

Tokyo, August 8, 2017

# SHIMIZU CORPORATION

## Consolidated Financial Report [Japanese GAAP]

### For the three months ended June 30, 2017



Shares Listed: First section of the Tokyo Stock Exchange and Nagoya Stock Exchange  
 Stock Code: 1803  
 URL: <http://www.shimz.co.jp/english/>  
 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: August 9, 2017  
 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)	
Three months ended June 30, 2017	340,117	(3.9%)	26,461	20.3%	28,675	27.9%	22,379	53.5%
Three months ended June 30, 2016	353,841	(8.2%)	21,989	29.7%	22,428	15.9%	14,578	28.2%

	Net Income per share (Yen)	Diluted Net Income per share (Yen)
Three months ended June 30, 2017	28.53	28.48
Three months ended June 30, 2016	18.58	18.54

#### (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 June 30, 2017	1,666,833	596,054	591,003	35.5%
As of March 31, 2017	1,688,197	576,879	571,773	33.9%

### 2. Dividends

	End of 1Q (Yen)	End of 2Q (Yen)	End of 3Q (Yen)	Year-End (Yen)	Total (Yen)
Year ended March 31, 2017	—	5.00	—	21.00	26.00
Year ending March 31, 2018	—				
Year ending March 31, 2018 (Forecast)		10.00	—	10.00	20.00

(Note) Revision of the forecasts of cash dividends since the latest announcement: No

\* Year-End dividend of 21.00Yen for Year ended March 31, 2017 includes a special dividend of 16.00Yen.

End of 2Q dividend and Year-End dividend of 10.00Yen for Year ending March 31, 2018(Forecast) each includes a special dividend of 3.00Yen.

### 3. Forecast of Consolidated Results of Operations for the Fiscal Year Ending March 2018(From April 1, 2017 to March 31, 2018)

(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)
Six months ending September 30, 2017	760,000	6.7%	46,000	(11.1%)	48,000	(7.2%)	34,000	(3.0%)	43.34
Year ending March 31, 2018	1,600,000	2.1%	96,500	(25.1%)	100,000	(23.8%)	69,000	(30.3%)	87.95

(Note) Revision of the forecasts of consolidated results since the latest announcement: No

## 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 : None

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)

First Quarter of FY2017 ended June 30, 2017	788,514,613	FY2016 ended March 31, 2017	788,514,613
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② Number of treasury stocks at the end of the period

First Quarter of FY2017 ended June 30, 2017	3,956,113	FY2016 ended March 31, 2017	3,949,498
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③ Average number of shares issued during the period

First Quarter of FY2017 ended June 30, 2017	784,561,558	First Quarter of FY2016 ended June 30, 2016	784,583,000
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**This report is not subject to quarterly review procedures**

**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.

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# PERFORMANCE RESULTS

## (1) Consolidated

(Billions of Yen)

	Current First Quarter 〔 From:Apr 1, 2017 To :Jun 30, 2017 〕		Previous First Quarter 〔 From:Apr 1, 2016 To :Jun 30, 2016 〕		Increase (Decrease) Rate(%)		Forecast 〔 From:Apr 1, 2017 To :Mar 31, 2018 〕		Progress (%)
	Construction Contracts	295.6	319.5	(23.9)	(7.5)	1,430.0	20.7		
Gross Profit	12.9% 38.2	10.9% 34.9	3.2	9.3	11.0% 158.0	24.2			
Real Estate and Other	44.4	34.2	10.2	29.9	170.0	26.2			
Gross Profit	16.3% 7.2	14.8% 5.0	2.1	42.7	11.2% 19.0	38.1			
<b>Net Sales</b>	<b>340.1</b>	<b>353.8</b>	<b>(13.7)</b>	<b>(3.9)</b>	<b>1,600.0</b>	<b>21.3</b>			
Gross Profit	13.4% 45.4	11.3% 40.0	5.4	13.5	11.1% 177.0	25.7			
S,G & A Expenses	19.0	18.0	0.9	5.2	80.5	23.6			
<b>Operating Income</b>	<b>7.8% 26.4</b>	<b>6.2% 21.9</b>	<b>4.4</b>	<b>20.3</b>	<b>6.0% 96.5</b>	<b>27.4</b>			
Net Financial Revenue	2.1	1.9	0.2	10.7	2.0	—			
Others	0.0	(1.5)	1.5	—	1.5	—			
<b>Ordinary Income</b>	<b>8.4% 28.6</b>	<b>6.3% 22.4</b>	<b>6.2</b>	<b>27.9</b>	<b>6.3% 100.0</b>	<b>28.7</b>			
Special Gains(Losses)	4.0	0.1	3.9	—	5.0	—			
Income Before Taxes	32.7	22.5	10.2	45.4	105.0	31.2			
Income Taxes	10.4	8.0	2.4	30.2	36.0	—			
Net Income Attributable to Non-Controlling Interests	(0.0)	(0.0)	0.0	—	0.0	—			
<b>Net Income Attributable to Shareholders of the Corporation</b>	<b>6.6% 22.3</b>	<b>4.1% 14.5</b>	<b>7.8</b>	<b>53.5</b>	<b>4.3% 69.0</b>	<b>32.4</b>			

