



**4. Others**

(1) Changes in scope of important consolidated important subsidiaries  
 (increase)            None                    (decrease)            None

(2) Adoption of simplified accounting methods or special accounting methods for preparing quarterly consolidated financial statements: Yes

(3) Changes of accounting principles, procedures and presentation when preparing quarterly consolidated financial statement.

- ① Changes due to revisions of accounting standards:    None
- ② Changes other than the above ①:                            None
- ③ Changes in accounting estimates:                            None
- ④ Restatement:    None

(4) Number of shares outstanding

- ① Number of shares outstanding at term-end (including treasury stock):
 

Dec. 2017 term:	259,052,929	Mar. 2017 term:	259,052,929
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- ② Number of treasury stock at term-end:
 

Dec. 2017 term:	6,745,238	Mar. 2017 term:	6,744,765
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- ③ Average number of shares outstanding (third quarter term):
 

Dec. 2017 term:	252,307,945	Dec. 2016 term:	252,308,390
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(1) The forecasts given above are based on information available at the time of compilation and are inherently subject to a variety of risks and uncertainties. Actual results may vary significantly from forecasts due to factors including, but not limited to, changes in the economic or business environment and exchange rate fluctuations.

(2) Forecasts based on : 110.00 yen/US\$ 1.00

## Consolidated Balance Sheets

	3Q FY2017 (As of Dec. 31, 2017) (Millions of yen)	FY2016 (As of Mar. 31, 2017) (Millions of yen)
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and deposits	204,768	185,603
Notes receivable, accounts receivable from completed construction contracts and other	191,340	196,199
Costs on uncompleted construction contracts	30,403	35,026
Merchandise and finished goods	4,440	3,764
Work in process	4,143	2,210
Raw materials and supplies	3,713	2,968
Accounts receivable	35,266	23,252
Deferred tax assets	12,486	12,411
Other	46,265	20,940
Allowance for doubtful accounts	(1,600)	(1,512)
<b>Total current assets</b>	<b>531,227</b>	<b>480,865</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	62,233	62,368
Machinery, vehicles, tools, furniture and fixtures	68,680	69,851
Land	25,521	25,046
Leased assets	1,361	1,365
Construction in progress	1,059	283
Other	4,351	4,436
Accumulated depreciation	(94,632)	(93,474)
<b>Total property, plant and equipment</b>	<b>68,574</b>	<b>69,877</b>
<b>Intangible assets</b>		
Software	2,472	1,526
Other	7,038	7,798
<b>Total intangible assets</b>	<b>9,510</b>	<b>9,324</b>
<b>Investments and other assets</b>		
Investment securities	71,847	60,604
Long-term loans receivable	4,113	5,770
Net defined benefit asset	148	190
Deferred tax assets	10,157	12,447
Other	9,140	8,630
Allowance for doubtful accounts	(591)	(644)
Allowance for investment loss	(774)	(774)
<b>Total investments and other assets</b>	<b>94,040</b>	<b>86,223</b>
<b>Total non-current assets</b>	<b>172,126</b>	<b>165,425</b>
<b>Total assets</b>	<b>703,353</b>	<b>646,291</b>

	3Q FY2017 (As of Dec. 31, 2017) (Millions of yen)	FY2016 (As of Mar. 31, 2017) (Millions of yen)
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Notes payable, accounts payable for construction contracts and other	93,625	97,612
Short-term loans payable	12,991	14,052
Income taxes payable	1,550	3,523
Advances received on uncompleted construction contracts	59,626	45,040
Provision for warranties for completed construction contracts	2,110	2,850
Provision for loss on construction contracts	16,254	31,261
Provision for bonuses	3,658	6,009
Provision for directors' bonuses	119	61
Provision for loss on guarantees	—	2,815
Other	26,412	23,231
<b>Total current liabilities</b>	<b>216,348</b>	<b>226,457</b>
<b>Non-current liabilities</b>		
Bonds payable	50,000	—
Long-term loans payable	12,126	12,631
Net defined benefit liability	16,112	15,934
Provision for directors' retirement benefits	278	275
Deferred tax liabilities	428	383
Deferred tax liabilities for land revaluation	3,125	3,125
Other	3,684	4,222
<b>Total non-current liabilities</b>	<b>85,766</b>	<b>36,573</b>
<b>Total liabilities</b>	<b>302,114</b>	<b>263,031</b>
<b>NET ASSETS</b>		
<b>Shareholders' equity:</b>		
Capital stock	23,511	23,511
Capital surplus	25,609	25,609
Retained earnings	354,044	341,764
Treasury shares	(6,736)	(6,736)
<b>Total shareholders' equity</b>	<b>396,428</b>	<b>384,148</b>
<b>Accumulated other comprehensive income:</b>		
Valuation difference on available-for-sale securities	12,653	7,954
Deferred gains or losses on hedges	(330)	(431)
Revaluation reserve for land	(6,131)	(6,131)
Foreign currency translation adjustment	(198)	(755)
Remeasurements of defined benefit plans	(2,159)	(2,569)
<b>Total Accumulated other comprehensive income</b>	<b>3,832</b>	<b>(1,933)</b>
<b>Non-controlling interests</b>	<b>978</b>	<b>1,045</b>
<b>Total net assets</b>	<b>401,239</b>	<b>383,260</b>
<b>Total liabilities and net assets</b>	<b>703,353</b>	<b>646,291</b>

