

Tokyo, January 31, 2020

SHIMIZU CORPORATION

Consolidated Financial Report [Japanese GAAP] For the nine months ended December 31, 2019



Shares Listed: First section of the Tokyo Stock Exchange and Nagoya Stock Exchange
 Stock Code: 1803
 URL: <https://www.shimz.co.jp/en/>
 Representative: Kazuyuki Inoue, President and Director
 Inquiries: Michiho Yamaguchi, General Manager, Accounting Department
 TEL: +81-3-3561-1111

Scheduled date to file quarterly securities report: February 3, 2020
 Supplementary documents on quarterly financial results: Yes (in Japanese)
 Holding of financial results presentation: Yes (for analysts and institutional investors)

1. Consolidated Financial Highlights

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

(1) Consolidated Results of Operations

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

	Net Sales (Millions of Yen)		Operating Income (Millions of Yen)		Ordinary Income (Millions of Yen)		Net Income attributable to shareholders of the Corporation (Millions of Yen)	
Nine months ended December 31, 2019	1,238,776	7.7%	97,057	24.3%	103,522	24.9%	73,853	28.4%
Nine months ended December 31, 2018	1,150,611	9.6%	78,074	1.8%	82,878	1.6%	57,502	(0.6%)

	Net Income per share (Yen)	Diluted Net Income per share (Yen)
Nine months ended December 31, 2019	95.42	95.42
Nine months ended December 31, 2018	73.29	73.28

(2) Consolidated Financial Position

	Total Assets (Millions of Yen)	Net Assets (Millions of Yen)	Shareholders' Equity attributable to shareholders of the Corporation (Millions of Yen)	Ratio of Shareholders' Equity attributable to shareholders of the Corporation
As of December 31, 2019	1,832,850	761,183	755,415	41.2%
As of March 31, 2019	1,860,794	735,242	729,415	39.2%

2. Dividends

	End of 1Q (Yen)	End of 2Q (Yen)	End of 3Q (Yen)	Year-End (Yen)	Total (Yen)
Year ended March 31, 2019	—	13.00	—	23.00	36.00
Year ending March 31, 2020	—	18.00	—		
Year ending March 31, 2020(Forecast)				18.00	36.00

(Note) Revision of the forecasts of cash dividends since the latest announcement: None

End of 2Q dividend of 13.00Yen for Year ended March 31, 2019 includes a special dividend of 6.00Yen.

Year-End dividend of 23.00Yen for Year ended March 31, 2019 includes a special dividend of 16.00Yen.

End of 2Q dividend of 18.00Yen for Year ending March 31, 2020 and Year-End dividend of 18.00Yen for Year ending March 31, 2020 (forecast) include a special dividend of 8.00Yen each.

3. Forecast of Consolidated Results of Operations for the Fiscal Year Ending March 2020 (From April 1, 2019 to March 31, 2020)

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

	Net Sales (Millions of Yen)		Operating Income (Millions of Yen)		Ordinary Income (Millions of Yen)		Net Income attributable to shareholders of the Corporation (Millions of Yen)		Net Income per share (Yen)
Year ending March 31, 2020	1,760,000	5.7%	132,000	1.8%	135,000	0.8%	95,000	(4.7%)	123.08

(Note) Revision of the forecasts of consolidated results since the latest announcement: None

Explanatory Notes

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

(2) Adoption of accounting methods specific to the preparation of quarterly consolidated financial statements : Yes

(3) Changes in accounting policies and in accounting estimates, and restatements

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

② Changes in accounting policies other than ① above : Yes

③ Changes in accounting estimates : None

④ Restatements : None

(4) Number of shares issued (Common stock)

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

Third Quarter of FY2019 ended December 31, 2019	788,514,613	FY2018 ended March 31, 2019	788,514,613
--	-------------	--------------------------------	-------------

② Number of treasury stocks at the end of the period

Third Quarter of FY2019 ended December 31, 2019	23,000,343	FY2018 ended March 31, 2019	3,964,206
--	------------	--------------------------------	-----------

③ Average number of shares issued during the period

Third Quarter of FY2019 ended December 31, 2019	773,976,215	Third Quarter of FY2018 ended December 31, 2018	784,552,091
--	-------------	--	-------------

This report is not subject to quarterly review procedures by certified public accountants or audit firms.

Explanation regarding appropriate use of forecasts, and other specific comments

The forecast figures are based on the information that the Company is able to obtain at the present point. However, actual results may be different due to various factors, including, but not limited to, changes in the future economic conditions.

