

## Summary of Consolidated Financial Results

### For the Third Quarter of Fiscal Year Ending March 31, 2016 [Japan GAAP] ("Q3/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: February 4, 2016  
 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 third quarter of the fiscal year ending March 2016 (April 1, 2015 – December 31, 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	%
3Q / FY 2015	100,981	12.6	4,276	68.7	4,331	71.5	3,352	96.3
3Q / FY 2014	89,672	7.6	2,535	248.9	2,525	222.0	1,708	288.5

Note: Comprehensive income: 3Q / FY 2015 : 3,522 million yen 103.7% , 3Q / FY 2014 : 1,728 million yen 239.1%

	Earnings per share	Earnings per share (diluted)
	Yen	Yen
3Q / FY 2015	59.75	—
3Q / FY 2014	28.18	—

(2) Consolidated financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2015	95,149	57,909	60.8
As of March 31, 2014	97,929	55,230	56.4

(Reference) Shareholders' equity

As of December 31, 2015: 57,889 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	—	—	—
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
Full year	140,000	10.6	5,300	43.0	5,300	429	4,000	41.0	71.28

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 December 31, 2015: 59,100,000      As of March 31, 2015: 59,100,000
  - (b) Treasury shares  
As of December 31, 2015: 2,983,756      As of March 31, 2015: 2,983,318
  - (c) Average number of shares (quarterly consolidated cumulative period)  
Period ended December 31, 2015: 56,116,521      Period ended December 31, 2014: 60,620,045

\* 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.

## Index for Supplementary Information

1. Quarterly Consolidated Financial Statements.....	2
(1) Quarterly consolidated balance sheet.....	2
(2) Quarterly consolidated statements of income and consolidated statements of comprehensive income.....	3
Quarterly consolidated statements of income.....	3
Quarterly consolidated statements of comprehensive income.....	4
2. Orders received and net sales.....	6

## 1. Quarterly Consolidated Financial Statements

### (1) Quarterly consolidated balance sheet

(Million yen)

	Fiscal year ended March 2015(As of March 31, 2015)	Third quarter ended December 2015 (As of December 31, 2015)
<b>ASSETS</b>		
Current assets		
Cash and deposits	28,639	23,868
Notes receivable, accounts receivable from completed construction contracts and other	45,145	45,629
Real estate for sale	2,493	2,074
Costs on uncompleted construction contracts	55	132
Costs on real estate business	661	1,379
Accounts receivable	5,381	4,807
Deferred tax assets	597	781
Other	1,174	2,676
Allowance for doubtful accounts	(190)	(194)
<b>Total current assets</b>	<b>83,957</b>	<b>81,155</b>
Noncurrent assets		
Tangible Assets		
Buildings and structures, net	1,276	1,051
Machinery, vehicles, tools, furniture and fixtures, net	492	739
Vessels, net	1,120	932
Land	4,351	4,640
Lease assets, net	84	97
Construction in progress	-	89
<b>Total Tangible assets</b>	<b>7,325</b>	<b>7,549</b>
Intangible assets	221	222
Investments and other assets		
Investment securities	3,811	3,778
Long-term loans receivable	10	8
Long-term accounts receivable	1,166	919
Deferred tax assets	606	646
Other	1,259	1,217
Allowance for doubtful accounts	(464)	(348)
<b>Total investments and other assets</b>	<b>6,424</b>	<b>6,221</b>
<b>Total noncurrent assets</b>	<b>13,972</b>	<b>13,994</b>
<b>Total assets</b>	<b>97,929</b>	<b>95,149</b>

(Million yen)

	Fiscal year ended March 2015(As of March 31, 2015)	Third quarter ended December 2015 (As of December 31, 2015)
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable for construction contracts	19,995	17,245
Income taxes payable	732	480
Advances received on uncompleted construction contracts	6,475	6,997
Provision for warranties for completed construction	575	577
Provision for loss on construction contracts	113	4
Provision for bonuses	1,071	624
Other	4,533	2,141
Total current liabilities	33,498	28,071
Noncurrent liabilities		
Deferred tax liabilities for land revaluation	288	220
Provision for special repairs of vessels	99	81
Retirement allowances	8,328	8,332
Other	483	533
Total noncurrent liabilities	9,200	9,168
Total liabilities	42,699	37,240
<b>NET ASSETS</b>		
Shareholders' equity		
Capital stock	5,000	5,000
Capital surplus	23,766	23,766
Retained earnings	28,440	30,951
Treasury shares	(1,920)	(1,921)
Total shareholders' equity	55,286	57,796
Accumulated other comprehensive income		
Valuation differences on available-for-sales securities	636	616
Revaluation reserve for land	43	43
Remeasurements of retirement allowance plans	(756)	(567)
Total accumulated other comprehensive income	(77)	92
Non-controlling interests	21	19
Total net assets	55,230	57,909
Total liabilities and net assets	97,929	95,149

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

(Million yen)