(Consolidated)	Current First Quarter 〔 Jun 30, 2017 〕	Previous Fiscal Year 〔 Mar 31, 2017 〕	Increase(Decrease) Rate(%)	
Interest-bearing Debt	351.9	340.0	11.9	3.5
[Nonrecourse Borrowings and Bonds]	61.6	59.1	2.5	4.2

## (2) Nonconsolidated

(Billions of Yen)

	Current First Quarter 〔 From:Apr 1, 2017 To :Jun 30, 2017 〕		Previous First Quarter 〔 From:Apr 1, 2016 To :Jun 30, 2016 〕		Increase (Decrease) Rate(%)		Forecast 〔 From:Apr 1, 2017 To :Mar 31, 2018 〕		Progress (%)
	Construction Contracts	266.1	286.0	(19.8)	(6.9)	1,250.0	21.3		
[Architectural Construction]	201.6	213.8	(12.2)	(5.7)	980.0	20.6			
[Civil Engineering]	64.5	72.1	(7.5)	(10.5)	270.0	23.9			
Gross Profit	12.8% 34.1	10.9% 31.2	2.9	9.5	10.8% 135.5	25.2			
[Architectural Construction]	14.2% 28.6	11.2% 24.0	4.5	18.9	11.1% 108.5	26.4			
[Civil Engineering]	8.6% 5.5	9.9% 7.1	(1.5)	(22.3)	10.0% 27.0	20.6			
Real Estate and Other	7.1	7.7	(0.6)	(8.9)	65.0	10.9			
Gross Profit	22.0% 1.5	24.9% 1.9	(0.3)	(19.5)	20.8% 13.5	11.6			
<b>Net Sales</b>	<b>273.2</b>	<b>293.8</b>	<b>(20.5)</b>	<b>(7.0)</b>	<b>1,315.0</b>	<b>20.8</b>			
Gross Profit	13.1% 35.7	11.3% 33.1	2.5	7.8	11.3% 149.0	24.0			
S,G & A Expenses	14.8	14.1	0.7	5.5	64.0	23.2			
<b>Operating Income</b>	<b>7.6% 20.8</b>	<b>6.5% 19.0</b>	<b>1.8</b>	<b>9.5</b>	<b>6.5% 85.0</b>	<b>24.5</b>			
Net Financial Revenue	4.9	4.9	0.0	0.1	5.0	—			
Others	(0.0)	(1.6)	1.6	—	0.0	—			
<b>Ordinary Income</b>	<b>9.4% 25.7</b>	<b>7.6% 22.3</b>	<b>3.4</b>	<b>15.4</b>	<b>6.8% 90.0</b>	<b>28.6</b>			
Special Gains(Losses)	4.0	(0.0)	4.0	—	7.0	—			
Income Before Taxes	29.8	22.3	7.5	33.7	97.0	30.8			
Income Taxes	9.5	6.9	2.5	36.4	31.0	—			
<b>Net Income</b>	<b>7.4% 20.3</b>	<b>5.2% 15.3</b>	<b>4.9</b>	<b>32.5</b>	<b>5.0% 66.0</b>	<b>30.8</b>			

(Nonconsolidated)	Current First Quarter 〔 Jun 30, 2017 〕	Previous Fiscal Year 〔 Mar 31, 2017 〕	Increase(Decrease) Rate(%)	
Interest-bearing Debt	257.1	247.4	9.6	3.9

## PERFORMANCE FORECASTS

### 1. Forecast for the fiscal year ending March 2018

#### (1) Consolidated

(Billions of Yen)

	Current Fiscal Year Forecast 〔 From:Apr 1, 2017 To :Mar 31, 2018 〕		Previous Fiscal Year Result 〔 From:Apr 1, 2016 To :Mar 31, 2017 〕		Increase (Decrease) Rate(%)	
Construction Contracts		1,430.0		1,410.1	19.8	1.4
Gross Profit	11.0%	158.0	13.3%	187.7	(29.7)	(15.9)
Real Estate and Other		170.0		157.3	12.6	8.1
Gross Profit	11.2%	19.0	13.9%	21.8	(2.8)	(13.0)
<b>Net Sales</b>		<b>1,600.0</b>		<b>1,567.4</b>	<b>32.5</b>	<b>2.1</b>
Gross Profit	11.1%	177.0	13.4%	209.6	(32.6)	(15.6)
S,G & A Expenses		80.5		80.7	(0.2)	(0.4)
<b>Operating Income</b>	<b>6.0%</b>	<b>96.5</b>	<b>8.2%</b>	<b>128.8</b>	<b>(32.3)</b>	<b>(25.1)</b>
Net Financial Revenue		2.0		2.8	(0.8)	(29.1)
Others		1.5		(0.4)	1.9	—
<b>Ordinary Income</b>	<b>6.3%</b>	<b>100.0</b>	<b>8.4%</b>	<b>131.1</b>	<b>(31.1)</b>	<b>(23.8)</b>
Special Gains(Losses)		5.0		5.9	(0.9)	(15.3)
Income Before Taxes		105.0		137.0	(32.0)	(23.4)
Income Taxes		36.0		37.9	(1.9)	(5.1)
Net Income Attributable to Non-Controlling Interests		0.0		0.1	(0.1)	(100.0)
<b>Net Income Attributable to   Shareholders of the   Corporation</b>	<b>4.3%</b>	<b>69.0</b>	<b>6.3%</b>	<b>98.9</b>	<b>(29.9)</b>	<b>(30.3)</b>
<b>Interest-bearing Debt</b>		<b>Less than 350.0</b>		<b>340.0</b>	<b>9.9</b>	<b>2.9</b>

