		
	Acquisition cost	Accumulated depreciation	Net book value
Machinery and equipment	¥ 25	¥ 21	¥ 4
Vehicles	264	241	23
Tools, furniture and fixtures	4	0	4
Total	¥ 293	¥ 262	¥ 31

March 31, 2013	Millions of yen		
	Acquisition cost	Accumulated depreciation	Net book value
Vehicles	¥ 11	¥ 9	¥ 2
Tools, furniture and fixtures	4	1	3
Total	¥ 15	¥ 10	¥ 5

March 31, 2013	Thousands of U.S. dollars		
	Acquisition cost	Accumulated depreciation	Net book value
Vehicles	\$ 117	\$ 96	\$ 21
Tools, furniture and fixtures	42	10	32
Total	\$ 159	\$ 106	\$ 53

The amount equivalent to acquisition cost includes the interest expense portion due to the immateriality of the outstanding minimum lease payments.

The amounts of outstanding minimum lease payments as of March 31, 2012 and 2013, which include the portion of interest thereon, are summarized as follows:

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Minimum lease payments			
Within one year	¥ 26	¥ 3	\$ 32
Over one year	5	2	21
Total	¥ 31	¥ 5	\$ 53

Notes to the Consolidated Financial Statements

The amount of outstanding minimum lease payments includes the interest expense thereon due to the immateriality of the outstanding minimum lease payments.

Lease rental expenses and corresponding depreciation cost

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Lease rental expenses	¥ 46	¥ 26	\$ 276
Depreciation cost	46	26	276

Depreciation cost is computed by the straight-line method over the lease term of the leased assets with a zero residual value.

Finance lease contracts: (as lessee)

Finance lease contracts that do not transfer ownership

Leased assets include:

tangible assets, which mainly consist of machinery for rent in the construction machinery sales and related service business of a consolidated subsidiary Maeda Seisakusho Co., Ltd.

Depreciation cost of leased assets is computed by:

the straight-line method over the lease term of the leased assets with a zero residual value.

Operating lease contracts:

Outstanding minimum lease payments under non-cancelable operating lease contracts

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
(As lessee)			
Minimum lease payments			
Within one year	¥ 174	¥ 81	\$ 861
Over one year	323	307	3,264
	¥ 497	¥ 388	\$ 4,125
(As lessor)			
Minimum lease payments			
Within one year	632	651	6,922
Over one year	8,559	9,384	99,777
Total	¥ 9,191	¥ 10,035	\$ 106,699

13 Retirement Benefit Plans

The Company and its consolidated subsidiaries have a corporate pension plan and an employees' pension plan as defined benefit pension plan, in addition to a defined contribution pension plan and a lump sum payment plan.

The Company and its consolidated subsidiaries may pay extra severance pay, which is not subject to the pension obligation mathematically calculated in accordance with the retirement benefit accounting to employees on retirement and others.

As of March 31, 2013, the Company and its consolidated subsidiaries, as a group, have a single corporate pension fund and a single employees' pension fund, and 7 companies of the group have the lump sum payment plan.

The reserves for retirement benefits as of March 31, 2012 and 2013 are analyzed as follows:

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
(a) Projected benefit obligations	¥ (47,869)	¥ (53,118)	\$ (564,785)
(b) Plan assets	23,891	26,297	279,607
(c) Unfunded benefit obligations [(a)+(b)]	(23,978)	(26,821)	(285,178)
(d) Unrecognized actuarial differences	13,651	15,115	160,712
(e) Unrecognized prior service cost	(6,914)	(5,931)	(63,062)
Reserve for retirement benefits [(c)+(d)+(e)]	¥ (17,241)	¥ (17,637)	\$ (187,528)

Retirement benefits expenses related to the retirement benefits for the years ended March 31, 2012 and 2013 are as follows:

Years ended March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
(a) Service cost	¥ 1,352	¥ 1,329	\$ 14,131
(b) Interest cost	973	957	10,175
(c) Expected return on plan assets	(474)	(478)	(5,082)
(d) Amortization of actuarial differences	2,109	2,082	22,137
(e) Amortization of prior service cost	(983)	(983)	(10,452)
Retirement benefits expenses [(a)+(b)+(c)+(d)+(e)]	2,977	2,907	30,909
(f) Contribution cost to defined contribution pension plan	495	495	5,263
Total [(a)+(b)+(c)+(d)+(e)+(f)]	¥ 3,472	¥ 3,402	\$ 36,172

