

## Summary of Consolidated Financial Results

### For the First Quarter of Fiscal Year Ending March 31, 2016 [Japan GAAP] ("Q1/FY2015")

Company: Asunaro Aoki Construction Co., Ltd.  
 Stock exchange listing: Tokyo Stock Exchange (First Section)  
 Stock code: 1865  
 URL: <https://www.aaconst.co.jp/>  
 Representative: Yasunobu Ueno, Representative Director and President  
 Contact: Haruyuki Kunitake, Executive Officer and Chief of Administration H.q.  
 Contact: 03-5419-1011, Koho@aaconst.co.jp  
 Date of filing of quarterly securities report: August 7, 2015  
 Date of commencement of dividend payment: -  
 Supplementary explanatory documents: No  
 Earnings presentation: No

(Yen in millions, rounded down, figures in parentheses indicate negative amounts or percentages)

#### 1. Financial results for the first quarter of the fiscal year ending March 2016 (April 1, 2015 – June 30, 2015)

(1) Consolidated result of operations (year-to-date) (Percentage figures represent year on year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
1Q / FY 2015	28,567	11.3	816	148.8	823	152.9	568	351.2
1Q / FY 2014	25,662	(2.7)	328	470.9	325	184.8	125	235.2

Note: Comprehensive income: 1Q / FY 2015 :642 million yen -%, 1Q / FY 2014 : (24) million yen -%

	Earnings per share	Earnings per share (diluted)
	Yen	Yen
1Q / FY 2015	10.13	—
1Q / FY 2014	2.08	—

#### (2) Consolidated financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30,2015	94,280	55,030	58.3
As of March 31,2015	97,929	55,230	56.4

(Reference) Shareholders' equity

As of June 30, 2015: 55,011 million yen

As of March 31, 2015: 55,209 million yen

#### 2. Dividends

	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Annual
	Yen	Yen	Yen	Yen	Yen
FY 3/2015	—	0.00	—	15.00	15.00
FY 3/2016	—	0.00	—	15.00	15.00
FY 3/2016 (Est.)	—	—	—	15.00	15.00

Note: Change in the estimation of dividend from the latest announcement: No

#### 3. Consolidated forecast for the fiscal year ending March 31, 2016 (April 1, 2015 – March 31, 2016)

(Percentage figures represent year on year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Half year	57,000	4.1	1,150	3.5	1,100	0.2	650	6.5	11.58
Full year	135,000	6.7	3,800	2.5	3,800	2.4	2,850	0.4	50.79

Note: Change in the forecast from the latest announcement: No

\* **Notes**

- (1) Changes in significant subsidiaries (Changes of specific subsidiaries that accompanies scope change of consolidation): No
- (2) Use of accounting methods specifically for the preparation of the quarterly consolidated financial statements: No
- (3) Changes in accounting principles and estimates, and retrospective restatement
  - (a) Changes due to revision of accounting standards: Yes
  - (b) Changes other than (a): No
  - (c) Changes in accounting estimates: No
  - (d) Retrospective restatement: No
- (4) Number of shares outstanding (common stock)
  - (a) Shares outstanding (including treasury shares)
    - As of June 30, 2015: 59,100,000    As of March 31, 2015: 59,100,000
  - (b) Treasury shares
    - As of June 30, 2015: 2,983,318    As of March 31, 2015: 2,983,318
  - (c) Average number of shares (quarterly consolidated cumulative period)
    - Period ended June 30, 2015: 56,116,682    Period ended June 30, 2014: 60,620,100

\* Auditing of financial statements is not conducted to this summary of financial results.

\* Cautionary statement regarding forecasts and special notes

(Note on forward looking statements)

Forward-looking statements in these materials are based on the information available to management at the time this report was prepared. Actual results may differ significantly from these statements for number of reasons.