#### (2) Nonconsolidated

(Billions of Yen)

	Current Fiscal Year Forecast 〔 From:Apr 1, 2017 To :Mar 31, 2018 〕		Previous Fiscal Year Result 〔 From:Apr 1, 2016 To :Mar 31, 2017 〕		Increase (Decrease) Rate(%)	
Construction Contracts		1,250.0		1,245.0	4.9	0.4
[Architectural Construction]		980.0		956.3	23.6	2.5
[Civil Engineering]		270.0		288.6	(18.6)	(6.5)
Gross Profit	10.8%	135.5	13.2%	164.3	(28.8)	(17.5)
[Architectural Construction]	11.1%	108.5	13.5%	128.6	(20.1)	(15.7)
[Civil Engineering]	10.0%	27.0	12.3%	35.6	(8.6)	(24.2)
Real Estate and Other		65.0		46.5	18.4	39.7
Gross Profit	20.8%	13.5	20.9%	9.7	3.7	38.8
<b>Net Sales</b>		<b>1,315.0</b>		<b>1,291.5</b>	<b>23.4</b>	<b>1.8</b>
Gross Profit	11.3%	149.0	13.5%	174.0	(25.0)	(14.4)
S,G & A Expenses		64.0		63.7	0.2	0.4
<b>Operating Income</b>	<b>6.5%</b>	<b>85.0</b>	<b>8.5%</b>	<b>110.2</b>	<b>(25.2)</b>	<b>(22.9)</b>
Net Financial Revenue		5.0		5.6	(0.6)	(11.7)
Others		0.0		(1.0)	1.0	—
<b>Ordinary Income</b>	<b>6.8%</b>	<b>90.0</b>	<b>8.9%</b>	<b>114.8</b>	<b>(24.8)</b>	<b>(21.7)</b>
Special Gains(Losses)		7.0		4.1	2.8	69.3
Income Before Taxes		97.0		119.0	(22.0)	(18.5)
Income Taxes		31.0		32.9	(1.9)	(6.0)
<b>Net Income</b>	<b>5.0%</b>	<b>66.0</b>	<b>6.7%</b>	<b>86.0</b>	<b>(20.0)</b>	<b>(23.3)</b>
<b>Interest-bearing Debt</b>		<b>Less than 250.0</b>		<b>247.4</b>	<b>2.5</b>	<b>1.0</b>

(\*) Forecasts have not been changed from the announcement made on May 11, 2017.

## 2.Forecast for the six months ending September 2017

### (1) Consolidated

(Billions of Yen)

	Current Six months Forecast 〔 From:Apr 1, 2017 To :Sep 30, 2017 〕		Previous Six months Result 〔 From:Apr 1, 2016 To :Sep 30, 2016 〕		Increase (Decrease) Rate(%)	
Construction Contracts		680.0		650.8	29.1	4.5
Gross Profit	10.9%	74.0	12.2%	79.2	(5.2)	(6.6)
Real Estate and Other		80.0		61.5	18.4	30.0
Gross Profit	11.3%	9.0	14.1%	8.6	0.3	3.7
<b>Net Sales</b>		<b>760.0</b>		<b>712.4</b>	<b>47.5</b>	<b>6.7</b>
Gross Profit	10.9%	83.0	12.3%	87.9	(4.9)	(5.6)
S,G & A Expenses		37.0		36.1	0.8	2.3
<b>Operating Income</b>	6.1%	<b>46.0</b>	7.3%	<b>51.7</b>	<b>(5.7)</b>	<b>(11.1)</b>
Net Financial Revenue		1.0		1.5	(0.5)	(37.2)
Others		1.0		(1.5)	2.5	—
<b>Ordinary Income</b>	6.3%	<b>48.0</b>	7.3%	<b>51.7</b>	<b>(3.7)</b>	<b>(7.2)</b>
Special Gains(Losses)		5.0		0.2	4.7	—
Income Before Taxes		53.0		52.0	0.9	1.9
Income Taxes		19.0		16.9	2.0	11.9
Net Income Attributable to Non-Controlling Interests		0.0		(0.0)	0.0	—
<b>Net Income Attributable to Shareholders of the Corporation</b>	4.5%	<b>34.0</b>	4.9%	<b>35.0</b>	<b>(1.0)</b>	<b>(3.0)</b>