Assumptions used in calculation of the above information are as follows:

	2012	2013
(a) Method of attributing the projected benefits to periods of services	Straight-line basis	Straight-line basis
(b) Discount rate	2.0%	1.0%
(c) Expected rate of return on plan assets	2.0%	2.0%
(d) Amortization of unrecognized actuarial differences	Over 10 to 15 years (expenses from the next year)	Over 10 to 15 years (expenses from the next year)
(e) Amortization of unrecognized prior service cost	15 years	15 years

A consolidated subsidiary participates in a trading-association-type employees' pension fund (National Construction Industry Employees' Pension Fund), and its contribution to the pension fund is included above in "Retirement benefits expenses". The pension fund assets as of March 31, 2011 and 2012 are as follows:

Years ended March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
(a) Pension fund assets	¥ 200,505	¥ 202,443	\$ 2,152,504
(b) Projected benefit obligations	217,370	217,139	2,308,761
(c) Balance [(a)-(b)]	¥ (16,865)	¥ (14,696)	\$ (156,257)

- Notes: 1. The amounts stated above as of March 31, 2012 and 2013 are based on the information as of the end of the previous fiscal year, respectively.
2. The consolidated subsidiary's portions of the National Construction Industry Employees' Pension Fund are 1.04% as of March 31, 2011 and 1.00% as of March 31, 2012.
3. The above negative balance of ¥14,696 million (\$156,257 thousand) mainly comprises ¥13,733 million (\$146,018 thousand) of a deficit in projected pension financing, ¥13,396 million (\$142,435 thousand) of unamortized balance of projected prior service cost offset by ¥12,433 million (\$132,196 thousand) increase in plan assets for the year ended March 31, 2013.

Notes to the Consolidated Financial Statements

14 Income Taxes

Significant components of deferred tax assets and liabilities as of March 31, 2012 and 2013 are as follows:

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Deferred tax assets:			
Net loss carried forward	¥ 13,188	¥ 14,324	\$ 152,302
Reserve for retirement benefits	6,382	6,485	68,953
Write-down of inventories and other	4,487	4,894	52,036
Impairment loss on fixed assets	3,215	3,034	32,259
Allowance for doubtful accounts	2,566	2,516	26,752
Allowance for losses on construction contracts	817	1,595	16,959
Unrealized inter-company profit of fixed assets	185	191	2,031
Other	4,044	5,008	53,248
Total	34,884	38,047	404,540
Less—Valuation allowance	(34,558)	(37,704)	(400,893)
Deferred tax assets	326	343	3,647
Deferred tax liabilities:			
Unrealized gain on investment	(3,528)	(6,913)	(73,504)
Other	(26)	(27)	(287)
Total deferred tax liabilities	(3,554)	(6,940)	(73,791)
Net deferred tax liabilities	¥ (3,228)	¥ (6,597)	\$ (70,144)

The details of the difference between the statutory tax rate and effective income tax rate for the years ended March 31, 2012 and 2013 are as follows:

March 31	2012	2013
Statutory tax rate	40.7%	—
Changes in the tax rate resulting from:		
Non-deductible expenses	6.9	—
Non-taxable income	(0.1)	—
Per capita levy	4.6	—
Investment profit on equity method	(18.8)	—
Less—Valuation allowance and other	(14.5)	—
Effective income tax rate	18.8%	—

Note: A reconciliation for the year ended March 31, 2013 is omitted since the Company recognized a loss before income taxes and minority interests.

15 Shareholders' Equity

The Corporation Law of Japan provides that an amount equivalent to 10% of the amount of the deduction from surplus as a result of the payment of dividends of surplus be recorded as capital reserves or retained earnings reserves, until the sum of the capital reserves and the retained earnings reserves equals 25% of the capital stock amount. Such a distribution of dividends of surplus can be made by resolution of a shareholders meeting, or by the Board of Directors if certain conditions are met.