Contents

PERFORMANCE RESULTS	2
PERFORMANCE FORECASTS	3
BREAKDOWN OF SALES AND GROSS PROFIT (NONCONSOLIDATED)	4
CONSOLIDATED BALANCE SHEETS	5
CONSOLIDATED STATEMENTS OF INCOME	7
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME	8
NONCONSOLIDATED BALANCE SHEETS	9
NONCONSOLIDATED STATEMENTS OF INCOME	11
BREAKDOWN OF ORDERS (NONCONSOLIDATED)	12
ORDERS, SALES AND BACKLOG (NONCONSOLIDATED)	13
ORDERS AND CONTRACTS FORECAST (NONCONSOLIDATED)	14

PERFORMANCE RESULTS

(1) Consolidated

(Billions of Yen)

	Current Third Quarter 〔From:Apr 1, 2019 To :Dec 31, 2019〕		Previous Third Quarter 〔From:Apr 1, 2018 To :Dec 31, 2018〕		Increase (Decrease) Rate(%)		Forecast 〔From:Apr 1, 2019 To :Mar 31, 2020〕	Progress (%)
Construction Contracts	1,097.8		1,040.0		57.7	5.6	1,580.0	69.5
Gross Profit	12.9% 141.0		12.2% 126.3		14.6	11.6	12.5% 198.0	71.2
Real Estate and Other	140.9		110.5		30.3	27.5	180.0	78.3
Gross Profit	13.9% 19.6		11.6% 12.8		6.8	53.4	13.9% 25.0	78.6
Net Sales	1,238.7		1,150.6		88.1	7.7	1,760.0	70.4
Gross Profit	13.0% 160.7		12.1% 139.1		21.5	15.5	12.7% 223.0	72.1
S, G & A Expenses	63.6		61.1		2.5	4.2	91.0	70.0
Operating Income	7.8% 97.0		6.8% 78.0		18.9	24.3	7.5% 132.0	73.5
Net Financial Revenue	5.3		4.1		1.2	30.8	2.5	—
Others	1.0		0.6		0.3	57.8	0.5	—
Ordinary Income	8.4% 103.5		7.2% 82.8		20.6	24.9	7.7% 135.0	76.7
Special Gains (Losses)	6.6		3.2		3.3	103.0	5.0	—
Income Before Taxes	110.1		86.1		24.0	27.9	140.0	78.7
Income Taxes	36.3		28.5		7.8	27.6	45.0	—
Net Income Attributable to Non-Controlling Interests	(0.0)		0.1		(0.2)	—	0.0	—
Net Income Attributable to Shareholders of the Corporation	6.0% 73.8		5.0% 57.5		16.3	28.4	5.4% 95.0	77.7

(Consolidated)	Current Third Quarter 〔 Dec 31, 2019 〕	Previous Fiscal Year 〔 Mar 31, 2019 〕	Increase(Decrease) Rate(%)	
Interest-bearing Debt 〔Nonrecourse Borrowings and Bonds〕	377.2 〔 81.9 〕	319.4 〔 58.6 〕	57.8 〔 23.2 〕	18.1 〔 39.6 〕

(2) Nonconsolidated

(Billions of Yen)

	Current Third Quarter 〔From:Apr 1, 2019 To :Dec 31, 2019〕		Previous Third Quarter 〔From:Apr 1, 2018 To :Dec 31, 2018〕		Increase (Decrease) Rate(%)		Forecast 〔From:Apr 1, 2019 To :Mar 31, 2020〕	Progress (%)
Construction Contracts	986.2		938.5		47.6	5.1	1,410.0	69.9
[Architectural Construction]	[780.6]		[727.1]		[53.5]	[7.4]	[1,125.0]	[69.4]
[Civil Engineering]	[205.5]		[211.4]		[(5.9)]	[(2.8)]	[285.0]	[72.1]
Gross Profit	12.8% 126.2		11.8% 111.0		15.1	13.7	12.2% 172.0	73.4
[Architectural Construction]	[11.1% 87.0]		[10.8% 78.5]		[8.4]	[10.8]	[11.7% 132.0]	[65.9]
[Civil Engineering]	[19.1% 39.1]		[15.4% 32.4]		[6.7]	[20.7]	[14.0% 40.0]	[97.9]
Real Estate and Other	47.3		32.3		14.9	46.3	65.0	72.8
Gross Profit	23.2% 10.9		16.4% 5.3		5.6	106.6	19.2% 12.5	87.9
Net Sales	1,033.5		970.9		62.5	6.4	1,475.0	70.1
Gross Profit	13.3% 137.1		12.0% 116.3		20.8	17.9	12.5% 184.5	74.4
S, G & A Expenses	51.0		48.6		2.4	5.0	73.5	69.5
Operating Income	8.3% 86.1		7.0% 67.7		18.4	27.2	7.5% 111.0	77.6
Net Financial Revenue	9.4		8.4		0.9	11.5	7.0	—
Others	(0.2)		(0.1)		(0.1)	—	0.0	—
Ordinary Income	9.2% 95.2		7.8% 76.0		19.2	25.3	8.0% 118.0	80.8
Special Gains (Losses)	6.6		3.2		3.3	101.3	5.0	—
Income Before Taxes	101.9		79.3		22.6	28.5	123.0	82.9
Income Taxes	32.3		24.9		7.3	29.5	39.0	—
Net Income	6.7% 69.6		5.6% 54.3		15.2	28.0	5.7% 84.0	82.9

(Nonconsolidated)	Current Third Quarter 〔 Dec 31, 2019 〕	Previous Fiscal Year 〔 Mar 31, 2019 〕	Increase(Decrease) Rate(%)	
Interest-bearing Debt	253.3	229.2	24.1	10.5

(*) Forecasts have not been changed from the announcement made on Nov 12, 2019.