### (2) Nonconsolidated

(Billions of Yen)

	Current Six months Forecast 〔 From:Apr 1, 2017 To :Sep 30, 2017 〕		Previous Six months Result 〔 From:Apr 1, 2016 To :Sep 30, 2016 〕		Increase (Decrease) Rate(%)	
Construction Contracts		590.0		581.1	8.8	1.5
[Architectural Construction]		470.0		443.9	26.0	5.9
[Civil Engineering]		120.0		137.2	(17.2)	(12.6)
Gross Profit	10.8%	64.0	12.1%	70.0	(6.0)	(8.7)
[Architectural Construction]	11.2%	52.5	12.2%	54.3	(1.8)	(3.5)
[Civil Engineering]	9.6%	11.5	11.5%	15.7	(4.2)	(26.8)
Real Estate and Other		30.0		17.4	12.5	72.1
Gross Profit	23.3%	7.0	20.1%	3.4	3.5	100.2
<b>Net Sales</b>		<b>620.0</b>		<b>598.6</b>	<b>21.3</b>	<b>3.6</b>
Gross Profit	11.5%	71.0	12.3%	73.5	(2.5)	(3.5)
S,G & A Expenses		29.0		28.4	0.5	1.9
<b>Operating Income</b>	6.8%	<b>42.0</b>	7.5%	<b>45.1</b>	<b>(3.1)</b>	<b>(7.0)</b>
Net Financial Revenue		4.0		4.5	(0.5)	(12.4)
Others		0.0		(1.8)	1.8	—
<b>Ordinary Income</b>	7.4%	<b>46.0</b>	8.0%	<b>47.8</b>	<b>(1.8)</b>	<b>(3.8)</b>
Special Gains(Losses)		5.0		0.1	4.8	—
Income Before Taxes		51.0		47.9	3.0	6.3
Income Taxes		17.0		15.0	1.9	13.1
<b>Net Income</b>	5.5%	<b>34.0</b>	5.5%	<b>32.9</b>	<b>1.0</b>	<b>3.2</b>

(\*) Forecasts have not been changed from the announcement made on May 11, 2017.

## CONSOLIDATED BALANCE SHEETS

(Millions of Yen)

	Current First Quarter [Jun 30, 2017]	Previous Fiscal Year [Mar 31, 2017]	Increase (Decrease)
<b>(ASSETS)</b>			
Current Assets:			
Cash	130,335	172,803	(42,468)
Notes and accounts receivable-trade	363,538	449,049	(85,511)
Marketable securities	223,150	143,000	80,150
Real estate for sale	31,248	39,479	(8,231)
Costs on uncompleted construction contracts	88,561	76,851	11,710
Costs on uncompleted real estate development projects	27,181	29,613	(2,432)
PFI projects and other inventories	48,832	52,033	(3,201)
Other current assets	107,414	97,121	10,293
Less: Allowance for doubtful accounts	(785)	(861)	76
<b>Total current assets</b>	<b>1,019,478</b>	<b>1,059,091</b>	<b>(39,613)</b>
Non-Current Assets:			
Tangible fixed assets:			
Buildings and structures	79,598	80,395	(797)
Machinery, equipment and vehicles	14,848	15,220	(372)
Land	147,484	146,711	773
Construction in progress	5,496	4,368	1,128
<b>Total tangible fixed assets</b>	<b>247,427</b>	<b>246,696</b>	<b>731</b>
Intangible fixed assets	4,623	4,574	49
Investments and other assets:			
Investment securities	378,287	359,902	18,385
Other investments	19,149	20,139	(990)
Less: Allowance for doubtful accounts	(2,133)	(2,206)	73
<b>Total investments and other assets</b>	<b>395,303</b>	<b>377,835</b>	<b>17,468</b>
<b>Total non-current assets</b>	<b>647,354</b>	<b>629,106</b>	<b>18,248</b>
<b>Total assets</b>	<b>1,666,833</b>	<b>1,688,197</b>	<b>(21,364)</b>

(Millions of Yen)

