Summary of Financial and Operating Results
for the Fiscal Year Ended March 31, 2017 [Japan GAAP]

May 12, 2017

Company: Hibiya Engineering, Ltd.
Stock exchange listing: Tokyo Stock Exchange (First Section)
Stock code: 1982
URL: http://www.hibiya-eng.co.jp/English
Representative Director: Yoshiharu Nishimura, President
Contact: Hiroshi Ikeji, Senior Executive Officer, Manager of IR and PR Office, Administration Division
Tel: 03-3454-2720

Regular general meeting of shareholders:	June 29, 2017 (tentative)
Date of commencement of dividend payment:	June 30, 2017 (tentative)
Date of filing of securities report:	June 29, 2017 (tentative)
Supplementary explanatory documents:	No
Earnings presentation:	Yes (For analysts and institutional investors)

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

1. Consolidated results of operations for the year ended March 2017 (April 1, 2016 – March 31, 2017)

(1) Consolidated results of operations (Percentage figures represent year on year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY3/17	78,387	(1.3)	5,608	20.0	6,976	10.0	5,207	12.2
FY3/16	79,401	11.3	4,676	135.7	6,344	107.4	4,641	76.5

Note: Comprehensive income: FY3/17: 5,815 million yen [111.7%]; FY3/16: 2,746 million yen [-21.7%]

	Earnings per share	Earnings per share fully diluted	Return on equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
FY3/17	178.49	177.48	8.8	7.5	7.2
FY3/16	156.88	156.01	8.1	7.2	5.9

(Reference) Equity in earnings of equity method affiliates: FY3/17: 998 million yen; FY3/16: 1,206 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	yen
FY3/17	93,661	63,719	65.4	2,117.40
FY3/16	91,900	59,947	62.8	1,966.69

(Reference) Shareholders' equity: FY3/17: 61,251 million yen; FY3/16: 57,738 million yen

(3) Consolidated cash flow position

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
FY3/17	5,270	2,225	(2,096)	11,345
FY3/16	1,869	1,003	(1,790)	5,945

2. Dividends

	Dividend per share					Total dividends (Annual)	Dividend ratio (Consolidated)	Dividend-to-equity ratio (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of FY	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY3/16	-	20.00	-	20.00	40.00	1,186	25.5	2.1
FY3/17	-	25.00	-	25.00	50.00	1,462	28.0	2.5
FY3/18 (Estimate)	-	30.00	-	30.00	60.00		57.9	

Note: Dividend for FY3/17 includes 40.00 yen of ordinary dividend and 10.00 yen of commemorative dividend

3. Consolidated forecast for the fiscal year ending March 31, 2018 (April 1, 2017 – March 31, 2018)

(Percentage figures represent year on year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	75,000	(4.3)	4,000	(28.7)	5,000	(28.3)	3,000	(42.4)	103.71

Notes

(1) Changes in significant subsidiaries (Changes in specific subsidiaries accompanied by changes in the scope of consolidation): No

(2) Changes in accounting principles and estimates, and retrospective restatement

(a) Changes due to revision of accounting standards: Yes

(b) Changes other than in (a): No

(c) Changes in accounting estimates: No

(d) Retrospective restatement: No

(3) Number of shares outstanding (common stock)

(a) Shares outstanding (including treasury shares)

As of March 31, 2017: 31,000,309 As of March 31, 2016: 31,000,309

(b) Treasury shares

As of March 31, 2017: 2,072,671 As of March 31, 2016: 1,642,000

(c) Average number of shares

Period ended March 31, 2017: 29,173,961 Period ended March 31, 2016: 29,586,957

Forward-looking statements, important Notes, etc.

These materials contain forward-looking statements that are based on information available to management as of the date of this report. Actual results may be materially different from the above forecasts for a number of reasons.

This is an English translation of the captioned report. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the report for complete information.