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## 1. Quarterly Consolidated Financial Statements

### (1) Quarterly consolidated balance sheet

(Million yen)

	Fiscal year ended March 2015(As of March 31, 2015)	First quarter ended June 2015 (As of June 30, 2015)
<b>ASSETS</b>		
Current assets		
Cash and deposits	28,639	32,145
Notes receivable, accounts receivable from completed construction contracts and other	45,145	33,710
Real estate for sale	2,493	2,300
Costs on uncompleted construction contracts	55	133
Costs on real estate business	661	1,447
Accounts receivable	5,381	7,846
Deferred tax assets	597	670
Other	1,174	1,545
Allowance for doubtful accounts	(190)	(156)
<b>Total current assets</b>	<b>83,957</b>	<b>79,640</b>
Noncurrent assets		
Tangible Assets		
Buildings and structures, net	1,276	1,363
Machinery, vehicles, tools, furniture and fixtures, net	492	496
Vessels, net	1,120	1,078
Land	4,351	5,082
Lease assets, net	84	79
Construction in progress	-	3
<b>Total Tangible assets</b>	<b>7,325</b>	<b>8,103</b>
Intangible assets	221	226
Investments and other assets		
Investment securities	3,811	3,822
Long-term loans receivable	10	9
Long-term accounts receivable	1,166	1,114
Deferred tax assets	606	549
Other	1,259	1,271
Allowance for doubtful accounts	(464)	(457)
<b>Total investments and other assets</b>	<b>6,424</b>	<b>6,310</b>
<b>Total noncurrent assets</b>	<b>13,972</b>	<b>14,640</b>
<b>Total assets</b>	<b>97,929</b>	<b>94,280</b>

(Million yen)

	Fiscal year ended March 2015(As of March 31, 2015)	First quarter ended June 2015 (As of June 30, 2015)
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable for construction contracts	19,995	14,535
Income taxes payable	732	248
Advances received on uncompleted construction contracts	6,475	10,516
Provision for warranties for completed construction	575	572
Provision for loss on construction contracts	113	83
Provision for bonuses	1,071	1,632
Other	4,533	2,542
Total current liabilities	33,498	30,131
Noncurrent liabilities		
Deferred tax liabilities for land revaluation	288	288
Provision for special repairs of vessels	99	67
Retirement allowances	8,328	8,291
Other	483	472
Total noncurrent liabilities	9,200	9,118
Total liabilities	42,699	39,250
<b>NET ASSETS</b>		
Shareholders' equity		
Capital stock	5,000	5,000
Capital surplus	23,766	23,766
Retained earnings	28,440	28,167
Treasury shares	(1,920)	(1,920)
Total shareholders' equity	55,286	55,012
Accumulated other comprehensive income		
Valuation differences on available-for-sales securities	636	649
Revaluation reserve for land	43	43
Remeasurements of retirement allowance plans	(756)	(693)
Total accumulated other comprehensive income	(77)	(1)
Non-controlling interests	21	18
Total net assets	55,230	55,030
Total liabilities and net assets	97,929	94,280

(2) Quarterly consolidated statements of income and consolidated statements of comprehensive income  
Quarterly consolidated statements of income  
For the first quarter of fiscal year ending March 31, 2016 (April 1, 2015 – June 30, 2015)

(Million yen)