	Current First Quarter [Jun 30, 2017]	Previous Fiscal Year [Mar 31, 2017]	Increase (Decrease)
<b>(LIABILITIES)</b>			
Current Liabilities:			
Notes and accounts payable-trade	342,583	390,395	(47,812)
Short-term borrowings	131,881	121,171	10,710
Current portion of non-recourse borrowings	6,654	7,197	(543)
Current portion of bonds payable	15,000	15,000	—
Current portion of non-recourse bonds payable	879	659	220
Advances received on uncompleted construction contracts	105,367	93,530	11,837
Warranty reserve	2,865	3,037	(172)
Reserve for expected losses on construction contracts in process	13,704	13,008	696
Reserve for directors' bonuses	—	273	(273)
Other current liabilities	123,219	146,594	(23,375)
<b>Total current liabilities</b>	<b>742,156</b>	<b>790,868</b>	<b>(48,712)</b>
Non-Current Liabilities:			
Bonds payable	50,000	50,000	—
Convertible bond-type bonds with subscription rights to shares	30,098	30,106	(8)
Non-recourse bonds payable	14,720	14,940	(220)
Long-term borrowings	63,313	64,600	(1,287)
Non-recourse borrowings	39,381	36,335	3,046
Net defined benefit liability	59,511	59,915	(404)
Other non-current liabilities	71,596	64,551	7,045
<b>Total non-current liabilities</b>	<b>328,622</b>	<b>320,449</b>	<b>8,173</b>
<b>Total liabilities</b>	<b>1,070,778</b>	<b>1,111,318</b>	<b>(40,540)</b>
<b>(NET ASSETS)</b>			
Shareholders' Equity:			
Common stock, no par value	74,365	74,365	—
Additional paid-in capital	43,116	43,116	0
Retained earnings	312,064	306,128	5,936
[Contingent Reserve]	[167,100]	[101,300]	[65,800]
Less: Treasury stock, at cost	(1,600)	(1,592)	(8)
<b>Total shareholders' equity</b>	<b>427,946</b>	<b>422,017</b>	<b>5,929</b>
Accumulated Other Comprehensive Income:			
Net unrealized gain (loss) on other securities, net of taxes	146,772	132,894	13,878
Deferred gain (loss) on hedging, net of taxes	(64)	(20)	(44)
Revaluation reserve for land, net of taxes	25,984	26,044	(60)
Foreign currency translation adjustments	(1,520)	(638)	(882)
Remeasurements of defined benefit plans	(8,114)	(8,522)	408
<b>Total accumulated other comprehensive income</b>	<b>163,057</b>	<b>149,756</b>	<b>13,301</b>
Non-controlling Interests	5,051	5,105	(54)
<b>Total net assets</b>	<b>596,054</b>	<b>576,879</b>	<b>19,175</b>
<b>Total liabilities and net assets</b>	<b>1,666,833</b>	<b>1,688,197</b>	<b>(21,364)</b>
<b>(Reference)</b>			
Interest-bearing debt	351,929	340,010	11,919
[Nonrecourse borrowings and bonds]	[ 61,636]	[ 59,132]	[ 2,504]



## CONSOLIDATED STATEMENTS OF INCOME

(Millions of Yen)

	Current First Quarter (From: Apr 1, 2017) (To : Jun 30, 2017)		Previous First Quarter (From: Apr 1, 2016) (To : Jun 30, 2016)		Increase (Decrease)
<b>Net Sales:</b>					
Construction contracts		295,642		319,594	(23,952)
Real estate development and other		44,474		34,247	10,227
<b>Total net sales</b>		<b>340,117</b>		<b>353,841</b>	<b>(13,724)</b>
<b>Cost of Sales:</b>					
Construction contracts		257,414		284,602	(27,188)
Real estate development and other		37,241		29,179	8,062
<b>Total cost of sales</b>		<b>294,655</b>		<b>313,781</b>	<b>(19,126)</b>
<b>Gross profit:</b>					
Construction contracts	[12.9%]	38,228	[10.9%]	34,991	3,237
Real estate development and other	[16.3%]	7,233	[14.8%]	5,068	2,165
<b>Total gross profit</b>	13.4%	<b>45,462</b>	11.3%	<b>40,060</b>	<b>5,402</b>
<b>Selling, General and Administrative Expenses</b>		<b>19,001</b>		<b>18,070</b>	<b>931</b>
<b>Operating income</b>	7.8%	<b>26,461</b>	6.2%	<b>21,989</b>	<b>4,472</b>
<b>Non-Operating Income:</b>					
Interest income		210		339	(129)
Dividend income		2,573		2,395	178
Foreign exchange gain		75		—	75
Other non-operating income		428		653	(225)
<b>Total non-operating income</b>		<b>3,287</b>		<b>3,387</b>	<b>(100)</b>
<b>Non-Operating Expenses:</b>					
Interest expenses		618		778	(160)
Foreign exchange loss		—		1,822	(1,822)
Other non-operating expenses		454		348	106
<b>Total non-operating expenses</b>		<b>1,073</b>		<b>2,949</b>	<b>(1,876)</b>
<b>Ordinary income</b>	8.4%	<b>28,675</b>	6.3%	<b>22,428</b>	<b>6,247</b>
<b>Special Gains:</b>					
Gain on sales of fixed assets		4,099		115	3,984
<b>Total special gains</b>		<b>4,099</b>		<b>115</b>	<b>3,984</b>
<b>Special Losses:</b>					
Loss on sales of fixed assets		—		4	(4)
<b>Total special losses</b>		<b>—</b>		<b>4</b>	<b>(4)</b>
<b>Income before income taxes</b>		<b>32,774</b>		<b>22,539</b>	<b>10,235</b>
<b>Income taxes</b>		<b>10,434</b>		<b>8,012</b>	<b>2,422</b>
<b>Net income</b>		<b>22,340</b>		<b>14,527</b>	<b>7,813</b>
<b>Net income attributable to non-controlling interests</b>		<b>(39)</b>		<b>(51)</b>	<b>12</b>
<b>Net income attributable to shareholders of the Corporation</b>	6.6%	<b>22,379</b>	4.1%	<b>14,578</b>	<b>7,801</b>