Index for Supplementary Information

1. Results of Operations

(1) Analysis of results of operations

1) Results of operations for fiscal year ended March 31, 2017

In the past fiscal year, with the support of actions of the Japanese government and Bank of Japan, the Japanese economy continued to recover slowly. Capital expenditures also increased slowly as corporate earnings remained high. Consumer spending rebounded due to improvements in employment and personal income.

In the construction industry, the business climate was favorable because of redevelopment projects and growth in public-works projects associated with economic stimulus measures.

The Hibiya Engineering Group continued to take actions aimed at becoming a provider of life cycle total solutions for buildings, which is the goal of the Fifth Medium-term Management Plan that started in April 2014. There were also activities to establish a competitive cost structure by streamlining construction processes and raising quality. Initiatives included centralizing purchasing and utilizing the group's advanced technologies. Rigorous safety quality management to eliminate accidents was another theme of the fiscal year. To build a stronger base of operations, group companies also conducted a thorough compliance program, increased the use of information and communication technologies (ICT) to operate more efficiently, and took other actions. The objective was to set the stage for the Hibiya Engineering Group's next stage of growth as the group celebrated its 50th anniversary in July 2016.

In the fiscal year that ended in March 2017, orders received increased 0.6% to 77,365 million yen and sales decreased 1.3% to 78,387 million yen. Operating profit increased 20.0% to 5,608 million yen, ordinary profit increased 10.0% to 6,976 million yen and profit attributable to owners of parent increased 12.2% to 5,207 million yen.

Results of operations for business segments are as follows.

1. Construction
   Segment sales decreased 2.4% to 69,021 million yen and operating profit increased 20.7% to 4,897 million yen.
2. Equipment sales
   Segment sales increased 12.0% to 6,090 million yen and operating profit increased 43.1% to 316 million yen.
3. Equipment manufacturing
   Segment sales decreased 0.2% to 3,275 million yen and operating profit decreased 1.6% to 383 million yen.

Orders received by segments

	FY2016 (Apr. 1, 2015 - Mar. 31, 2016) (million yen)	FY2017 (Apr. 1, 2016 - Mar. 31, 2017) (million yen)	YoY change (%)
Construction	68,130	67,838	(0.4)
Equipment sales	5,437	6,090	12.0
Equipment manufacturing	3,335	3,436	3.0
Total	76,903	77,365	0.6

Net sales by segments

	FY2016 (Apr. 1, 2015 - Mar. 31, 2016) (million yen)	FY2017 (Apr. 1, 2016 - Mar. 31, 2017) (million yen)	YoY change (%)
Construction	70,682	69,021	(2.4)
Equipment sales	5,437	6,090	12.0
Equipment manufacturing	3,281	3,275	(0.2)
Total	79,401	78,387	(1.3)

Note: 1. Inter-segment transactions are eliminated.
2. Consumption and other taxes are not included in the amount.

2) Outlook for fiscal year ending in March 2018

The slow recovery of the Japanese economy is expected to continue mainly because of government spending associated with large government economic stimulus programs. However, the outlook is uncertain due to uncertainty about overseas economy and other reasons.

In the construction industry, we believe that demand will remain firm. In addition to the high level of private-sector capital expenditures, construction activity is also backed by projects for the 2020 Tokyo Olympics and the increasing awareness of the need for projects to be better prepared for natural disasters. Moreover, the Japanese government and various industrial associations are promoting measures for altering how people work and for improving productivity through the use of ICT. The construction industry as well will have to change significantly as these reforms are implemented.

In the fiscal year ending in March 2018, the Hibiya Engineering Group started its Sixth Medium-term Management Plan, covering the three-year period ending in March 2020. The new plan has the central goal of establishing and reinforcing corporate reforms for stable and long-term continuation and development of business operations. In addition, the plan has the following two fundamental strategies.