16 Commitments and Contingent Liabilities

The contingent liabilities of the Company as of March 31, 2012 and 2013 are summarized as follows:

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Endorsed trade notes receivable	¥ 1,320	¥ 968	\$ 10,292
Guarantees on securitized trade notes receivable	1,384	2,389	25,401
Loan guarantee for Asai Construction Co., Ltd.	1,620	1,555	16,534
Letters of guarantee for affiliates			
Toyo Construction Co., Ltd.	7,876	8,185	87,028
Thai Maeda Corporation Ltd.	42	26	277
Total	¥ 12,242	¥ 13,123	\$ 139,532

Note: Trade notes due on March 31, 2012 and 2013 which fell on holidays for financial institutions in Japan are settled on the date of clearance. The following trade notes due on March 31, 2012 and 2013 are included in the balance of each account:

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Notes receivable	¥ 138	¥ 171	\$ 1,818
Endorsed trade notes receivable	89	81	861
Guarantees on securitized trade notes receivable	298	314	3,339

17 Selling, General and Administrative Expenses

Major items of selling, general and administrative expenses in the consolidated statements of income for the years ended March 31, 2012 and 2013 are as follows:

Years ended March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Salaries to employees	¥ 8,248	¥ 8,137	\$ 86,518
Retirement benefit expenses	1,037	1,003	10,665
Provision for bonuses for employees	903	753	8,006
Provision for doubtful accounts	(40)	224	2,382
Provision for bonuses for directors	10	16	170

18 Research and Development Expenses

Research and development expenses included in the selling, general and administrative expenses and manufacturing costs for the years ended March 31, 2012 and 2013 are as follows:

Years ended March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Research and development expenses	¥ 1,577	¥ 1,686	\$ 17,927

19 Allowance for Loss on Construction Contracts

Provision of allowance for loss on construction contracts included in cost of sales for the years ended March 31, 2012 and 2013 amounted to ¥1,525 million and ¥3,555 million (\$37,799 thousand), respectively.

Notes to the Consolidated Financial Statements

20 Consolidated Statements of Comprehensive Income

The reclassification adjustments and tax effects associated with other comprehensive income for the years ended March 31, 2012 and 2013 are as follows:

Years ended March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Unrealized gain (loss) on Investments in securities			
Recognized amount for the year	¥ (1,493)	¥ 9,884	\$ 105,093
Amount of reclassification adjustments	651	142	1,510
Before tax effect adjustment	¥ (842)	¥ 10,026	\$ 106,603
Amount of tax effect	1,187	(3,385)	(35,992)
Sub-total	¥ 345	¥ 6,641	\$ 70,611
Share of other comprehensive income of the companies accounted for by equity method			
Recognized amount for the year	(17)	147	1,563
Amount of reclassification adjustments	132	—	—
Sub-total	¥ 115	¥ 147	\$ 1,563
Total other comprehensive income	¥ 460	¥ 6,788	\$ 72,174

21 Consolidated Statements of Changes in Net Assets

(1) Type and number of outstanding stock and treasury stock

Type	Thousands of shares	
	Outstanding stock	Treasury stock
	Common stock	
Number of shares as of April 1, 2011	185,214	8,246
Increase for the year ended March 31, 2012	—	0
Decrease for the year ended March 31, 2012	—	318
Number of shares as of March 31, 2012	185,214	7,928

Note: The treasury stock decreased by 318 thousand due to the sale of the Company's stock by a consolidated subsidiary.

Type	Thousands of shares	
	Outstanding stock	Treasury stock
	Common stock	
Number of shares as of April 1, 2012	185,214	7,928
Increase for the year ended March 31, 2013	—	8
Decrease for the year ended March 31, 2013	—	—
Number of shares as of March 31, 2013	185,214	7,936

Note: The increase in treasury stock of 8 thousand common stocks consisted of 3 thousand due to the purchase of less-than-one-unit stocks and 5 thousand due to the change of the Company's equities in subsidiaries and affiliates.

(2) Dividends

Cash dividends distributed during the year ended March 31, 2012

Cash dividends of ¥7.0 per common share at March 31, 2011 in total amount of ¥1,238 million out of the retained earnings were distributed to shareholders subject to the resolution of General shareholders meeting held on June 28, 2011.

Cash dividends distributed during the year ended March 31, 2013

Cash dividends of ¥7.0 (\$0.07) per common share at March 31, 2012 in total amount of ¥1,241 million (\$13,195 thousand) out of the retained earnings were distributed to shareholders subject to the resolution of General shareholders meeting held on June 27, 2012.