## Consolidated Statements of Income

	3Q FY2017 term (Apr. 1, 2017 - Dec. 31, 2017) (Millions of yen)	3Q FY2016 term (Apr. 1, 2016 - Dec. 31, 2016) (Millions of yen)
<b>Net sales</b>	<b>531,040</b>	<b>514,794</b>
Cost of sales	492,860	501,353
Gross profit	38,179	13,441
Selling, general and administrative expenses	16,528	17,146
<b>Operating income (loss)</b>	<b>21,650</b>	<b>(3,704)</b>
<b>Non-operating income:</b>		
Interest income	2,104	1,419
Dividend income	2,368	3,360
Foreign exchange gains	1,477	—
Rent income on non-current assets	524	478
Share of profit of entities accounted for using equity method	634	412
Other	129	862
<b>Total non-operating income</b>	<b>7,238</b>	<b>6,532</b>
<b>Non-operating expenses:</b>		
Interest expenses	413	450
Bond issuance cost	213	—
Foreign exchange losses	—	1,954
Rent expenses on non-current assets	251	206
Other	161	318
<b>Total non-operating expenses</b>	<b>1,039</b>	<b>2,929</b>
<b>Ordinary income (loss)</b>	<b>27,849</b>	<b>(101)</b>
<b>Extraordinary income:</b>		
Gain on sales of non-current assets	21	66
Gain on sales of investment securities	50	—
Gains on sales of shares of subsidiaries and associates	—	12
State subsidy	87	148
<b>Total extraordinary Income</b>	<b>159</b>	<b>227</b>
<b>Extraordinary loss:</b>		
Loss on retirement of non-current assets	353	88
Loss on valuation of investment securities	432	2
Other	36	7
<b>Total extraordinary loss</b>	<b>822</b>	<b>98</b>
<b>Profit before income taxes</b>	<b>27,186</b>	<b>27</b>
<b>Income taxes</b>	<b>7,204</b>	<b>8,211</b>
<b>Profit (loss)</b>	<b>19,981</b>	<b>(8,184)</b>
<b>Profit attributable to non-controlling interests</b>	<b>131</b>	<b>119</b>
<b>Profit (loss) attributable to owners of the parent</b>	<b>19,849</b>	<b>(8,304)</b>

## Statements of Consolidated Comprehensive Income

	3Q FY2017 term (Apr. 1, 2017 - Dec. 31, 2017) (Millions of yen)	3Q FY2016 term (Apr. 1, 2016 - Dec. 31, 2016) (Millions of yen)
<b>Profit (loss)</b>	<b>19,981</b>	<b>(8,184)</b>
<b>Other comprehensive income:</b>		
Valuation difference on available-for-sale securities	4,698	1,850
Deferred gains or losses on hedges	106	63
Foreign currency translation adjustment	556	<b>(3,539)</b>
Remeasurements of defined benefit plans	402	413
Share of other comprehensive income of entities accounted for using equity method	6	4
<b>Total other comprehensive income</b>	<b>5,771</b>	<b>(1,208)</b>
<b>Comprehensive income</b>	<b>25,753</b>	<b>(9,392)</b>
<b>Comprehensive income attributable to:</b>		
Comprehensive income attributable to owners of the parent	25,615	<b>(9,517)</b>
Comprehensive income attributable to non-controlling interests	137	124