First is making investments in human resources and ICT to change how people work. We will make substantial investments in human resources in order to make the Hibiya Engineering Group an appealing organization that can recruit talented people. We will also use ICT extensively in order to reform business processes and strengthen management. Second is becoming a source of even more advanced life cycle total solutions. To accomplish this, one goal is to combine our sales and engineering service resources in order to upgrade and enlarge stock businesses that generate steady revenue streams. We will also build new service models by using more interaction among group companies and alliances with other companies.

During the new management plan, we also plan to reinforce compliance and risk management operations, use capital more efficiently, increase shareholder distributions, and take other actions that will benefit our stakeholders.

In the fiscal year ending in March 2018, we forecast orders received of 75 billion yen, sales of 75 billion yen, operating profit of 4 billion yen, ordinary profit of 5 billion yen and profit attributable to owners of parent of 3 billion yen.

The non-consolidated forecasts are orders received of 66 billion yen, sales of 65 billion yen, operating profit of 3.5 billion yen, ordinary profit of 3.9 billion yen and profit of 2.5 billion yen.

(2) Analysis of financial condition

1) Assets, liabilities and net assets

Assets

Total assets increased 1,761 million yen from the end of the previous fiscal year to 93,661 million yen. Current assets increased 890 million yen to 56,229 million yen and noncurrent assets increased 870 million yen to 37,432 million yen.

Major changes in current assets were increase of 5,399 million yen in cash and deposits and decrease of 2,326 million yen in notes receivable, accounts receivable from completed construction contracts and other.

Noncurrent assets increased mainly because of a 638 million yen increase in investment securities due to purchase of investment securities.

Liabilities

Liabilities decreased 2,011 million yen to 29,942 million yen.

The decrease in liabilities was mainly due to decreases of 2,413 million yen in notes payable, accounts payable for construction contracts and other.

Net assets

Net assets were 63,719 million yen at the end of the fiscal year mainly because of the contribution from profit attributable to owners of parent of 5,207 million yen.

2) Cash flows

Net cash provided by operating activities was 5,270 million yen, an improvement of 3,401 million yen compared with the previous fiscal year. A decrease in notes and accounts receivable-trade was a major reason for this improvement.

Net cash provided by investing activities was 2,225 million yen, an increase of 1,222 million yen from the previous fiscal year. The main reason was a decrease in the purchase of investment securities.

Net cash used in financing activities was 2,096 million yen, 306 million yen more than cash used in the previous fiscal year.

The result of these cash flows was a net increase of 5,399 million yen in cash and cash equivalents to 11,345 million yen at the end of the fiscal year.

(Reference) Cash flow index trends

Years ended March 31	2013	2014	2015	2016	2017
Equity ratio (%)	67.3	66.2	67.2	62.8	65.3
Equity ratio based on market cap (%)	36.8	53.9	55.8	50.3	50.4
Cash flow/ interest-bearing debt (years)	4.7	-	-	-	-
Interest coverage ratio (times)	12.9	-	-	2,243.7	2,383.3

Equity ratio: Shareholders' equity/Total assets

Equity ratio based on market cap: Market capitalization/Total assets

Cash flow/interest-bearing debt: Interest-bearing debt/Operating cash flows

Interest coverage ratio: Operating cash flows/Interest expenses

* All indicators are based on figures in the consolidated financial statements.
* Market capitalization does not include treasury stocks.
* Operating cash flows are the figures shown in the consolidated statements of cash flows. Interest-bearing debt is the sum of all short-term loans payable on the consolidated balance sheets. Interest expenses are the interest paid figure on the consolidated statements of cash flows.
* Cash flow/interest-bearing debt and the interest coverage ratio are not shown for the fiscal year that ended in March 2014 because the operating cash flow was negative.
* Cash flow/interest-bearing debt and the interest coverage ratio are not shown for the fiscal year that ended in March 2015 because the operating cash flow was negative.
* Cash flow/interest-bearing debt is not shown for the fiscal year that ended in March 2016 because of no Interest-bearing debt posted.
* Cash flow/interest-bearing debt is not shown for the fiscal year that ended in March 2017 because of no Interest-bearing debt posted.