Cash dividends to be distributed during the year ending March 31, 2014

Cash dividends of ¥7.0 (\$0.07) per common share at March 31, 2013 in total amount of ¥1,241 million (\$13,195 thousand) out of the retained earnings are to be distributed to shareholders subject to the resolution of General shareholders meeting held on June 26, 2013.

Note: The total amounts of cash dividends are after deduction of the dividends to the stocks held by the affiliates.

22 Consolidated Statements of Cash Flows

(1) Cash and cash equivalents at year end

The balances of "Cash and time deposits" in the consolidated balance sheets are reconciled to "Cash and cash equivalents at end of the year" in the consolidated statements of cash flows for the years ended March 31, 2012 and 2013 as follows:

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
"Cash and time deposits" balance in the consolidated balance sheets	¥ 33,398	¥ 35,002	\$ 372,164
Less—Time deposits exceeding the period of 3 months	(1,207)	(278)	(2,956)
Cash and cash equivalents at end of the year	¥ 32,191	¥ 34,724	\$ 369,208

23 Investment and Rental Properties

The Company and its consolidated subsidiaries own rental properties such as office buildings, complex facilities and others in Tokyo, Osaka prefecture, and the other major cities throughout Japan. Profits on rental properties are ¥842 million and ¥985 million (\$10,473 thousand) for the years ended March 31, 2012 and 2013, respectively.

The book value, increase or decrease in book value during the year, and fair value of rental properties for the years ended March 31, 2012 and 2013 are as follows:

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Book value as of March 31, 2011	¥ 23,614		
Increase (decrease) during the year	(546)		
Book value as of March 31, 2012	¥ 23,068	¥ 23,068	\$ 245,274
Increase (decrease) during the year		(709)	(7,539)
Book value as of March 31, 2013		¥ 22,359	\$ 237,735
Fair value as of the year end	¥ 25,681	¥ 24,765	\$ 263,317

Notes: 1. Book value represents the acquisition cost less accumulated depreciation cost and cumulative impairment loss.
2. Decrease in book value results mainly from depreciation cost of buildings.
3. Fair values of main properties are based on real property appraisal from independent real property appraisers.

24. Segment Information

(1) Segment information

1) Summary of reportable segments:

The reportable segments of the Company's group are components for which discrete financial information is available and whose operating results are regularly reviewed by the board of directors of the Company to make decisions about resource allocation and assess performance.

The operations of the Company's group consist of the business and services operated by the operational divisions of the Company and consolidated subsidiaries, and are composed of four operating segments as follows:

Building.....	Contract work for building and other related services
Civil engineering....	Contract work for civil engineering and other related services
Real estate.....	Sales and renting of real estates and other related services
Other.....	Production and sales of construction machinery and concrete secondary products, and other related services

Notes to the Consolidated Financial Statements

2) Net sales, profit (loss), and other by segment

The accounting policies of the reportable operating segments are substantially the same as those described in "Summary of Significant Accounting Policies". Profit (loss) of reportable segments are evaluated based on operating profit (loss). Inter-segment sales are among the consolidated subsidiaries, and are recorded at the same prices used in transactions with third parties.

3) Reportable segments information

Year ended March 31, 2012	Millions of yen					Consolidated statements of income
	Building	Civil engineering	Real estate	Other	Adjustment	
Net sales						
Sales to outside customers	¥ 186,494	¥ 90,760	¥ 12,161	¥ 23,912	¥ —	¥ 313,327
Inter-segment sales	3,015	711	12	2,278	(6,016)	—
Total	189,509	91,471	12,173	26,190	(6,016)	313,327
Profit (loss) by segment	¥ 3,642	¥ (1,243)	¥ 2,895	¥ 187	¥ (182)	¥ 5,299
Other						
Depreciation	¥ 1,753	¥ 941	¥ 180	¥ 1,504	¥ (25)	¥ 4,353
Impairment loss on fixed assets	—	—	—	38	—	38

Notes: 1. "Adjustment" of "Profit (loss) by segment" included ¥182 million of Inter-segment transaction.
 2. "Profit (loss) by segment" was adjusted in accordance with the Operating profit (loss) of Consolidated Statements of Income.
 3. The amount of assets in each segment was not listed since corporate assets were not allocated to each segment.