(Reference)

Interest and dividend income	2,783	2,734	49
Interest expenses	618	778	(160)
<b>Net financial revenue</b>	<b>2,165</b>	<b>1,955</b>	<b>210</b>

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Millions of Yen)

	Current First Quarter (From: Apr 1, 2017 To : Jun 30, 2017)	Previous First Quarter (From: Apr 1, 2016 To : Jun 30, 2016)	Increase (Decrease)
Net income	22,340	14,527	7,813
Other comprehensive income:			
Net unrealized gain (loss) on other securities, net of taxes	13,850	(25,463)	39,313
Deferred gain (loss) on hedging, net of taxes	(44)	(11)	(33)
Foreign currency translation adjustment	(897)	(1,946)	1,049
Remeasurements of defined benefit plans	406	490	(84)
Share of other comprehensive income of associates accounted for using equity method	40	(33)	73
Total other comprehensive income	13,354	(26,965)	40,319
<b>Comprehensive income</b>	<b>35,694</b>	<b>(12,438)</b>	<b>48,132</b>
Comprehensive income attributable to:			
Shareholders of the Corporation	35,741	(12,234)	47,975
Non-controlling interests	(46)	(203)	157

## NONCONSOLIDATED BALANCE SHEETS

(Millions of Yen)

	Current First Quarter [Jun 30, 2017]	Previous Fiscal Year [Mar 31, 2017]	Increase (Decrease)
<b>(ASSETS)</b>			
Current Assets:			
Cash	63,409	111,060	(47,651)
Notes receivable and accounts receivable from completed construction contracts	329,624	407,809	(78,185)
Marketable securities	223,000	143,000	80,000
Real estate for sale	14,652	14,713	(61)
Costs on uncompleted construction contracts	80,810	71,643	9,167
Other current assets	98,953	87,989	10,964
Less: Allowance for doubtful accounts	(702)	(766)	64
<b>Total current assets</b>	<b>809,748</b>	<b>835,450</b>	<b>(25,702)</b>
Non-Current Assets:			
Tangible fixed assets:			
Buildings and structures	70,139	70,906	(767)
Machinery, equipment and vehicles	4,920	4,860	60
Land	123,125	122,984	141
Construction in progress	4,749	3,641	1,108
<b>Total tangible fixed assets</b>	<b>202,934</b>	<b>202,393</b>	<b>541</b>
Intangible fixed assets	3,345	3,249	96
Investments and other assets:			
Investment securities	399,265	380,200	19,065
Other investments	15,373	15,661	(288)
Less: Allowance for doubtful accounts	(2,263)	(2,264)	1
<b>Total investments and other assets</b>	<b>412,375</b>	<b>393,597</b>	<b>18,778</b>
<b>Total non-current assets</b>	<b>618,655</b>	<b>599,240</b>	<b>19,415</b>
<b>Total assets</b>	<b>1,428,403</b>	<b>1,434,690</b>	<b>(6,287)</b>

(Millions of Yen)

	Current First Quarter [Jun 30, 2017]	Previous Fiscal Year [Mar 31, 2017]	Increase (Decrease)
<b>(LIABILITIES)</b>			
Current Liabilities:			
Notes payable and accounts payable for construction contracts	303,701	341,768	(38,067)
Short-term borrowings	102,566	91,856	10,710
Current portion of bonds payable	15,000	15,000	—
Advances received on uncompleted construction contracts	86,323	77,322	9,001
Warranty reserve	2,789	2,863	(74)
Reserve for expected losses on construction contracts in process	13,100	12,347	753
Reserve for directors' bonuses	—	273	(273)
Other current liabilities	151,180	162,850	(11,670)
<b>Total current liabilities</b>	<b>674,662</b>	<b>704,282</b>	<b>(29,620)</b>
Non-Current Liabilities:			
Bonds payable	50,000	50,000	—
Convertible bond-type bonds with subscription rights to shares	30,098	30,106	(8)
Long-term borrowings	59,441	60,478	(1,037)
Reserve for employees' retirement benefits	43,095	42,966	129
Other non-current liabilities	71,825	64,977	6,848
<b>Total non-current liabilities</b>	<b>254,462</b>	<b>248,528</b>	<b>5,934</b>
<b>Total liabilities</b>	<b>929,124</b>	<b>952,810</b>	<b>(23,686)</b>
<b>(NET ASSETS)</b>			
Shareholders' Equity:			
Common stock, no par value	74,365	74,365	—
Additional paid-in capital	43,144	43,144	0
Retained earnings	211,969	208,093	3,876
[Contingent Reserve]	[167,100]	[101,300]	[65,800]
Less: Treasury stock, at cost	(1,178)	(1,170)	(8)
<b>Total shareholders' equity</b>	<b>328,301</b>	<b>324,432</b>	<b>3,869</b>
Valuation and Translation Adjustments:			
Net unrealized gain (loss) on other securities, net of taxes	145,002	131,418	13,584
Deferred gain (loss) on hedging, net of taxes	(9)	(15)	6
Revaluation reserve for land, net of taxes	25,984	26,044	(60)
<b>Total valuation and translation adjustments</b>	<b>170,977</b>	<b>157,446</b>	<b>13,531</b>
<b>Total net assets</b>	<b>499,278</b>	<b>481,879</b>	<b>17,399</b>
<b>Total liabilities and net assets</b>	<b>1,428,403</b>	<b>1,434,690</b>	<b>(6,287)</b>