(3) Basic policy for allocation of earnings and dividends for the current and next fiscal years

Returning earnings to shareholders is one of the highest priorities of Hibiya Engineering. Dividends are based on the consolidated dividend-on-equity (DOE) ratio from the standpoint of distributing earnings to shareholders consistently. Hibiya Engineering plans to pay a year-end dividend of 25 yen per share, which includes a 5 yen commemorative dividend. With the interim dividend of 25 yen which also includes a 5 yen commemorative dividend paid earlier in the fiscal year, the annual dividend will be 50 yen, which includes 40.00 yen of ordinary dividend, the same level as the previous year, and 10.00 yen of commemorative dividend.

To improve the return on equity and as one way to return earnings to shareholders, Hibiya Engineering purchases treasury shares in a flexible manner. In the fiscal year that ended in March 2017, 462,200 shares of treasury shares were purchased at a total cost of 759 million yen.

The new Sixth Medium-term Management Plan has the same basic policy for earnings distributions as in the previous plan. Based on the earnings goals of the new plan, we plan to pay a dividend of 60 yen (30 yen for both interim and year-end) per share for the fiscal year ending in March 2018. This is 10 yen more than the 50 yen dividend, which includes a commemorative dividend, for the previous fiscal year.

We plan to continue to repurchase our stock in a flexible manner as one way to return earnings to shareholders.

Retained earnings are used to maintain a sound financial position in order to be prepared for future business activities. Retained earnings are also used for R&D activities to become more competitive, employee training, entering new business fields, and other investments that can produce earnings in the future.

2. Management Policies

The Hibiya Engineering Group started its Fifth Medium-term Management Plan in April 2014 with the goal of becoming a provider of life cycle total solutions for buildings. By accomplishing this goal, we planned to maintain consistent profitability, strengthen business operations, and place even more importance on confidence and safety. Due to initiatives taken during this plan, we reached our targets for orders received, sales, earnings and other performance metrics. For shareholder distributions, we continued to pay a dividend based on the consolidated DOE as well as a 50th anniversary commemorative dividend and we purchased treasury stock in a flexible manner.

In Japan's construction industry, there is solid demand in both the public and private sectors. Furthermore, the pace of growth in orders involving improvements to existing buildings, such as for energy conservation and upgrades, is accelerating. As a result, construction companies will have to supply highly sophisticated solutions to meet the even more diverse requirements of customers. Activities by the Japanese government and industry associations in response to Japan's aging population and other trends to alter how people work and use ICT to boost productivity are also affecting the business climate. All of these developments will bring about enormous changes in the construction industry.

The new Sixth Medium-term Management Plan establishes a roadmap for responding to these big changes in the operating environment while also aiming to maintain and reinforce the improvements to business operations that were accomplished during the previous plan. We want to supply customers with the best possible solutions with added value that encompass the entire life cycle of a building from planning to design, construction and operations. We are determined to continue growing and advancing as a comprehensive engineering services company that is a one-stop source of services to meet our customers' needs.

The Sixth Medium-term Management Plan has the following fundamental policy, fundamental strategies and performance targets.

I. Fundamental Policy

Establish and reinforce corporate reforms for stable and long-term continuation and development of business operations.

II. Fundamental Strategies

1. Invest in human resources and ICT to change how people work

(1) Invest substantially in human resources to make the Hibiya Engineering Group an appealing organization that can recruit talented people.

- Recruit new graduates, mid-career professionals and others to maintain a diverse workforce.
- Incorporate diversity to incorporate a broad spectrum of perspectives in management.
- Strengthen training for specific job categories and use other measures to provide training for employees at an even higher level.
- Enable employees to lead healthy life styles by maintaining the work life balance.