PERFORMANCE FORECASTS

(1) Consolidated

(Billions of Yen)

	Current Fiscal Year Forecast		Previous Fiscal Year Result		Increase (Decrease)	
	〔 From:Apr 1, 2019 To :Mar 31, 2020 〕		〔 From:Apr 1, 2018 To :Mar 31, 2019 〕		Rate(%)	
Construction Contracts		1,580.0		1,504.6	75.3	5.0
Gross Profit	12.5%	198.0	13.1%	196.8	1.1	0.6
Real Estate and Other		180.0		160.3	19.6	12.3
Gross Profit	13.9%	25.0	12.4%	19.8	5.1	26.0
Net Sales		1,760.0		1,664.9	95.0	5.7
Gross Profit	12.7%	223.0	13.0%	216.6	6.3	2.9
S, G & A Expenses		91.0		86.9	4.0	4.7
Operating Income	7.5%	132.0	7.8%	129.7	2.2	1.8
Net Financial Revenue		2.5		4.1	(1.6)	(39.6)
Others		0.5		0.0	0.4	419.4
Ordinary Income	7.7%	135.0	8.0%	133.9	1.0	0.8
Special Gains (Losses)		5.0		9.2	(4.2)	(46.0)
Income Before Taxes		140.0		143.2	(3.2)	(2.2)
Income Taxes		45.0		43.1	1.8	4.4
Net Income Attributable to Non-Controlling Interests		0.0		0.4	(0.4)	(100.0)
Net Income Attributable to Shareholders of the Corporation	5.4%	95.0	6.0%	99.6	(4.6)	(4.7)
Interest-bearing Debt		Less than 390.0		319.4	70.5	22.1

(2) Nonconsolidated

(Billions of Yen)

	Current Fiscal Year Forecast		Previous Fiscal Year Result		Increase (Decrease)	
	〔 From:Apr 1, 2019 To :Mar 31, 2020 〕		〔 From:Apr 1, 2018 To :Mar 31, 2019 〕		Rate(%)	
Construction Contracts		1,410.0		1,348.1	61.8	4.6
[Architectural Construction]		[1,125.0]		[1,047.9]	[77.0]	[7.4]
[Civil Engineering]		[285.0]		[300.1]	[(15.1)]	[(5.0)]
Gross Profit	12.2%	172.0	12.8%	171.9	0.0	0.0
[Architectural Construction]	11.7%	[132.0]	11.6%	[121.7]	[10.2]	[8.5]
[Civil Engineering]	14.0%	[40.0]	16.7%	[50.2]	[(10.2)]	[(20.4)]
Real Estate and Other		65.0		58.6	6.3	10.9
Gross Profit	19.2%	12.5	19.1%	11.1	1.3	11.9
Net Sales		1,475.0		1,406.7	68.2	4.9
Gross Profit	12.5%	184.5	13.0%	183.1	1.3	0.7
S, G & A Expenses		73.5		69.5	3.9	5.7
Operating Income	7.5%	111.0	8.1%	113.5	(2.5)	(2.3)
Net Financial Revenue		7.0		8.3	(1.3)	(16.5)
Others		0.0		(0.2)	0.2	—
Ordinary Income	8.0%	118.0	8.7%	121.7	(3.7)	(3.1)
Special Gains (Losses)		5.0		8.7	(3.7)	(42.7)
Income Before Taxes		123.0		130.4	(7.4)	(5.7)
Income Taxes		39.0		37.7	1.2	3.4
Net Income	5.7%	84.0	6.6%	92.7	(8.7)	(9.4)
Interest-bearing Debt		Less than 250.0		229.2	20.7	9.0

(*) Forecasts have not been changed from the announcement made on Nov 12, 2019.