(Reference)

Interest-bearing debt	257,107	247,441	9,666
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## NONCONSOLIDATED STATEMENTS OF INCOME

(Millions of Yen)

	Current First Quarter (From: Apr 1, 2017 To : Jun 30, 2017)		Previous First Quarter (From: Apr 1, 2016 To : Jun 30, 2016)		Increase (Decrease)
Net Sales:					
Construction contracts		266,169		286,041	(19,872)
Real estate development and other		7,101		7,798	(697)
<b>Total net sales</b>		<b>273,270</b>		<b>293,839</b>	<b>(20,569)</b>
Cost of Sales:					
Construction contracts		231,996		254,828	(22,832)
Real estate development and other		5,537		5,856	(319)
<b>Total cost of sales</b>		<b>237,534</b>		<b>260,685</b>	<b>(23,151)</b>
Gross profit:					
Construction contracts	[12.8%]	34,172	[10.9%]	31,212	2,960
Real estate development and other	[22.0%]	1,563	[24.9%]	1,941	(378)
<b>Total gross profit</b>	13.1%	<b>35,736</b>	11.3%	<b>33,154</b>	<b>2,582</b>
Selling, General and Administrative Expenses		14,871		14,101	770
<b>Operating income</b>	7.6%	<b>20,865</b>	6.5%	<b>19,052</b>	<b>1,813</b>
Non-Operating Income:					
Interest income		91		234	(143)
Dividend income		5,336		5,315	21
Foreign exchange gain		101		—	101
Other non-operating income		313		450	(137)
<b>Total non-operating income</b>		<b>5,842</b>		<b>6,001</b>	<b>(159)</b>
Non-Operating Expenses:					
Interest expenses		507		635	(128)
Foreign exchange loss		—		1,780	(1,780)
Other non-operating expenses		425		302	123
<b>Total non-operating expenses</b>		<b>933</b>		<b>2,717</b>	<b>(1,784)</b>
<b>Ordinary income</b>	9.4%	<b>25,774</b>	7.6%	<b>22,336</b>	<b>3,438</b>
Special Gains:					
Gain on sales of fixed assets		88		0	88
Gain on sales of investment securities		4,002		—	4,002
<b>Total special gains</b>		<b>4,090</b>		<b>0</b>	<b>4,090</b>
Special Losses:					
Loss on sales of fixed assets		—		4	(4)
<b>Total special losses</b>		<b>—</b>		<b>4</b>	<b>(4)</b>
Income before income taxes		29,864		22,332	7,532
Provision for income taxes		9,545		6,996	2,549
<b>Net income</b>	7.4%	<b>20,319</b>	5.2%	<b>15,336</b>	<b>4,983</b>

(Reference)

Interest and dividend income	5,427	5,550	(123)
Interest expenses	507	635	(128)
Net financial revenue	4,919	4,915	4

## BREAKDOWN OF ORDERS (NONCONSOLIDATED)

(Millions of Yen)

	Current First Quarter Result ( From:Apr 1, 2017 To :Jun 30, 2017 )		Current Fiscal Year Forecast ( From:Apr 1, 2017 To :Mar 31, 2018 )	Progress (%)	Previous Fiscal Year Result ( From:Apr 1, 2016 To :Mar 31, 2017 )	
		Proportion (%)				Proportion (%)
<b>Construction business (orders)</b>						
<b>Architectural Construction</b>						
Domestic	199,589	54.3	1,070,000	18.7	1,082,992	76.0
Overseas	85,340	23.2	75,000	113.8	29,695	2.1
Sub total	284,930	77.5	1,145,000	24.9	1,112,687	78.1
<b>Civil Engineering</b>						
Domestic	80,105	21.8	230,000	34.8	311,519	21.9
Overseas	2,423	0.7	25,000	9.7	146	0.0
Sub total	82,529	22.5	255,000	32.4	311,666	21.9
Domestic	279,695	76.1	1,300,000	21.5	1,394,511	97.9
Overseas	87,763	23.9	100,000	87.8	29,842	2.1
Total	367,459	100	1,400,000	26.2	1,424,353	100
Real Estate and Other	7,101		55,000	12.9	60,707	
Grand Total	374,560		1,455,000	25.7	1,485,061	

(Reference: Overseas Construction Orders)