(2) Use ICT extensively to reform business processes and reinforce management

- Ensure competitive advantage by raising the efficiency of sales and construction activities and differentiation ourselves from competitors.
- Improve efficiency to achieve higher productivity by greatly cutting lead times.
- Reinforce risk management by strengthening oversight of business processes, expanding compliance training and taking other actions.

2. Become a source of even more advanced life cycle total solutions

(1) Upgrade and enlarge stock businesses with initiatives centered on the life cycle library*

- Combine sales and engineering service resources to create solutions for customers.
- Fundamentally reform business operations to aim for improvements involving safety and cost vs. performance.

(2) Build diverse service models by using interaction among group companies and alliances with other companies

- Integrate functions of group companies and provide engineering services.
- Enlarge the service menu by collaborating with NTT Group companies.
- Cooperate with alliance partners to create proposals for customers in more business domains.

* The life cycle library is a database containing construction information and other knowledge at the Hibiya Engineering Group in order to give the entire group access to this know-how.

III. Performance Targets

The Sixth Medium-term Management Plan, which covers the three-year period ending in March 2020, has the following consolidated sales and earnings targets for each year of the plan.

Sales	At least 75 billion yen
Operating profit	At least 4 billion yen
Ordinary profit	At least 5 billion yen
Profit attributable to owners of parent	At least 3 billion yen
Return on equity	At least 5.0% Aiming for an ROE consistently at or above 8.0%

IV. Shareholder Distributions

- From the standpoint of using dividends as a means of consistently returning earnings to shareholders, the goal is to continue paying a dividend based on the consolidated DOE and to increase the dividend.
- We will continue to repurchase stock in a flexible manner as one way to return earnings to shareholders.

3. Basic thinking about the selection of accounting standards

The policy of the Hibiya Engineering Group is to continue preparing consolidated financial statements based on Japanese accounting standards for the time being. Using these standards allows comparing consolidated financial data in different fiscal years as well as with the financial data of other companies in Japan.

For the application of international accounting standards, actions will be taken in an appropriate manner based on all relevant factors in Japan and other countries.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million yen)

	FY2016 (As of March 31, 2016)	FY2017 (As of March 31, 2017)
Assets		
Current assets		
Cash and deposits	5,945	11,345
Notes receivable, accounts receivable from completed construction contracts and other	43,429	41,102
Securities	2,005	968
Costs on uncompleted construction contracts and other	888	711
Deferred tax assets	1,082	1,304
Other	2,034	812
Allowance for doubtful accounts	(46)	(17)
Total current assets	55,338	56,229
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	1,487	1,574
Land	152	93
Lease assets	29	52
Other	878	929
Accumulated depreciation	(2,053)	(2,004)
Total property, plant and equipment	494	646
Intangible assets	104	181
Investments and other assets		
Investment securities	31,589	32,227
Long-term loans receivable	33	32
Net defined benefit asset	100	69
Deferred tax assets	88	46
Insurance funds	1,539	1,618
Investments in silent partnership	1,734	1,722
Other	909	917
Allowance for doubtful accounts	(32)	(29)
Total investments and other assets	35,962	36,604
Total noncurrent assets	36,561	37,432
Total assets	91,900	93,661

(Million yen)

	FY2016 (As of March 31, 2016)	FY2017 (As of March 31, 2017)
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	23,239	20,826
Lease obligations	2	7
Income taxes payable	2,433	2,115
Advances received on uncompleted construction contracts	220	157
Provision for bonuses	2,420	3,015
Provision for warranties for completed construction	66	53
Provision for loss on construction contracts	98	315
Asset retirement obligations	-	136
Other	2,550	2,346
Total current liabilities	31,030	28,974
Noncurrent liabilities		
Lease obligations	3	17
Deferred tax liabilities	494	582
Net defined benefit liability	388	340
Asset retirement obligations	12	12
Other	23	15
Total noncurrent liabilities	922	967
Total liabilities	31,953	29,942
Net assets		
Shareholders' equity		
Capital stock	5,753	5,753
Capital surplus	5,931	5,931
Retained earnings	45,425	49,292
Treasury shares	(1,909)	(2,624)
Total shareholders' equity	55,200	58,352
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,094	3,342
Deferred gains or losses on hedges	0	0
Remeasurements of defined benefit plans	(557)	(444)
Total accumulated other comprehensive income	2,537	2,898
Subscription rights to shares	162	181
Non-controlling interests	2,045	2,287
Total net assets	59,947	63,719
Total liabilities and net assets	91,900	93,661