BREAKDOWN OF SALES AND GROSS PROFIT (NONCONSOLIDATED)

(1) Performance Results

(Billions of Yen)

	Current Third Quarter Result 〔 From:Apr 1, 2019 To :Dec 31, 2019 〕			Previous Third Quarter Result 〔 From:Apr 1, 2018 To :Dec 31, 2018 〕			Increase (Decrease)				
	Sales	Gross Profit		Sales	Gross Profit		Sales		Gross Profit		
		Profit Rate (%)			Profit Rate (%)		Rate (%)		Rate (%)		
Construction business											
Architectural Construction											
Domestic	744.2	11.6%	86.4	696.2	11.0%	76.9	48.0	6.9%	9.5	12.4%	
Overseas	36.3	1.6	0.5	30.8	5.3	1.6	5.5	17.9	(1.0)	(63.7)	
Sub total	780.6	11.1	87.0	727.1	10.8	78.5	53.5	7.4	8.4	10.8	
Civil Engineering											
Domestic	188.6	18.9	35.6	201.5	15.3	30.8	(12.9)	(6.4)	4.7	15.4	
Overseas	16.9	20.8	3.5	9.9	15.8	1.5	7.0	70.7	1.9	124.1	
Sub total	205.5	19.1	39.1	211.4	15.4	32.4	(5.9)	(2.8)	6.7	20.7	
Domestic	932.9	13.1	122.0	897.8	12.0	107.8	35.0	3.9	14.2	13.3	
Overseas	53.2	7.7	4.1	40.7	7.9	3.2	12.5	30.7	0.9	28.3	
Total	986.2	12.8	126.2	938.5	11.8	111.0	47.6	5.1	15.1	13.7	
Real Estate and Other	47.3	23.2	10.9	32.3	16.4	5.3	14.9	46.3	5.6	106.6	
Grand Total	1,033.5	13.3	137.1	970.9	12.0	116.3	62.5	6.4	20.8	17.9	

(2) Performance Forecasts

(Billions of Yen)

	Current Fiscal Year Forecast 〔 From:Apr 1, 2019 To :Mar 31, 2020 〕			Previous Fiscal Year Result 〔 From:Apr 1, 2018 To :Mar 31, 2019 〕			Increase (Decrease)				
	Sales	Gross Profit		Sales	Gross Profit		Sales		Gross Profit		
		Profit Rate (%)			Profit Rate (%)		Rate (%)		Rate (%)		
Construction business											
Architectural Construction											
Domestic	1,070.0	12.0%	128.0	1,006.3	11.8%	118.8	63.6	6.3%	9.1	7.7%	
Overseas	55.0	7.3	4.0	41.6	6.8	2.8	13.3	32.2	1.1	41.8	
Sub total	1,125.0	11.7	132.0	1,047.9	11.6	121.7	77.0	7.4	10.2	8.5	
Civil Engineering											
Domestic	265.0	14.5	38.5	286.2	16.7	47.8	(21.2)	(7.4)	(9.3)	(19.5)	
Overseas	20.0	7.5	1.5	13.9	17.3	2.4	6.0	43.5	(0.9)	(37.8)	
Sub total	285.0	14.0	40.0	300.1	16.7	50.2	(15.1)	(5.0)	(10.2)	(20.4)	
Domestic	1,335.0	12.5	166.5	1,292.5	12.9	166.7	42.4	3.3	(0.2)	(0.1)	
Overseas	75.0	7.3	5.5	55.5	9.4	5.2	19.4	35.0	0.2	5.1	
Total	1,410.0	12.2	172.0	1,348.1	12.8	171.9	61.8	4.6	0.0	0.0	
Real Estate and Other	65.0	19.2	12.5	58.6	19.1	11.1	6.3	10.9	1.3	11.9	
Grand Total	1,475.0	12.5	184.5	1,406.7	13.0	183.1	68.2	4.9	1.3	0.7	

(*) Forecasts have not been changed from the announcement made on Nov 12, 2019.

CONSOLIDATED BALANCE SHEETS

(Millions of Yen)

	Current Third Quarter [Dec 31, 2019]	Previous Fiscal Year [Mar 31, 2019]	Increase (Decrease)
(ASSETS)			
Current Assets:			
Cash	159,185	150,978	8,207
Notes and accounts receivable-trade	557,316	641,061	(83,745)
Marketable securities (*)	65,020	79,000	(13,980)
Real estate for sale	4,715	24,722	(20,007)
Costs on uncompleted construction contracts	91,815	79,069	12,746
Costs on uncompleted real estate development projects	16,255	20,577	(4,322)
PFI projects and other inventories	46,656	53,750	(7,094)
Other current assets	107,056	97,801	9,254
Less: Allowance for doubtful accounts	(928)	(1,060)	131
Total current assets	1,047,093	1,145,901	(98,808)
Non-Current Assets:			
Tangible fixed assets:			
Buildings and structures	96,920	82,669	14,251
Machinery, vehicles, tools, furniture and fixtures	18,060	17,191	868
Land	203,396	165,454	37,941
Construction in progress	55,625	34,532	21,092
Total tangible fixed assets	374,002	299,847	74,154
Intangible fixed assets	11,391	7,948	3,442
Investments and other assets:			
Investment securities	381,927	387,746	(5,818)
Other investments	20,413	21,332	(919)
Less: Allowance for doubtful accounts	(1,977)	(1,983)	6
Total investments and other assets	400,363	407,095	(6,732)
Total non-current assets	785,757	714,892	70,864
Total assets	1,832,850	1,860,794	(27,943)

(*) Marketable securities includes following amounts of negotiable certificate of deposits.