	Third quarter ended December 2014 (April 1, 2014- December 31, 2014)	Third quarter ended December 2015 (April 1, 2015- December 31, 2015)
<b>Net sales</b>		
Net sales of completed construction contracts	88,624	98,899
Sales on real estate business	1,048	2,082
<b>Total net sales</b>	<b>89,672</b>	<b>100,981</b>
<b>Cost of sales</b>		
Cost of sales of completed construction contracts	80,977	89,185
Cost of sales on real estate business	879	1,771
<b>Total cost of sales</b>	<b>81,857</b>	<b>90,957</b>
<b>Gross profit</b>		
Gross profit on completed construction contracts	7,646	9,713
Gross profit-real estate business	168	310
<b>Total gross profit</b>	<b>7,814</b>	<b>10,024</b>
Selling, general and administrative expenses	5,279	5,747
<b>Operating income</b>	<b>2,535</b>	<b>4,276</b>
<b>Non-operating income</b>		
Interest income	0	1
Dividend income	41	68
Gain on bad debts recovered	11	56
Other	27	23
<b>Total non-operating income</b>	<b>81</b>	<b>149</b>
<b>Non-operating expenses</b>		
Interest expense	88	86
Other	2	6
<b>Total non-operating expenses</b>	<b>91</b>	<b>93</b>
<b>Ordinary income (loss)</b>	<b>2,525</b>	<b>4,331</b>
<b>Extraordinary income</b>		
Gain on sales of non-current assets	10	7
Reversal of provision for loss on litigation	-	10
Other	0	0
<b>Total extraordinary income</b>	<b>10</b>	<b>18</b>
<b>Extraordinary losses</b>		
Loss on litigation	32	-
Loss on retirement of non-current assets	2	1
Impairment loss	-	426
Other	6	-
<b>Total extraordinary losses</b>	<b>41</b>	<b>427</b>
<b>Income before income taxes</b>	<b>2,494</b>	<b>3,922</b>
Income taxes-current	672	863
Income taxes-deferred	111	(293)
<b>Total income taxes</b>	<b>784</b>	<b>570</b>
<b>Net earnings</b>	<b>1,709</b>	<b>3,352</b>
Profit (loss) attributable to non-controlling interests	1	(0)
<b>Profit (loss) attributable to owners of parent</b>	<b>1,708</b>	<b>3,352</b>

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

(Million yen)

	Third quarter ended December 2014 (April 1, 2014- December 31, 2014)	Third quarter ended December 2015 (April 1, 2015- December 31, 2015)
Quarterly net earnings	1,709	3,352
Other comprehensive income		
Valuation difference on available-for-sale securities	102	(19)
Remeasurements of retirement allowance plans	(83)	189
Total other comprehensive income	19	169
Comprehensive income	1,728	3,522
(This splits into...)		
Comprehensive income attributable to owners of parent	1,727	3,522
Comprehensive income attributable to non-controlling interests	1	(0)

## 2. Orders received and net sales

(1) Consolidated

(Million yen, %)

		3Q / FY 2014		3Q / FY 2015	
		(Apr 1, 2014 - Dec 31, 2014)		(Apr 1, 2015 - Dec 31, 2015)	
		Amount	Share	Amount	Share
Orders received	Architecture	31,632	25.1	40,102	32.9
	Civil engineering	93,654	74.1	79,783	65.4
	Total construction	125,287	99.2	119,885	98.3
	Real estate	1,048	0.8	2,082	1.7
	Total	126,335	100.0	121,967	100.0
Net sales	Architecture	23,391	26.1	28,138	27.8
	Civil engineering	65,233	72.7	70,760	70.1
	Total construction	88,624	98.8	98,899	97.9
	Real estate	1,048	1.2	2,082	2.1
	Total	89,672	100.0	100,981	100.0

(2) Non-consolidated

(Million yen, %)

			3Q / FY 2014		3Q / FY 2015	
			(Apr 1, 2014 - Dec 31, 2014)		(Apr 1, 2015 - Dec 31, 2015)	
			Amount	Share	Amount	Share
Orders received	Architecture construction	Public	14,698		15,072	
		Private	15,511		23,459	
	Subtotal		30,210	43.2	38,531	52.0
	Civil engineering	Public	25,687		24,111	
		Private	12,991		9,444	
	Subtotal		38,679	55.3	33,556	45.2
	Total construction	Public	40,386		39,183	
		Private	28,503		32,903	
	Total		68,889	98.5	73,087	97.2
	Real estate	Public	-		-	
		Private	1,046		2,106	
	Total		1,046	1.5	2,106	2.8
	Total	Public	40,386	57.8	39,183	52.8
Private		29,549	42.3	35,010	47.2	
		69,935	100.0	74,194	100.0	
Net sales	Architecture	22,296	49.0	26,804	46.5	
	Civil engineering	22,183	48.7	28,820	49.9	
	Total construction	44,479	97.7	55,624	96.4	
	Real estate	1,046	2.3	2,106	3.6	
	Total	45,525	100.0	57,731	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 February 3, 2016. 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