

Consolidated Financial Results for the First Quarter Ended June 30, 2020



2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Current assets		
Cash and deposits	106,453	109,264
Notes receivable, accounts receivable from completed construction contracts and other	163,440	139,456
Securities	20,064	54
Real estate for sale	10,052	11,638
Costs on uncompleted construction contracts	16,488	20,650
Other inventories	3,949	4,330
Other	17,502	22,218
Allowance for doubtful accounts	(1,110)	(974)
Total current assets	336,841	306,639
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	29,046	28,496
Machinery, vehicles, tools, furniture and fixtures, net	3,209	3,045
Land	83,920	83,452
Lease assets, net	138	121
Construction in progress	7,959	9,078
Total property, plant and equipment	124,274	124,193
Intangible assets		
Goodwill	519	502
Other	7,976	7,899
Total intangible assets	8,495	8,401
Investments and other assets		
Investment securities	157,659	171,554
Long-term loans receivable	782	752
Net defined benefit asset	1,223	1,028
Deferred tax assets	731	738
Other	4,635	4,518
Allowance for doubtful accounts	(87)	(88)
Total investments and other assets	164,945	178,504
Total noncurrent assets	297,715	311,099
Total assets	634,557	617,739

	As of March 31, 2020	As of June 30, 2020
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	105,305	80,088
Short-term loans payable	44,499	28,673
Current portion of bonds	5,000	5,000
Income taxes payable	7,374	725
Advances received on uncompleted construction contracts	30,022	38,206
Provision for bonuses	6,409	3,046
Provision for warranties for completed construction	4,410	4,229
Provision for loss on construction contracts	3,200	3,157
Deposits received	28,618	38,581
Other	18,229	18,626
Total current liabilities	253,070	220,336
Noncurrent liabilities		
Bonds payable	30,100	40,100
Long-term loans payable	32,201	31,665
Deferred tax liabilities	11,833	16,284
Deferred tax liabilities for land revaluation	6,791	6,791
Provision for directors' retirement benefits	207	210
Provision for share allocation to directors	188	186
Provision for loss on liquidation of subsidiaries and affiliates	36	31
Net defined benefit liability	21,263	21,547
Asset retirement obligations	1,712	1,752
Other	3,656	3,971
Total noncurrent liabilities	107,991	122,540
Total liabilities	361,061	342,876
Net assets		
Shareholders' equity		
Capital stock	23,001	23,001
Capital surplus	26,259	26,259
Retained earnings	176,564	169,395
Treasury stock	(9,392)	(9,392)
Total shareholders' equity	216,433	209,263
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	51,954	61,930
Deferred gains or losses on hedges	(13)	17
Revaluation reserve for land	4,584	4,584
Foreign currency translation adjustment	(805)	(2,349)
Remeasurements of defined benefit plans	(1,292)	(1,112)
Total accumulated other comprehensive income	54,427	63,070
Non-controlling interests	2,635	2,528
Total net assets	273,496	274,862
Total liabilities and net assets	634,557	617,739

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

Three Months ended June 30, 2019 and 2020

(Millions of yen)

	Three Months ended June 30, 2019 (April 1 through June 30, 2019)	Three Months ended June 30, 2020 (April 1 through June 30, 2020)
Net sales		
Net sales of completed construction contracts	115,859	94,383
Net sales of investment and development business and other	3,998	2,762
Total net sales	119,857	97,145
Cost of sales		
Cost of sales of completed construction contracts	101,352	85,487
Cost of sales on investment and development business and other	2,704	1,766
Total cost of sales	104,057	87,253
Gross profit		
Gross profit on completed construction contracts	14,506	8,895
Gross profit on investment and development business and other	1,294	996
Total gross profit	15,800	9,891
Selling, general and administrative expenses	7,395	8,142
Operating income	8,404	1,749
Non-operating income		
Interest income	58	53
Dividend income	1,459	1,421
Other	83	95
Total non-operating income	1,600	1,570
Non-operating expenses		
Interest expenses	168	195
Commission fee	33	39
Other	55	78
Total non-operating expenses	256	313
Ordinary income	9,749	3,006
Extraordinary income		
Gain on sales of investment securities	173	-
Settlement received	174	-
Other	17	7
Total extraordinary income	364	7
Extraordinary loss		
Loss on abandonment of noncurrent assets	28	432
Loss on valuation of investment securities	106	1,044
Other	0	14
Total extraordinary losses	134	1,490
Profit before income taxes	9,979	1,522
Income taxes	3,163	696
Profit	6,816	825
Profit (loss) attributable to non-controlling interests	46	(1)
Profit attributable to owners of parent	6,769	827