As of Dec 31, 2019: 65,000 million yen

As of Mar 31, 2019: 79,000 million yen

(Millions of Yen)

	Current Third Quarter [Dec 31, 2019]	Previous Fiscal Year [Mar 31, 2019]	Increase (Decrease)
(LIABILITIES)			
Current Liabilities:			
Notes and accounts payable-trade	311,465	354,466	(43,000)
Short-term borrowings	121,439	121,179	259
Current portion of non-recourse borrowings	6,948	7,432	(484)
Commercial papers	10,000	—	10,000
Current portion of bonds payable	10,000	20,000	(10,000)
Current portion of convertible bond-type bonds with subscription rights to shares	30,023	—	30,023
Current portion of non-recourse bonds payable	15,201	879	14,321
Advances received on uncompleted construction contracts	107,319	145,533	(38,213)
Warranty reserve	3,330	3,209	120
Reserve for expected losses on construction contracts in process	5,668	8,175	(2,506)
Reserve for directors' bonuses	—	267	(267)
Reserve for loss on anti-monopoly act	1,820	1,820	—
Other current liabilities	146,219	174,904	(28,684)
Total current liabilities	769,436	837,868	(68,432)
Non-Current Liabilities:			
Bonds payable	70,000	40,000	30,000
Convertible bond-type bonds with subscription rights to shares	—	30,046	(30,046)
Non-recourse bonds payable	13,399	13,180	218
Long-term borrowings	53,836	49,520	4,315
Non-recourse borrowings	46,357	37,161	9,196
Net defined benefit liability	55,449	55,873	(423)
Other non-current liabilities	63,187	61,900	1,286
Total non-current liabilities	302,230	287,683	14,547
Total liabilities	1,071,666	1,125,551	(53,884)
(NET ASSETS)			
Shareholders' Equity:			
Common stock, no par value	74,365	74,365	—
Additional paid-in capital	43,116	43,116	0
Retained earnings	485,749	443,802	41,947
[Contingent Reserve]	[295,200]	[229,800]	[65,400]
Less: Treasury stock, at cost	(18,655)	(1,609)	(17,045)
Total shareholders' equity	584,576	559,674	24,901
Accumulated Other Comprehensive Income:			
Net unrealized gain (loss) on other securities, net of taxes	151,349	150,079	1,269
Deferred gain (loss) on hedging, net of taxes	(95)	(54)	(41)
Revaluation reserve for land, net of taxes	25,864	25,864	—
Foreign currency translation adjustments	(2,721)	(1,955)	(765)
Remeasurements of defined benefit plans	(3,556)	(4,193)	636
Total accumulated other comprehensive income	170,839	169,741	1,098
Non-controlling Interests	5,767	5,826	(59)
Total net assets	761,183	735,242	25,940
Total liabilities and net assets	1,832,850	1,860,794	(27,943)

(Reference)

Interest-bearing debt	377,205	319,400	57,805
[Nonrecourse borrowings and bonds]	[81,906]	[58,654]	[23,252]

CONSOLIDATED STATEMENTS OF INCOME

(Millions of Yen)

	Current Third Quarter 〔 From:Apr 1, 2019 〕 〔 To :Dec 31, 2019 〕		Previous Third Quarter 〔 From:Apr 1, 2018 〕 〔 To :Dec 31, 2018 〕		Increase (Decrease)
Net Sales:					
Construction contracts		1,097,808		1,040,016	57,791
Real estate development and other		140,968		110,594	30,373
Total net sales		1,238,776		1,150,611	88,165
Cost of Sales:					
Construction contracts		956,737		913,645	43,092
Real estate development and other		121,310		97,783	23,526
Total cost of sales		1,078,047		1,011,428	66,618
Gross profit:					
Construction contracts	[12.9%]	141,070	[12.2%]	126,371	14,699
Real estate development and other	[13.9%]	19,658	[11.6%]	12,810	6,847
Total gross profit	13.0%	160,728	12.1%	139,182	21,546
Selling, General and Administrative Expenses		63,670		61,107	2,563
Operating income	7.8%	97,057	6.8%	78,074	18,983
Non-Operating Income:					
Interest income		794		897	(102)
Dividend income		6,230		5,084	1,145
Other non-operating income		1,988		1,593	394
Total non-operating income		9,013		7,576	1,436
Non-Operating Expenses:					
Interest expenses		1,625		1,854	(228)
Foreign exchange loss		7		174	(167)
Other non-operating expenses		914		743	171
Total non-operating expenses		2,548		2,772	(224)
Ordinary income	8.4%	103,522	7.2%	82,878	20,644
Special Gains:					
Gain on sales of fixed assets		62		9	52
Gain on sales of investment securities		7,517		3,293	4,223
Total special gains		7,579		3,303	4,276
Special Losses:					
Loss on sales of fixed assets		0		15	(14)
Loss on sales of investment securities		117		0	117
Loss on devaluation of investment securities		789		0	788
Total special losses		907		16	891
Income before income taxes		110,195		86,165	24,029
Income taxes		36,398		28,520	7,878
Net income		73,796		57,644	16,151
Net income (loss) attributable to non-controlling interests		(57)		142	(200)
Net income attributable to shareholders of the Corporation	6.0%	73,853	5.0%	57,502	16,351