	First quarter ended June 2014 (April 1, 2014- June 30, 2014)	First quarter ended June 2015 (April 1, 2015- June 30, 2015)
<b>Net sales</b>		
Net sales of completed construction contracts	25,479	28,222
Sales on real estate business	182	344
<b>Total net sales</b>	<b>25,662</b>	<b>28,567</b>
<b>Cost of sales</b>		
Cost of sales of completed construction contracts	23,486	25,620
Cost of sales on real estate business	167	291
<b>Total cost of sales</b>	<b>23,653</b>	<b>25,911</b>
<b>Gross profit</b>		
Gross profit on completed construction contracts	1,993	2,602
Gross profit-real estate business	15	53
<b>Total gross profit</b>	<b>2,008</b>	<b>2,655</b>
Selling, general and administrative expenses	1,680	1,839
<b>Operating income</b>	<b>328</b>	<b>816</b>
<b>Non-operating income</b>		
Interest income	0	0
Dividend income	25	22
Interest on refund	6	0
Other	7	21
<b>Total non-operating income</b>	<b>40</b>	<b>44</b>
<b>Non-operating expenses</b>		
Interest expense	42	32
Other	0	5
<b>Total non-operating expenses</b>	<b>42</b>	<b>37</b>
<b>Ordinary income (loss)</b>	<b>325</b>	<b>823</b>
<b>Extraordinary income</b>		
Gain on sales of non-current assets	0	3
Reversal of provision for loss on litigation	-	10
Other	-	0
<b>Total extraordinary income</b>	<b>0</b>	<b>15</b>
<b>Extraordinary losses</b>		
Loss on litigation	6	-
Loss on retirement of non-current assets	-	1
Other	2	-
<b>Total extraordinary losses</b>	<b>9</b>	<b>1</b>
<b>Income before income taxes</b>	<b>316</b>	<b>838</b>
Income taxes-current	189	284
Income taxes-deferred	(0)	(13)
<b>Total income taxes</b>	<b>189</b>	<b>271</b>
<b>Net earnings</b>	<b>127</b>	<b>566</b>
Profit (loss) attributable to non-controlling interests	1	(1)
<b>Profit (loss) attributable to owners of parent</b>	<b>125</b>	<b>568</b>

Quarterly consolidated statements of comprehensive income  
 For the first quarter of fiscal year ending March 31, 2016 (April 1, 2015 – June 30, 2015)

(Million yen)

	First quarter ended June 2014 (April 1, 2014- June 30, 2014)	First quarter ended June 2015 (April 1, 2015- June 30, 2015)
Quarterly net earnings	127	566
Other comprehensive income		
Valuation difference on available-for-sale securities	45	13
Remeasurements of retirement allowance plans	(197)	63
Total other comprehensive income	(152)	76
Comprehensive income	(24)	642
(This splits into...)		
Comprehensive income attributable to owners of parent	(26)	644
Comprehensive income attributable to non-controlling interests	1	(1)

## 2. Orders received and net sales

(1) Consolidated

(Million yen, %)

		1Q / FY 2014		1Q / FY 2015	
		(Apr 1, 2014 - Jun 30, 2014)		(Apr 1, 2015 - Jun 30, 2015)	
		Amount	Share	Amount	Share
Orders received	Architecture	10,323	19.7	19,738	36.3
	Civil engineering	41,839	80.0	34,352	63.1
	Total construction	52,163	99.7	54,090	99.4
	Real estate	182	0.3	344	0.6
	Total	52,346	100.0	54,435	100.0
Net sales	Architecture	6,771	26.4	7,299	25.6
	Civil engineering	18,707	72.9	20,922	73.2
	Total construction	25,479	99.3	28,222	98.8
	Real estate	182	0.7	344	1.2
	Total	25,662	100.0	28,567	100.0

(2) Non-consolidated

(Million yen, %)

		1Q / FY 2014		1Q / FY 2015	
		(Apr 1, 2014 - Jun 30, 2014)		(Apr 1, 2015 - Jun 30, 2015)	
		Amount	Share	Amount	Share
Orders received	Architecture construction	10,037	36.6	18,863	56.6
	Civil engineering	17,172	62.7	14,114	42.3
	Total construction	27,209	99.3	32,978	98.9
	Real estate	182	0.7	353	1.1
	Total	27,392	100.0	33,331	100.0
Net sales	Architecture	6,360	47.7	6,941	40.5
	Civil engineering	6,784	50.9	9,855	57.4
	Total construction	13,145	98.6	16,796	97.9
	Real estate	182	1.4	353	2.1
	Total	13,328	100.0	17,150	100.0

Disclaimer: All financial information has been prepared in accordance with generally accepted accounting principles in Japan. This document is a partial English translation of the Japanese Financial Statements which were filed with Stock Exchanges in Japan on August 6, 2015. The Company provides this translation for your reference and convenience only without any warranty as to its accuracy. In case of any discrepancy between the translation and the Japanese original, the latter shall prevail