Consolidated Statements of Comprehensive Income

Three Months ended June 30, 2019 and 2020

(Millions of yen)

	Three Months ended June 30, 2019 (April 1 through June 30, 2019)	Three Months ended June 30, 2020 (April 1 through June 30, 2020)
Profit	6,816	825
Other comprehensive income		
Valuation difference on available-for-sale securities	(8,394)	9,975
Deferred gains or losses on hedges	(69)	31
Foreign currency translation adjustment	35	(1,647)
Remeasurements of defined benefit plans	107	180
Total other comprehensive income	(8,320)	8,539
Comprehensive income	(1,504)	9,365
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,578)	9,470
Comprehensive income attributable to non-controlling interests	74	(104)

3. (Reference) Non-consolidated Financial Statements

(1) (Reference) Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Current assets		
Cash and deposits	82,538	88,699
Notes receivable, accounts receivable from completed construction contracts and other	151,656	132,673
Securities	20,064	54
Real estate for sale	9,873	11,634
Costs on uncompleted construction contracts	13,592	17,316
Other inventories	3,544	4,000
Other	16,617	21,262
Allowance for doubtful accounts	(1,057)	(948)
Total current assets	296,830	274,692
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	23,041	23,443
Machinery, vehicles, tools, furniture and fixtures, net	1,335	1,223
Land	73,863	74,964
Lease assets, net	72	65
Construction in progress	6,244	7,213
Total property, plant and equipment	104,557	106,909
Intangible assets	7,945	8,376
Investments and other assets		
Investment securities	176,074	184,578
Long-term loans receivable	1,976	1,946
Prepaid pension cost	2,470	2,118
Other	3,240	3,185
Allowance for doubtful accounts	(95)	(95)
Total investments and other assets	183,667	191,733
Total noncurrent assets	296,169	307,020
Total assets	593,000	581,713

(Millions of yen)

As of March 31, 2020

As of June 30, 2020

	As of March 31, 2020	As of June 30, 2020
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	98,314	75,240
Short-term loans payable	40,516	24,690
Current portion of bonds	5,000	5,000
Income taxes payable	6,293	591
Advances received on uncompleted construction contracts	26,585	33,604
Provision for bonuses	5,850	2,377
Provision for warranties for completed construction	4,247	4,102
Provision for loss on construction contracts	3,051	3,078
Deposits received	26,756	37,934
Other	17,393	18,088
Total current liabilities	234,009	204,707
Noncurrent liabilities		
Bonds payable	30,000	40,000
Long-term loans payable	32,054	31,522
Deferred tax liabilities	11,876	16,693
Deferred tax liabilities for land revaluation	6,791	6,791
Provision for retirement benefits	19,838	20,200
Provision for directors' retirement benefits	125	132
Provision for share allocation to directors	188	186
Provision for loss on business of subsidiaries and affiliates	250	250
Asset retirement obligations	446	446
Other	2,571	2,902
Total noncurrent liabilities	104,142	119,126
Total liabilities	338,152	323,834
Net assets		
Shareholders' equity		
Capital stock	23,001	23,001
Capital surplus		
Legal capital surplus	25,573	25,573
Total capital surplus	25,573	25,573
Retained earnings		
Legal retained earnings	5,750	5,750
Other retained earnings		
Reserve for construction	50,000	50,000
General reserve	71,774	91,774
Retained earnings brought forward	31,610	4,650
Total retained earnings	159,135	152,175
Treasury stock	(9,392)	(9,392)
Total shareholders' equity	198,317	191,357
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	51,957	61,927
Deferred gains or losses on hedges	(11)	9
Revaluation reserve for land	4,584	4,584
Total valuation and translation adjustments	56,530	66,521
Total net assets	254,848	257,879
Total liabilities and net assets	593,000	581,713