(Reference)

Interest and dividend income	7,025	5,982	1,042
Interest expenses	1,625	1,854	(228)
Net financial revenue	5,399	4,127	1,271

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Millions of Yen)

	Current Third Quarter 〔 From:Apr 1, 2019 〕 〔 To :Dec 31, 2019 〕	Previous Third Quarter 〔 From:Apr 1, 2018 〕 〔 To :Dec 31, 2018 〕	Increase (Decrease)
Net income	73,796	57,644	16,151
Other comprehensive income:			
Net unrealized gain (loss) on other securities, net of taxes	1,252	(14,855)	16,108
Deferred gain (loss) on hedging, net of taxes	(18)	161	(179)
Foreign currency translation adjustment	(707)	(545)	(162)
Remeasurements of defined benefit plans	609	927	(318)
Share of other comprehensive income of associates accounted for using equity method	57	63	(5)
Total other comprehensive income	1,193	(14,249)	15,442
Comprehensive income	74,989	43,395	31,593
Comprehensive income attributable to:			
Shareholders of the Corporation	74,952	43,247	31,704
Non-controlling interests	37	148	(110)

NONCONSOLIDATED BALANCE SHEETS

(Millions of Yen)

	Current Third Quarter [Dec 31, 2019]	Previous Fiscal Year [Mar 31, 2019]	Increase (Decrease)
(ASSETS)			
Current Assets:			
Cash	85,795	88,750	(2,954)
Notes receivable and accounts receivable from completed construction contracts	521,411	602,175	(80,764)
Marketable securities (*)	65,000	79,100	(14,100)
Real estate for sale	0	3,981	(3,981)
Costs on uncompleted construction contracts	84,955	72,949	12,006
Costs on uncompleted real estate development projects	4,888	3,324	1,563
Other current assets	98,382	89,554	8,827
Less: Allowance for doubtful accounts	(884)	(973)	89
Total current assets	859,548	938,861	(79,313)
Non-Current Assets:			
Tangible fixed assets:			
Buildings and structures	83,716	71,520	12,196
Machinery, vehicles, tools, furniture and fixtures	8,138	7,217	921
Land	154,897	130,193	24,704
Construction in progress	47,607	33,475	14,132
Total tangible fixed assets	294,360	242,406	51,954
Intangible fixed assets	5,853	5,753	100
Investments and other assets:			
Investment securities	388,948	398,661	(9,713)
Other investments	13,405	13,931	(526)
Less: Allowance for doubtful accounts	(2,116)	(2,138)	21
Total investments and other assets	400,236	410,454	(10,217)
Total non-current assets	700,451	658,614	41,837
Total assets	1,559,999	1,597,475	(37,476)

(*) Marketable securities includes following amounts of negotiable certificate of deposits.

As of Dec 31, 2019: 65,000 million yen

As of Mar 31, 2019: 79,000 million yen

(Millions of Yen)

	Current Third Quarter [Dec 31, 2019]	Previous Fiscal Year [Mar 31, 2019]	Increase (Decrease)
(LIABILITIES)			
Current Liabilities:			
Notes payable and accounts payable for construction contracts	266,406	300,087	(33,680)
Short-term borrowings	96,439	95,491	947
Commercial papers	10,000	—	10,000
Current portion of bonds payable	10,000	20,000	(10,000)
Current portion of convertible bond-type bonds with subscription rights to shares	30,023	—	30,023
Advances received on uncompleted construction contracts	95,876	127,845	(31,969)
Warranty reserve	3,210	3,100	109
Reserve for expected losses on construction contracts in process	5,132	7,934	(2,802)
Reserve for directors' bonuses	—	267	(267)
Reserve for loss on anti-monopoly act	1,820	1,820	—
Other current liabilities	179,370	194,531	(15,160)
Total current liabilities	698,279	751,078	(52,799)
Non-Current Liabilities:			
Bonds payable	70,000	40,000	30,000
Convertible bond-type bonds with subscription rights to shares	—	30,046	(30,046)
Long-term borrowings	36,911	43,722	(6,811)
Reserve for employees' retirement benefits	44,501	44,279	221
Other non-current liabilities	61,265	60,438	827
Total non-current liabilities	212,678	218,486	(5,808)
Total liabilities	910,957	969,565	(58,608)
(NET ASSETS)			
Shareholders' Equity:			
Common stock, no par value	74,365	74,365	—
Additional paid-in capital	43,144	43,144	0
Retained earnings	374,557	336,857	37,699
[Contingent Reserve]	[295,200]	[229,800]	[65,400]
Less: Treasury stock, at cost	(18,233)	(1,187)	(17,045)
Total shareholders' equity	473,834	453,180	20,654
Valuation and Translation Adjustments:			
Net unrealized gain (loss) on other securities, net of taxes	149,320	148,823	496
Deferred gain (loss) on hedging, net of taxes	22	41	(18)
Revaluation reserve for land, net of taxes	25,864	25,864	—
Total valuation and translation adjustments	175,207	174,729	478
Total net assets	649,042	627,910	21,132
Total liabilities and net assets	1,559,999	1,597,475	(37,476)