	Current First Quarter Result ( From:Apr 1, 2017 To :Jun 30, 2017 )		Current Fiscal Year Forecast ( From:Apr 1, 2017 To :Mar 31, 2018 )	Progress (%)	Previous Fiscal Year Result ( From:Apr 1, 2016 To :Mar 31, 2017 )	
Shimizu Corporation	87,763		100,000	87.8	29,842	
Subsidiaries	8,410		45,000	18.7	45,702	
Total	96,174		145,000	66.3	75,545	

**ORDERS, SALES AND BACKLOG (NONCONSOLIDATED)**  
**for the three months ended June 30, 2016 and 2017**

(1) Construction orders awarded and contracts

(Millions of Yen)

		Current First Quarter (From:Apr 1, 2017 To :Jun 30, 2017)	Previous First Quarter (From:Apr 1, 2016 To :Jun 30, 2016)	Increase (Decrease)	Rate(%)
Architectural Construction	Domestic	199,589	194,154	5,435	2.8
	Overseas	85,340	3,213	82,127	—
	Sub total	284,930	197,368	87,562	44.4
Civil Engineering	Domestic	80,105	61,702	18,403	29.8
	Overseas	2,423	(3,931)	6,354	—
	Sub total	82,529	57,771	24,758	42.9
Construction business (orders)		367,459	255,139	112,320	44.0
Real estate development and other (contracts)		7,101	4,057	3,044	75.0
Total		374,560	259,197	115,363	44.5

(2) Net sales

(Millions of Yen)

		Current First Quarter (From:Apr 1, 2017 To :Jun 30, 2017)	Previous First Quarter (From:Apr 1, 2016 To :Jun 30, 2016)	Increase (Decrease)	Rate(%)
Architectural Construction	Domestic	193,317	202,120	(8,803)	(4.4)
	Overseas	8,295	11,776	(3,481)	(29.6)
	Sub total	201,613	213,897	(12,284)	(5.7)
Civil Engineering	Domestic	56,350	62,732	(6,382)	(10.2)
	Overseas	8,205	9,412	(1,207)	(12.8)
	Sub total	64,556	72,144	(7,588)	(10.5)
Construction business		266,169	286,041	(19,872)	(6.9)
Real estate development and other		7,101	7,798	(697)	(8.9)
Total		273,270	293,839	(20,569)	(7.0)

(3) Backlog

(Millions of Yen)

		Current First Quarter [ Jun 30, 2017 ]	Previous First Quarter [ Jun 30, 2016 ]	Increase (Decrease)	Rate(%)
Architectural Construction	Domestic	1,014,871	825,812	189,059	22.9
	Overseas	116,523	49,436	67,087	135.7
	Sub total	1,131,395	875,248	256,147	29.3
Civil Engineering	Domestic	471,573	395,165	76,408	19.3
	Overseas	34,349	55,390	(21,041)	(38.0)
	Sub total	505,922	450,555	55,367	12.3
Construction business		1,637,318	1,325,804	311,514	23.5
Real estate development and other		40,694	22,765	17,929	78.8
Total		1,678,012	1,348,569	329,443	24.4

## ORDERS AND CONTRACTS FORECAST (NONCONSOLIDATED) for the fiscal year ending March 2018

(1) For the fiscal year ending March 2018

Billions of Yen

		Current Fiscal Year Forecast 〔 From:Apr 1, 2017 To :Mar 31, 2018 〕	Previous Fiscal Year Result 〔 From:Apr 1, 2016 To :Mar 31, 2017 〕	Increase (Decrease)	
					Rate(%)
Architectural Construction	Domestic	1,070.0	1,082.9	(12.9)	(1.2)
	Overseas	75.0	29.6	45.4	153.4
	Sub total	1,145.0	1,112.6	32.4	2.9
Civil Engineering	Domestic	230.0	311.5	(81.5)	(26.2)
	Overseas	25.0	0.1	24.9	—
	Sub total	255.0	311.6	(56.6)	(18.2)
Construction business (orders)		1,400.0	1,424.3	(24.3)	(1.7)
Real estate development and other (contracts)		55.0	60.7	(5.7)	(9.4)
Total		1,455.0	1,485.0	(30.0)	(2.0)

(\*) Forecasts have not been changed from the announcement made on May 11, 2017.

(2) For the six months ending September 2017

Billions of Yen

		Current Six months Forecast 〔 From:Apr 1, 2017 To :Sep 30, 2017 〕	Previous Six months Result 〔 From:Apr 1, 2016 To :Sep 30, 2016 〕	Increase (Decrease)	
					Rate(%)
Architectural Construction	Domestic	480.0	470.1	9.9	2.1
	Overseas	65.0	6.4	58.6	915.6
	Sub total	545.0	476.5	68.5	14.4
Civil Engineering	Domestic	110.0	164.6	(54.6)	(33.2)
	Overseas	10.0	(3.7)	13.7	—
	Sub total	120.0	160.9	(40.9)	(25.4)
Construction business (orders)		665.0	637.5	27.5	4.3
Real estate development and other (contracts)		30.0	14.5	15.5	106.9
Total		695.0	652.0	43.0	6.6

(\*) Forecasts have not been changed from the announcement made on May 11, 2017.