(2) (Reference) Non-consolidated Statements of Income

	(Millions of yen)	
	Three Months ended June 30, 2019 (April 1 through June 30, 2019)	Three Months ended June 30, 2020 (April 1 through June 30, 2020)
Net sales		
Net sales of completed construction contracts	108,075	87,534
Net sales of investment and development business and other	1,536	1,074
Total net sales	109,612	88,609
Cost of sales		
Cost of sales of completed construction contracts	94,307	79,280
Cost of sales on investment and development business and other	924	685
Total cost of sales	95,231	79,965
Gross profit		
Gross profit on completed construction contracts	13,768	8,254
Gross profit on investment and development business and other	612	389
Total gross profit	14,380	8,643
Selling, general and administrative expenses	6,521	7,163
Operating income	7,859	1,480
Non-operating income	1,556	1,827
Non-operating expenses	252	309
Ordinary income	9,163	2,998
Extraordinary income	350	5
Extraordinary loss	134	1,483
Profit before income taxes	9,379	1,520
Income taxes	2,970	487
Profit	6,409	1,033

4. Supplementary Information

(1) Summary of Consolidated Results and Forecasts

(Millions of yen)

	Three-month Period from April				Six-month Period from April				Full Year			
	FY2019	FY2020	YoY (b)-(a)		FY2019	FY2020	YoY (b)-(a)		FY2019	FY2020	YoY (b)-(a)	
	Actual (a)	Actual (b)	Amount	Percentage (%)	Actual (a)	Initial forecast (b)	Amount	Percentage (%)	Actual (a)	Initial forecast (b)	Amount	Percentage (%)
Net sales	119,857	97,145	-22,711	-18.9	235,365	223,000	-12,365	-5.3	518,683	497,000	-21,683	-4.2
Construction business	111,608	89,731	-21,876	-19.6	218,480	206,000	-12,480	-5.7	470,144	446,900	-23,244	-4.9
Architectural construction	88,073	63,133	-24,939	-28.3	167,903	151,000	-16,903	-10.1	354,685	321,900	-32,785	-9.2
Civil engineering	23,535	26,598	3,062	13.0	50,577	55,000	4,422	8.7	115,459	125,000	9,540	8.3
Investment and development business	2,257	1,066	-1,191	-52.8	3,537	1,900	-1,637	-46.3	13,480	10,000	-3,480	-25.8
Domestic Group companies	5,594	5,885	291	5.2	12,527	13,850	1,322	10.6	33,131	37,200	4,068	12.3
New business	397	462	65	16.3	819	1,250	430	52.6	1,927	2,900	972	50.5
Gross profit	15,800	9,891	-5,908	-37.4	31,469	27,400	-4,069	-12.9	70,343	63,600	-6,743	-9.6
Profit margin	13.2 %	10.2 %			13.4 %	12.3 %			13.6 %	12.8 %		
SG&A expenses	7,395	8,142	747	10.1	15,925	17,200	1,274	8.0	35,100	37,600	2,499	7.1
Operating income	8,404	1,749	-6,655	-79.2	15,544	10,200	-5,344	-34.4	35,243	26,000	-9,243	-26.2
Non-operating income	1,344	1,257	-87	-6.5	1,367	1,100	-267	-19.5	3,029	2,500	-529	-17.5
Ordinary income	9,749	3,006	-6,742	-69.2	16,911	11,300	-5,611	-33.2	38,272	28,500	-9,772	-25.5
Extraordinary income	230	-1,483	-1,713	-	1,282	-	-1,282	-	672	-	-672	-
Profit before income taxes	9,979	1,522	-8,456	-84.7	18,194	11,300	-6,894	-37.9	38,945	28,500	-10,445	-26.8
Income taxes	3,163	696	-2,466	-78.0	5,841	3,800	-2,041	-34.9	12,986	9,500	-3,486	-26.8
Profit	6,816	825	-5,990	-87.9	12,353	7,500	-4,853	-39.3	25,958	19,000	-6,958	-26.8
Profit attributable to non-controlling interests	46	-1	-48	-	66	-	-66	-	112	-	-112	-
Profit attributable to owners of parent	6,769	827	-5,942	-87.8	12,286	7,500	-4,786	-39.0	25,845	19,000	-6,845	-26.5