Year ended March 31, 2013	Millions of yen					Consolidated statements of income
	Building	Civil engineering	Real estate	Other	Adjustment	
Net sales						
Sales to outside customers	¥ 218,587	¥ 109,367	¥ 17,627	¥ 23,577	¥ —	¥ 369,158
Inter-segment sales	2,629	891	12	2,910	(6,442)	—
Total	221,216	110,258	17,639	26,487	(6,442)	369,158
Profit (loss) by segment	¥ (1,624)	¥ (5,784)	¥ 799	¥ (105)	¥ (337)	¥ (7,051)
Other						
Depreciation	¥ 1,518	¥ 855	¥ 79	¥ 1,540	¥ (46)	¥ 3,946
Impairment loss on fixed assets	10	—	42	2	—	54

Year ended March 31, 2013	Thousands of U.S. dollars					Consolidated statements of income
	Building	Civil engineering	Real estate	Other	Adjustment	
Net sales						
Sales to outside customers	\$ 2,324,157	\$ 1,162,860	\$ 187,422	\$ 250,686	\$ —	\$ 3,925,125
Inter-segment sales	27,953	9,474	127	30,941	(68,495)	—
Total	2,352,110	1,172,334	187,549	281,627	(68,495)	3,925,125
Profit (loss) by segment	\$ (17,268)	\$ (61,499)	\$ 8,495	\$ (1,116)	\$ (3,583)	\$ (74,971)
Other						
Depreciation	\$ 16,140	\$ 9,091	\$ 840	\$ 16,374	\$ (489)	\$ 41,956
Impairment loss on fixed assets	106	—	447	21	—	574

Notes: 1. "Adjustment" of "Profit (loss) by segment" includes ¥337 million (\$3,583 thousand) of Inter-segment transaction.
 2. "Profit (loss) by segment" is adjusted in accordance with the Operating profit (loss) of Consolidated Statements of Income.
 3. The amount of assets in each segment is not listed since corporate assets were not allocated to each segment.

(2) Related information

1) Products and services segment information

Description is omitted since it is described previously in (1) Segment information.

2) Geographic segment information

(a) Sales

The disclosure of geographic segment information is omitted since the amount of sales to outside customers in Japan for the years ended March 31, 2012 and 2013 exceeds 90% of the sales in the Consolidated Statements of Income.

(b) Fixed assets

The disclosure of geographic segment information is omitted since the amount of fixed assets in Japan as of March 31, 2012 and 2013 exceeds 90% of fixed assets in the Consolidated Balance Sheets.

3) Major customer segment information

The disclosure of major customer segment information is omitted since the amount of sales to any customer for the years ended March 31, 2012 and 2013 is not more than 10% of the sales to outside customers in the Consolidated Statements of Income.

(3) Impairment loss on fixed assets by segment

Years ended March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Building	¥ —	¥ 10	\$ 106
Civil engineering	—	—	—
Real estate	—	42	447
Other	38	2	21
Adjustment	—	—	—
Total	¥ 38	¥ 54	\$ 574

(4) Amortization and residual value of goodwill information

Segment information of amortization and residual value of goodwill is omitted since the amount is immaterial.

(5) Profit on negative goodwill information

Segment information of profit on negative goodwill is omitted since the amount is immaterial.

25. Related Party Information

(1) Related party transactions

Transactions with a related party for the years ended March 31, 2012 and 2013 are as follows:

For the year ended March 31, 2012;

Related Party	: Toyo Construction Co., Ltd.
Attribution	: Affiliate
Location	: Chuo-ku, Osaka, Japan
Capital	: ¥10,683 million
Type of business	: Construction
Voting right held	: 20.2% directly by the Company/ 0.1% of the Company directly by Toyo Construction Co., Ltd.
Nature of transaction	: Debt guarantee*
Amount of transaction	: ¥7,876 million

Notes to the Consolidated Financial Statements

For the year ended March 31, 2013;

Related Party	: Toyo Construction Co., Ltd.
Attribution	: Affiliate
Location	: Chuo-ku, Osaka, Japan
Capital	: ¥10,683 million (\$113,589 thousand)
Type of business	: Construction
Voting right held	: 20.2% directly by the Company/ 0.1% of the Company directly by Toyo Construction Co., Ltd.
Nature of transaction	: Debt guarantee*
Amount of transaction	: ¥8,185 million (\$87,028 thousand)

*The Company undertakes a joint and several guarantor for tender bond, performance bond and others of the construction contracts awarded to Toyo Construction Co., Ltd.