(Reference)

Interest-bearing debt	253,374	229,260	24,114
-----------------------	---------	---------	--------

NONCONSOLIDATED STATEMENTS OF INCOME

(Millions of Yen)

	Current Third Quarter 〔 From:Apr 1, 2019 〕 〔 To :Dec 31, 2019 〕		Previous Third Quarter 〔 From:Apr 1, 2018 〕 〔 To :Dec 31, 2018 〕		Increase (Decrease)
Net Sales:					
Construction contracts		986,221		938,599	47,622
Real estate development and other		47,337		32,364	14,973
Total net sales		1,033,559		970,963	62,595
Cost of Sales:					
Construction contracts		860,014		827,586	32,428
Real estate development and other		36,351		27,047	9,303
Total cost of sales		896,366		854,633	41,732
Gross profit:					
Construction contracts	[12.8%]	126,207	[11.8%]	111,013	15,193
Real estate development and other	[23.2%]	10,986	[16.4%]	5,316	5,669
Total gross profit	13.3%	137,193	12.0%	116,329	20,863
Selling, General and Administrative Expenses		51,063		48,609	2,453
Operating income	8.3%	86,130	7.0%	67,720	18,409
Non-Operating Income:					
Interest income		302		344	(41)
Dividend income		10,258		9,545	712
Foreign exchange gain		35		—	35
Other non-operating income		547		621	(73)
Total non-operating income		11,144		10,511	633
Non-Operating Expenses:					
Interest expenses		1,123		1,425	(301)
Foreign exchange loss		—		154	(154)
Other non-operating expenses		858		629	228
Total non-operating expenses		1,982		2,210	(228)
Ordinary income	9.2%	95,292	7.8%	76,021	19,271
Special Gains:					
Gain on sales of fixed assets		30		156	(125)
Gain on sales of investment securities		7,508		3,154	4,354
Total special gains		7,538		3,310	4,228
Special Losses:					
Loss on sales of fixed assets		0		15	(15)
Loss on sales of investment securities		117		0	117
Loss on devaluation of investment securities		789		0	788
Total special losses		907		16	890
Income before income taxes		101,924		79,315	22,608
Provision for income taxes		32,318		24,947	7,371
Net income	6.7%	69,606	5.6%	54,368	15,237

(Reference)

Interest and dividend income	10,561	9,890	671
Interest expenses	1,123	1,425	(301)
Net financial revenue	9,438	8,464	973

BREAKDOWN OF ORDERS (NONCONSOLIDATED)

(Millions of Yen)

	Current Third Quarter Result 〔 From:Apr 1, 2019 〕 〔 To :Dec 31, 2019 〕		Previous Third Quarter Result 〔 From:Apr 1, 2018 〕 〔 To :Dec 31, 2018 〕		Increase (Decrease)		Current Fiscal Year Forecast 〔 From:Apr 1, 2019 〕 〔 To :Mar 31, 2020 〕	Progress (%)
		Proportion (%)		Proportion (%)		Rate (%)		
Construction business (orders)								
Architectural Construction								
Domestic	517,170	71.7	610,584	72.2	(93,414)	(15.3)	860,000	60.1
Overseas	59,486	8.2	25,425	3.0	34,060	134.0	70,000	85.0
Sub total	576,656	79.9	636,010	75.2	(59,354)	(9.3)	930,000	62.0
Civil Engineering								
Domestic	90,598	12.6	181,410	21.5	(90,811)	(50.1)	220,000	41.2
Overseas	54,433	7.5	27,882	3.3	26,551	95.2	80,000	68.0
Sub total	145,032	20.1	209,292	24.8	(64,260)	(30.7)	300,000	48.3
Domestic	607,768	84.3	791,994	93.7	(184,225)	(23.3)	1,080,000	56.3
Overseas	113,920	15.7	53,308	6.3	60,611	113.7	150,000	75.9
Total	721,688	100	845,303	100	(123,614)	(14.6)	1,230,000	58.7
Real Estate and Other	26,761		62,246		(35,484)	(57.0)	70,000	38.2
Grand Total	748,450		907,549		(159,098)	(17.5)	1,300,000	57.6

(Reference: Overseas Construction Orders)

(Millions of Yen)

	Current Third Quarter Result 〔 From:Apr 1, 2019 〕 〔 To :Dec 31, 2019 〕		Previous Third Quarter Result 〔 From:Apr 1, 2018 〕 〔 To :Dec 31, 2018 〕		Increase (Decrease)		Current Fiscal Year Forecast 〔 From:Apr 1, 2019 〕 〔 To :Mar 31, 2020 〕	Progress (%)
						Rate (%)		
Shimizu Corporation	113,920		53,308		60,611	113.7	150,000	75.9
Subsidiaries	22,056		43,251		(21,194)	(49.0)	60,000	36.8
Total	135,976		96,559		39,416	40.8	210,000	64.8

(*) Forecasts have not been changed from the announcement made on Nov 12, 2019.