Notes: 1. These statements include Toda Corporation's forecasts based on information currently available as of the announcement date, which are subject to a number of risks and uncertainties. Therefore, the actual results of developments may differ from those presented in these forward-looking statements due to the changes in various factors.

2. Net sales are based on business segments and intercompany sales are eliminated.

(2) Summary of Non-consolidated Results and Forecasts

(Millions of yen)

	Three-month Period from April				Six-month Period from April				Full Year			
	FY2019	FY2020	YoY (b)-(a)		FY2019	FY2020	YoY (b)-(a)		FY2019	FY2020	YoY (b)-(a)	
	Actual (a)	Actual (b)	Amount	Percentage (%)	Actual (a)	Initial forecast (b)	Amount	Percentage (%)	Actual (a)	Initial forecast (b)	Amount	Percentage (%)
Orders received	56,815	72,132	15,317	27.0	183,889	162,000	-21,889	-11.9	480,475	430,000	-50,475	-10.5
Construction business	55,278	71,057	15,779	28.5	181,056	160,000	-21,056	-11.6	467,609	420,000	-47,609	-10.2
Domestic architectural construction	39,153	49,942	10,789	27.6	118,210	108,500	-9,710	-8.2	314,831	297,000	-17,831	-5.7
Domestic civil engineering	14,729	21,041	6,311	42.8	60,568	47,500	-13,068	-21.6	150,209	113,300	-36,909	-24.6
Overseas	1,395	73	-1,321	-94.7	2,278	4,000	1,721	75.6	2,568	9,700	7,131	277.6
Investment and development business and other	1,536	1,074	-461	-30.1	2,832	2,000	-832	-29.4	12,865	10,000	-2,865	-22.3
Net sales	109,612	88,609	-21,003	-19.2	214,361	202,000	-12,361	-5.8	471,416	445,000	-26,416	-5.6
Construction business	108,075	87,534	-20,541	-19.0	211,528	200,000	-11,528	-5.5	458,550	435,000	-23,550	-5.1
Domestic architectural construction	84,114	60,816	-23,297	-27.7	159,857	144,000	-15,857	-9.9	341,030	308,000	-33,030	-9.7
Domestic civil engineering	22,856	26,417	3,561	15.6	48,999	53,500	4,500	9.2	112,353	121,400	9,046	8.1
Overseas	1,105	300	-805	-72.9	2,672	2,500	-172	-6.5	5,167	5,600	432	8.4
Investment and development business and other	1,536	1,074	-461	-30.1	2,832	2,000	-832	-29.4	12,865	10,000	-2,865	-22.3
Gross profit	14,380	8,643	-5,736	-39.9	28,544	24,500	-4,044	-14.2	63,482	57,000	-6,482	-10.2
Profit margin	13.1 %	9.8 %			13.3 %	12.1 %			13.5 %	12.8 %		
Construction business	13,768	8,254	-5,514	-40.1	27,566	23,800	-3,766	-13.7	58,612	52,500	-6,112	-10.4
Domestic architectural construction	10,957	6,020	-4,936	-45.1	21,101	16,950	-4,151	-19.7	40,386	32,850	-7,536	-18.7
Domestic civil engineering	2,710	2,268	-441	-16.3	6,092	6,750	657	10.8	17,478	19,400	1,921	11.0
Overseas	101	-35	-136	-	371	100	-271	-73.1	747	250	-497	-66.5
Investment and development business and other	612	389	-222	-36.4	977	700	-277	-28.4	4,870	4,500	-370	-7.6
Profit margin	39.8 %	36.2 %			34.5 %	35.0 %			37.9 %	45.0 %		
SG&A expenses	6,521	7,163	642	9.8	14,104	15,000	895	6.3	30,911	33,000	2,088	6.8
Operating income	7,859	1,480	-6,379	-81.2	14,439	9,500	-4,939	-34.2	32,571	24,000	-8,571	-26.3
Non-operating income	1,304	1,518	214	16.4	1,252	1,100	-152	-12.2	2,691	2,400	-291	-10.8
Ordinary income	9,163	2,998	-6,164	-67.3	15,691	10,600	-5,091	-32.4	35,262	26,400	-8,862	-25.1
Extraordinary income	216	-1,478	-1,694	-	1,271	-	-1,271	-	504	-	-504	-
Profit before income taxes	9,379	1,520	-7,859	-83.8	16,963	10,600	-6,363	-37.5	35,766	26,400	-9,366	-26.2
Income taxes	2,970	487	-2,483	-83.6	5,360	3,400	-1,960	-36.6	11,595	8,400	-3,195	-27.6
Profit	6,409	1,033	-5,376	-83.9	11,603	7,200	-4,403	-38.0	24,170	18,000	-6,170	-25.5
Dividend per share (yen)	-	-	-	-	-	-	-	-	26.0	20.0	-6.0	-23.1