(2) Major affiliate

Maeda Road Construction Co., Ltd. is a major affiliate as of March 31, 2012 and 2013, and a summary of its financial statements as of March 31, 2012 and 2013 and for the years then ended is as follows:

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Total current assets	¥ 110,288	¥ 112,368	\$ 1,194,769
Total non-current assets	78,103	81,353	864,997
Total current liabilities	¥ 50,234	¥ 46,105	\$ 490,218
Total long-term liabilities	7,670	8,616	91,611
Total net assets	¥ 130,487	¥ 139,000	\$ 1,477,937
Net sales	¥ 197,579	¥ 204,689	\$ 2,176,385
Profit before income taxes	13,506	16,285	173,153
Net profit	7,495	9,780	103,987

26. Per Share Information

March 31	Yen		U.S. dollars
	2012	2013	2013
Net assets per share	¥ 663.00	¥ 664.51	\$ 7.07
Earnings (loss) per share	18.07	(29.74)	(0.32)

Note: Diluted earnings per share are omitted since there were no common stocks with dilutive potential in existence during the years ended March 31, 2012 and 2013.

The above information is calculated based on the following:

March 31	Millions of yen		Thousands of U.S. dollars
	2012	2013	2013
Net profit (loss)	¥ 3,197	¥ (5,272)	\$ (56,055)
Amount not attributable to common shareholders	—	—	—
Net profit (loss) attributable to common shareholders	¥ 3,197	¥ (5,272)	\$ (56,055)

	Thousands of stocks	
	2012	2013
Average number of shares	177,016	177,284



Ernst & Young ShinNihon LLC
Hibiya Kokusai Bldg.
2-2-3, Uchisaiwai-cho,
Chiyoda-ku, Tokyo, Japan 100-0011

Tel: +81 3 3503 1100
Fax: +81 3 3503 1197

Independent Auditor's Report

The Board of Directors
Maeda Corporation

We have audited the accompanying consolidated financial statements of Maeda Corporation and its consolidated subsidiaries, which comprise the consolidated balance sheets as at March 31, 2013 and 2012, and the consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the years then ended and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Maeda Corporation and its consolidated subsidiaries as at March 31, 2013 and 2012, and their consolidated financial performance and cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

Convenience Translation

We have reviewed the translation of these consolidated financial statements into U.S. dollars, presented for the convenience of readers, and, in our opinion, the accompanying consolidated financial statements have been properly translated on the basis described in Note 5.

Ernst & Young ShinNihon LLC

June 25, 2013
Tokyo, Japan

Outline of the Corporation

(As of March 31, 2013)

Name in English

Maeda Corporation

Establishment

In January 1919

Incorporation

In November 1946

Registered Address

2-8-8, Sarugakucho Chiyoda-ku,
Tokyo 101-0064, Japan
Tel: (81)-3-3265-5551
Fax: (81)-3-5217-9611
URL: <http://www.maeda.co.jp/>

Company Registration No.

0100-01-008789
(With Tokyo Legal Affairs Bureau)

Number of Employees

2,756

Paid-in Capital

¥23,455 million

Stock Listing

On the First Section of the
Tokyo Stock Exchange

Board of Directors

(As of June 26, 2013)

President and Representative Director

Koichi Obara

Executive Vice President and Representative Director

Masayoshi Ejiri

Representative Director Executive Vice President

Kojiro Fukuta

Representative Director Senior Managing Officer

Akihiko Kakinuma

Directors and Senior Managing Officers

Soji Maeda
Makoto Nagao
Yoshihiko Hayasaka
Shogo Sekimoto
Toshiaki Shoji

Directors and Managing Officers

Masakazu Kawanobe
Hiromi Adachi

Outside Directors

Toru Hambayashi
Akira Watanabe

Board of Auditors

(As of June 26, 2013)

Corporate Auditors

Yutaka Tokui (Outside Auditor)
Toshiaki Inazu
Hideyuki Wada
Masaru Matsuzaki (Outside Auditor)
Motohiro Sato (Outside Auditor)

Executive Officers

(As of June 26, 2013)