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Consolidated Statements of Income)

(Million yen)

	FY2016 (Apr. 1, 2015 - Mar. 31, 2016)	FY2017 (Apr. 1, 2016 - Mar. 31, 2017)
Net sales	79,401	78,387
Cost of sales	67,107	64,342
Gross profit	12,294	14,045
Selling, general and administrative expenses		
Employees' salaries and allowances	2,377	2,471
Provision for bonuses	1,025	1,383
Retirement benefit expenses	192	220
Provision of allowance for doubtful accounts	29	(29)
Rents	1,001	1,047
Depreciation	74	125
Other	2,917	3,217
Total selling, general and administrative expenses	7,618	8,436
Operating profit	4,676	5,608
Non-operating income		
Interest income	79	58
Dividends income	167	182
Share of profit of entities accounted for using equity method	1,206	998
Other	235	138
Total non-operating profit	1,689	1,377
Non-operating expenses		
Interest expenses	0	2
Other	19	7
Total non-operating expenses	20	9
Ordinary profit	6,344	6,976
Extraordinary income		
Gain on sales of non-current assets	-	254
Gain on sales of investment securities	1,257	-
Total extraordinary income	1,257	254
Extraordinary loss		
Loss on valuation of investment securities	3	-
Loss on insurance cancellation	762	-
Total extraordinary loss	766	-
Profit before income taxes	6,835	7,231
Income taxes-current	2,443	2,105
Income taxes-deferred	(435)	(270)
Total income taxes	2,007	1,834
Profit	4,827	5,396
Profit attributable to non-controlling interests	186	189
Profit attributable to owners of parent	4,641	5,207

(Consolidated Statements of Comprehensive Income)

(Million yen)

	FY2016 (Apr. 1, 2015 - Mar. 31, 2016)	FY2017 (Apr. 1, 2016 - Mar. 31, 2017)
Profit	4,827	5,396
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,550)	304
Deferred gains or losses on hedges	0	(0)
Remeasurements of defined benefit plans, net of tax	(414)	54
Share of other comprehensive income of entities accounted for using equity method	(117)	59
Total other comprehensive income	(2,081)	418
Comprehensive income	2,746	5,815
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,559	5,567
Comprehensive income attributable to non-controlling interests	186	247

(3) Consolidated Statements of Changes in Equity

Previous fiscal year (Apr. 1, 2015 –Mar. 31, 2016)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	5,753	5,931	41,872	(1,241)	52,316
Changes of items during period					
Dividends of surplus			(1,074)		(1,074)
Profit attributable to owners of parent			4,641		4,641
Purchase of treasury shares				(705)	(705)
Disposal of treasury shares			(13)	37	23
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	3,553	(668)	2,884
Balance at end of current period	5,753	5,931	45,425	(1,909)	55,200

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	4,692	-	(72)	4,619	138	1,864	58,939
Changes of items during period							
Dividends of surplus							(1,074)
Profit attributable to owners of parent							4,641
Purchase of treasury shares							(705)
Disposal of treasury shares							23
Net changes of items other than shareholders' equity	(1,597)	0	(484)	(2,082)	23	180	(1,877)
Total changes of items during period	(1,597)	0	(484)	(2,082)	23	180	1,007
Balance at end of current period	3,094	0	(557)	2,537	162	2,045	59,947