## Segment Information

## 【 Information by business segment 】

Third quarter (9 months) for FY 2016 (April 1, 2016 - December 31, 2016)

(Millions of yen)

	Segment			Others	Grand total	Adjustment	Consolidated
	Total engineering	Catalysts and fine products	Sub total				
Net sales							
External customers	481,671	28,915	510,586	4,208	514,794	—	514,794
Inter-segment	(0)	107	107	1,142	1,249	(1,249)	—
Total	481,671	29,022	510,693	5,350	516,044	(1,249)	514,794
Segment profit or loss	(8,457)	4,325	(4,132)	291	(3,841)	136	(3,704)

\*1 : "Others" includes Specialized Consulting Services, Office Support Services Business, Power and Water Business and Oil and Gas Production Sales Business.

\*2 : Segment profit or loss is adjusted to eliminate transactions between segments.

\*3 : Segment profit or loss is adjusted with the operating loss figure from the Consolidated Statements of Income.

Third quarter (9 months) for FY 2017 (April 1, 2017 - December 31, 2017)

(Millions of yen)

	Segment			Others	Grand total	Adjustment	Consolidated
	Total engineering	Catalysts and fine products	Sub total				
Net sales							
External customers	495,942	29,820	525,762	5,277	531,040	—	531,040
Inter-segment	212	5	218	1,159	1,377	(1,377)	—
Total	496,155	29,826	525,981	6,436	532,417	(1,377)	531,040
Segment profit	15,228	5,052	20,280	1,258	21,539	111	21,650

\*1 : "Others" includes Specialized Consulting Services, Office Support Services Business, Power and Water Business and Oil and Gas Production Sales Business.

\*2 : Segment profits are adjusted to eliminate transactions between segments.

\*3 : Segment profits are adjusted with the operating income figure from the Consolidated Statements of Income.

## Sales, Orders Received and Backlog (Consolidated)

(Millions of yen)

Business area		March 31, 2017	December 31, 2017		
		Outstanding Contracts	New Contracts	Sales	Outstanding Contracts
Domestic	Oil and gas development	73	423	184	312
	Petroleum refining	20,484	11,326	18,691	13,119
	LNG	13,477	677	14,139	15
	Chemical	23,960	14,127	14,654	23,433
	Power generation, nuclear power and new energy	139,523	20,958	16,204	144,278
	Living and general production facility	7,102	13,386	5,489	14,999
	Environmental protection, social development and IT	7,413	25,189	5,433	27,169
	Others	713	6,770	3,285	4,197
	Subtotal	212,747	92,861	78,082	227,526
Overseas	Oil and gas development	231,480	70,342	74,521	227,301
	Petroleum refining	166,400	4,458	63,821	107,037
	LNG	363,905	222,800	234,604	352,101
	Chemical	36,548	9,235	37,439	8,344
	Power generation, nuclear power and new energy	17,768	2,457	7,287	12,938
	Living and general production facility	39	22	42	19
	Environmental protection, social development and IT	195	81	26	249
	Others	7,879	4,253	5,392	6,740
	Subtotal	824,218	313,651	423,136	714,732
Total Engineering Business		1,036,188	397,822	495,942	938,069
Others Business		777	8,689	5,277	4,189
Subtotal		1,036,966	406,512	501,219	942,258
Catalysts and Fine Products Business		—	—	29,820	—
Grand Total		1,036,966	406,512	531,040	942,258

\*1 Figures for each business area are exclusive of consumption and other taxes.

\*2 The balance as of the end of previous fiscal year for outstanding contracts of "Total Engineering Business" and "Others Business" have been revised to reflect foreign currency translation adjustments and changes in contract amounts for the period as follows:

(Millions of yen)

Business area	Foreign currency translation adjustment	Revision for changes in contract amounts	Total
Oil and gas development	(565)	(208)	(773)
Petroleum refining	6,750	(1,423)	5,327
LNG	(7,083)	(3,406)	(10,490)
Chemical	(1,318)	(204)	(1,522)
Power generation, nuclear power and new energy	(814)	—	(814)
Living and general production facility	—	—	—
Environmental protection, social development and IT	—	—	—
Others	(426)	(18)	(444)
Total	(3,456)	(5,261)	(8,718)
Total Engineering Business	(3,432)	(5,243)	(8,676)
Other Business	(24)	(17)	(41)

\*3 All amounts are rounded down to the nearest million yen.