Senior Managing Officer

Yasuiku Hase

Managing Officers

Toru Ogura
Yuji Hatakama
Toshihisa Aoki
Yasuhiko Imaizumi

Executive Officers

Masakatsu Kato
Yoshiyasu Nomura
Toshifumi Kakuda
Tetsuji Nishimoto
Masaharu Katsumata
Kazunari Kibe
Hiroyuki Yanagita
Nobuya Hirakawa
Yoichi Kawashima
Tadayuki Kozakai
Shigemi Shoji
Masakazu Noguchi
Akira Fujiwara
Naoya Okawa

Directory Overseas

Hong Kong Office

Rooms 1601-1605 New East Ocean
Centre, 9 Science Museum Road,
T.S.T. East, Kowloon, Hong Kong, China
Tel: 852-2369-9267
Fax: 852-2724-4046

Bangkok Office

18th Floor Thaniya Plaza Building,
52 Silom Road, Suriyawong, Bangrak,
Bangkok 10500, Thailand
Tel: 66-2-231-2470/2
Fax: 66-2-231-2473

Guam Office

Room D, Maeda Pacific Corporation
Bldg., 150 Harmon Sink Road,
Tamuning, Guam 96911, U.S.A.
Tel: 1-671-649-7617
Fax: 1-671-649-7620

Phnom Penh Office

#53 E0 E1 E2, Street 01A,
Touk Thlar Village, Touk Thlar Commune,
Khan Sen Sok, Phnom Penh, Cambodia
Tel: 855-23-884456/7
Fax: 855-23-884458

Hanoi Office

4F, 45 Trieu Viet Vuong Street,
Hai Ba Trung Dist., Hanoi, Vietnam
Tel: 84-4-3943-6311/2
Fax: 84-4-3943-6314

Taiwan Office

4F., No.1-1, Sec. 1, Chongqing N. Road,
Datong District, Taipei City 10349,
Taiwan
Tel: 886-2-2558-6380
Fax: 886-2-2558-6390

Sri Lanka Office

No.73 Jawatta Road, Colombo 05,
Sri Lanka
Tel: 94-11-255-3866
Fax: 94-11-452-8260

U.S.A. Office

39209 West Six Mile Road, Suite 204,
Livonia, Michigan, 48152-2660, U.S.A.
Tel: 1-734-462-2230
Fax: 1-734-462-2232

Yangon Office

Room 601, Wizaya Plaza, Corner of
Dhammazed Street & U Wisara Road,
Bahan Township, Yangon, Myanmar
Tel: 95-1-513-758

Jakarta Office

Summitmas II, 19th Floor,
Jl. Jend. Sudirman Kav. 61-62,
Jakarta 12190 Indonesia
Tel: 62-21-252-6833
Fax: 62-21-252-6834

Principal Subsidiaries and Affiliates

Overseas:

Thai Maeda Corporation Ltd.

18th Floor Thaniya Plaza Building,
52 Silom Road, Suriyawong, Bangrak,
Bangkok 10500, Thailand
Tel: 66-2-231-2470/2
Fax: 66-2-231-2473

Maeda Vietnam Co., Ltd.

Room 9 (Area B), 19th Floor,
Vincom Center, 72 Le Thanh Ton Street,
Ben Nghe Ward, District 1,
Ho Chi Minh City, Vietnam
Tel: 84-8-3936-9000/9132/9133
Fax: 84-8-3936-9111

Maeda Corporation India Private Ltd.

401-402, 4/F., DLF South Court,
Saket, New Delhi-110 017, India
Tel: 91-11-4973-8888
Fax: 91-11-4973-8899

Maeda (Beijing) Business Consulting Co., Ltd.

Room No. D6304, Beijing Hotel,
No. 33 East Changan Avenue,
Dongcheng District, Beijing 10004,
China
Tel: 86-10-6551-6093
Fax: 86-106553-5396

Domestic:

- Maeda Road Construction Co., Ltd.
- Toyo Construction Co., Ltd.
- Maeda Seisakusho Co., Ltd.
- Higarigaoka Corporation
- Fujimi Koken Co., Ltd.
- Seiyu Estate Co., Ltd.
- Fujimi Building Services Co., Ltd.
- Miyama Kogyo Co., Ltd.
- JM Corporation
- Koho Co., Ltd.



Maeda Corporation

2-8-8, Sarugakucho Chiyoda-ku,
Tokyo 101-0064, Japan

Tel: (81)-3-3265-5551 Fax: (81)-3-5217-9611

<http://www.maeda.co.jp/>