Notes: 1. These non-consolidated financial statements, exempt from the quarterly review by auditors for statutory disclosure, were prepared pursuant to Ordinance on Terminology, Forms, and Preparation Methods of Quarterly Financial Statements, etc.

2. These statements include Toda Corporation's forecasts based on information currently available as of the announcement date, which are subject to a number of risks and uncertainties. Therefore, the actual results of developments may differ from those presented in these forward-looking statements due to the changes in various factors.

(3) Orders Received, Net Sales and Balance Brought Forward (non-consolidated)

1) Orders Received

(Millions of yen)

Business segment/Classification	Three-month Period From April 1, 2019 to June 30, 2019		Three-month Period From April 1, 2020 to June 30, 2020		Change		Previous Fiscal Year (From April 1, 2019 to March 31, 2020)	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Percentage (%)	Amount	Ratio (%)
I Construction business								
(A) Domestic construction business								
(a) Architectural construction								
Public sector	6,372	11.2	10,197	14.1	3,824	60.0	44,931	9.4
Private sector	32,780	57.7	39,745	55.1	6,964	21.2	269,900	56.2
Subtotal	39,153	68.9	49,942	69.2	10,789	27.6	314,831	65.5
(b) Civil engineering								
Public sector	8,860	15.6	7,064	9.8	-1,795	-20.3	72,723	15.1
Private sector	5,869	10.3	13,977	19.4	8,107	138.1	77,485	16.1
Subtotal	14,729	25.9	21,041	29.2	6,311	42.8	150,209	31.3
(c) Total (a)+(b)								
Public sector	15,232	26.8	17,261	23.9	2,028	13.3	117,655	24.5
Private sector	38,650	68.0	53,722	74.5	15,072	39.0	347,385	72.3
Subtotal	53,883	94.8	70,984	98.4	17,101	31.7	465,040	96.8
(B) Overseas business	1,395	2.5	73	0.1	-1,321	-94.7	2,568	0.5
(C) Total (A)+(B)	55,278	97.3	71,057	98.5	15,779	28.5	467,609	97.3
II Investment and development business	1,535	2.7	1,074	1.5	-460	-30.0	12,764	2.7
III New business	1	0.0	-	-	-1	-	101	0.0
IV Total (I + II + III)	56,815	100.0	72,132	100.0	15,317	27.0	480,475	100.0