Current fiscal year (Apr. 1, 2016 –Mar. 31, 2017)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	5,753	5,931	45,425	(1,909)	55,200
Changes of items during period					
Dividends of surplus			(1,325)		(1,325)
Profit attributable to owners of parent			5,207		5,207
Purchase of treasury shares				(760)	(760)
Disposal of treasury shares			(14)	44	30
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	3,867	(715)	3,151
Balance at end of current period	5,753	5,931	49,292	(2,624)	58,352

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Re-measurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	3,094	0	(557)	2,537	162	2,045	59,947
Changes of items during period							
Dividends of surplus							(1,325)
Profit attributable to owners of parent							5,207
Purchase of treasury shares							(760)
Disposal of treasury shares							30
Net changes of items other than shareholders' equity	248	(0)	112	360	18	241	620
Total changes of items during period	248	(0)	112	360	18	241	3,772
Balance at end of current period	3,342	0	(444)	2,898	181	2,287	63,719

(4) Consolidated Statements of Cash Flows

(Million yen)

	FY2016 (Apr. 1, 2015 - Mar. 31, 2016)	FY2017 (Apr. 1, 2016 - Mar. 31, 2017)
Cash flows from operating activities		
Profit before income taxes	6,835	7,231
Depreciation	117	167
Increase (decrease) in allowance for doubtful accounts	(36)	(29)
Decrease (increase) in net defined benefit asset	(64)	(32)
Increase (decrease) in net defined benefit liability	(57)	92
Increase (decrease) in provision for bonuses	1,443	595
Increase (decrease) in provision for warranties for completed construction	9	(12)
Increase (decrease) in provision for loss on construction contracts	(250)	217
Interest and dividend income	(247)	(241)
Interest expenses	0	2
Loss (gain) on sales of non-current assets	-	(254)
Loss (gain) on sales of investment securities	(1,257)	-
Loss (gain) on valuation of investment securities	3	-
Loss (gain) on cancellation of insurance contract	762	-
Share of (profit) loss of entities accounted for using equity method	(1,206)	(998)
Decrease (increase) in notes and accounts receivable - trade	(7,336)	2,326
Decrease (increase) in inventories	63	176
Increase (decrease) in notes and accounts payable - trade	4,069	(2,413)
Increase (decrease) in advances received on uncompleted construction contracts	(451)	(62)
Decrease/increase in consumption taxes receivable/payable	1,233	(79)
Other	(775)	821
Subtotal	2,856	7,507
Interest and dividend income received	254	246
Interest expenses paid	(0)	(2)
Income taxes paid	(1,240)	(2,481)
Net cash provided by (used in) operating activities	1,869	(5,270)
Cash flows from investing activities		
Purchase of property, plant and equipment	(39)	(185)
Proceeds from sales of property, plant and equipment	-	360
Purchase of intangible assets	(29)	(138)
Purchase of investment securities	(1,870)	(495)
Proceeds from sales of investment securities	1,552	-
Proceeds from redemption of investment securities	1,200	2,400
Purchase of insurance funds	(1,488)	(115)
Proceeds from maturity of insurance funds	2,095	37
Payments for investments in silent partnership	(500)	-
Proceeds from withdrawal of investments in silent partnership	-	329
Other	83	33
Net cash provided by (used in) investing activities	1,003	2,225

	FY2016 (Apr. 1, 2015 - Mar. 31, 2016)	FY2017 (Apr. 1, 2016 - Mar. 31, 2017)
Cash flows from financing activities		
Purchase of treasury shares	(705)	(760)
Proceeds from sales of treasury shares	0	0
Cash dividends paid	(1,074)	(1,325)
Dividends paid to non-controlling interests	(5)	(5)
Repayments of lease obligations	(4)	(5)
Net cash provided by (used in) financing activities	(1,790)	(2,096)
Net increase (decrease) in cash and cash equivalents	1,082	5,399
Cash and cash equivalents at beginning of period	4,863	5,945
Cash and cash equivalents at end of period	5,945	11,345