ORDERS, SALES AND BACKLOG (NONCONSOLIDATED)
for the nine months ended December 31, 2018 and 2019

(1) Construction orders awarded and contracts

(Millions of Yen)

		Current Third Quarter 〔 From:Apr 1, 2019 To :Dec 31, 2019 〕	Previous Third Quarter 〔 From:Apr 1, 2018 To :Dec 31, 2018 〕	Increase (Decrease)	Rate(%)
Architectural Construction	Domestic	517,170	610,584	(93,414)	(15.3)
	Overseas	59,486	25,425	34,060	134.0
	Sub total	576,656	636,010	(59,354)	(9.3)
Civil Engineering	Domestic	90,598	181,410	(90,811)	(50.1)
	Overseas	54,433	27,882	26,551	95.2
	Sub total	145,032	209,292	(64,260)	(30.7)
Construction business (orders)		721,688	845,303	(123,614)	(14.6)
Real estate development and other (contracts)		26,761	62,246	(35,484)	(57.0)
Total		748,450	907,549	(159,098)	(17.5)

(2) Net sales

(Millions of Yen)

		Current Third Quarter 〔 From:Apr 1, 2019 To :Dec 31, 2019 〕	Previous Third Quarter 〔 From:Apr 1, 2018 To :Dec 31, 2018 〕	Increase (Decrease)	Rate(%)
Architectural Construction	Domestic	744,271	696,263	48,007	6.9
	Overseas	36,362	30,847	5,514	17.9
	Sub total	780,633	727,111	53,522	7.4
Civil Engineering	Domestic	188,654	201,569	(12,915)	(6.4)
	Overseas	16,934	9,919	7,015	70.7
	Sub total	205,588	211,488	(5,900)	(2.8)
Construction business		986,221	938,599	47,622	5.1
Real estate development and other		47,337	32,364	14,973	46.3
Total		1,033,559	970,963	62,595	6.4

(3) Backlog

(Millions of Yen)

		Current Third Quarter [Dec 31, 2019]	Previous Third Quarter [Dec 31, 2018]	Increase (Decrease)	Rate(%)
Architectural Construction	Domestic	1,250,625	1,091,217	159,408	14.6
	Overseas	126,927	105,105	21,822	20.8
	Sub total	1,377,552	1,196,322	181,230	15.1
Civil Engineering	Domestic	330,372	447,810	(117,437)	(26.2)
	Overseas	88,095	43,035	45,059	104.7
	Sub total	418,468	490,845	(72,377)	(14.7)
Construction business		1,796,020	1,687,168	108,852	6.5
Real estate development and other		57,343	69,163	(11,820)	(17.1)
Total		1,853,363	1,756,331	97,032	5.5

ORDERS AND CONTRACTS FORECAST (NONCONSOLIDATED)
for the fiscal year ending March 2020

(Billions of Yen)

		Current Fiscal Year Forecast 〔 From:Apr 1, 2019 To :Mar 31, 2020 〕	Previous Fiscal Year Result 〔 From:Apr 1, 2018 To :Mar 31, 2019 〕	Increase (Decrease)	
					Rate(%)
Architectural Construction	Domestic	860.0	1,307.1	(447.1)	(34.2)
	Overseas	70.0	34.8	35.1	100.6
	Sub total	930.0	1,342.0	(412.0)	(30.7)
Civil Engineering	Domestic	220.0	246.6	(26.6)	(10.8)
	Overseas	80.0	39.4	40.5	102.7
	Sub total	300.0	286.1	13.8	4.8
Construction business (orders)		1,230.0	1,628.2	(398.2)	(24.5)
Real estate development and other (contracts)		70.0	97.2	(27.2)	(28.0)
Total		1,300.0	1,725.4	(425.4)	(24.7)

(Reference: Overseas Construction Orders)

(Billions of Yen)

		Current Fiscal Year Forecast 〔 From:Apr 1, 2019 To :Mar 31, 2020 〕	Previous Fiscal Year Result 〔 From:Apr 1, 2018 To :Mar 31, 2019 〕	Increase (Decrease)	
					Rate(%)
Shimizu Corporation		150.0	74.3	75.6	101.7
Subsidiaries		60.0	64.2	(4.2)	(6.6)
Total		210.0	138.5	71.4	51.5

(*) Forecasts have not been changed from the announcement made on Nov 12, 2019.