2) Net Sales

(Millions of yen)

Business segment/Classification	Three-month Period From April 1, 2019 to June 30, 2019		Three-month Period From April 1, 2020 to June 30, 2020		Change		Previous Fiscal Year (From April 1, 2019 to March 31, 2020)	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Percentage (%)	Amount	Ratio (%)
I Construction business								
(A) Domestic construction business								
(a) Architectural construction								
Public sector	8,090	7.4	5,563	6.3	-2,527	-31.2	34,187	7.3
Private sector	76,023	69.4	55,253	62.4	-20,770	-27.3	306,842	65.1
Subtotal	84,114	76.7	60,816	68.6	-23,297	-27.7	341,030	72.3
(b) Civil engineering								
Public sector	19,459	17.8	18,493	20.9	-966	-5.0	86,699	18.4
Private sector	3,396	3.1	7,924	8.9	4,527	133.3	25,653	5.4
Subtotal	22,856	20.9	26,417	29.8	3,561	15.6	112,353	23.8
(c) Total (a)+(b)								
Public sector	27,550	25.1	24,056	27.1	-3,493	-12.7	120,887	25.6
Private sector	79,419	72.5	63,177	71.3	-16,242	-20.5	332,496	70.5
Subtotal	106,970	97.6	87,234	98.4	-19,735	-18.4	453,383	96.2
(B) Overseas business	1,105	1.0	300	0.3	-805	-72.9	5,167	1.1
(C) Total (A)+(B)	108,075	98.6	87,534	98.8	-20,541	-19.0	458,550	97.3
II Investment and development business	1,535	1.4	1,074	1.2	-460	-30.0	12,764	2.7
III New business	1	0.0	-	-	-1	-	101	0.0
IV Total (I + II + III)	109,612	100.0	88,609	100.0	-21,003	-19.2	471,416	100.0

3) Balance Brought Forward

(Millions of yen)

Business segment/Classification	FY2019 1Q (As of June 30, 2019)		FY2020 1Q (As of June 30, 2020)		Change		Previous Fiscal Year (As of March 31, 2020)	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Percentage (%)	Amount	Ratio (%)
I Construction business								
(A) Domestic construction business								
(a) Architectural construction								
Public sector	43,629	6.3	77,670	10.6	34,041	78.0	73,037	9.7
Private sector	407,410	59.1	381,257	51.9	-26,153	-6.4	396,765	52.8
Subtotal	451,039	65.4	458,928	62.5	7,888	1.7	469,802	62.5
(b) Civil engineering								
Public sector	198,164	28.7	177,982	24.2	-20,182	-10.2	189,411	25.2
Private sector	32,962	4.8	93,751	12.8	60,788	184.4	87,698	11.7
Subtotal	231,127	33.5	271,733	37.0	40,606	17.6	277,109	36.9
(c) Total (a)+(b)								
Public sector	241,794	35.1	255,653	34.8	13,859	5.7	262,448	34.9
Private sector	440,373	63.9	475,008	64.6	34,635	7.9	484,463	64.5
Subtotal	682,167	99.0	730,661	99.4	48,494	7.1	746,912	99.4
(B) Overseas business	7,218	1.0	4,103	0.6	-3,114	-43.2	4,330	0.6
(C) Total (A)+(B)	689,385	100.0	734,765	100.0	45,379	6.6	751,242	100.0
II Investment and development business	-	-	-	-	-	-	-	-
III New business	-	-	-	-	-	-	-	-
IV Total (I + II + III)	689,385	100.0	734,765	100.0	45,379	6.6	751,242	100.0