

[Translation for Reference and Convenience Only]

Please note that the following is an unofficial English translation of the Japanese Notice of Convocation of the 97th Ordinary General Meeting of Shareholders of HASEKO Corporation (the "Company"). The Company provides this translation for reference and convenience only and without any warranty as to its accuracy or otherwise. In the case of any discrepancies between the translation and the Japanese original, the latter shall prevail.

Securities Code 1808

June 4, 2014

To Our Shareholders:

HASEKO Corporation
2-32-1 Shiba, Minato-ku, Tokyo
Noriaki Tsuji
Representative Director and President

**NOTICE OF CONVOCAION OF THE 97th ORDINARY GENERAL
MEETING OF SHAREHOLDERS**

I extend my warmest gratitude to all of you for the good offices that you have always graciously bestowed upon us.

You are hereby invited to attend the 97th Ordinary General Meeting of Shareholders of HASEKO Corporation (the "Company"), which will be held as indicated below:

If you are unable to attend the meeting, after reviewing the "Reference Documents for the General Meeting of Shareholders" attached hereto, please exercise your voting rights at your earliest possible convenience on the proposals listed below by using the Voting Rights Exercise Form or via electronic means (via the Internet).

- 1. Date and Time:** Friday, June 27, 2014, at 10:00 a.m.
(Doors open at 9:00 a.m.)
- 2. Place:** Head Office Hall of HASEKO Corporation
2-32-1 Shiba, Minato-ku, Tokyo, Japan
- 3. Agenda:**
 - Matters to be Reported:** Reports on the Business Report, Non-Consolidated Financial Statements, and Consolidated Financial Statements for the 97th Fiscal Year (from April 1, 2013 to March 31, 2014) and the Audit Results by the Accounting Auditor and the Board of Corporate Auditors for the Consolidated Statutory Reports
 - Matters to be Resolved:**
 - Proposal No. 1** Distribution of Surplus
 - Proposal No. 2** Election of Seven (7) Directors
 - Proposal No. 3** Election of Two (2) Corporate Auditors
- 4. Decision Items Pertaining to Convocation:**
(See the "Guide to the Exercise of Voting Rights" on page 2.)

If attending the meeting, we kindly ask that you submit the enclosed Voting Rights Exercise Form at the reception desk of the meeting hall.

Should any circumstances arise that require revisions of the Reference Materials for the General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements, and the Consolidate Financial Statements in addition to what has been announced in this convocation, revised items will be posted on the Company's website (<http://www.haseko.co.jp/>).

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[Guide to the Exercise of Voting Rights]

(1) Exercise of Voting Rights by Proxy

If you are unable to attend the General Meeting of Shareholders in person, you may assign **one (1) other shareholder** with voting rights as your representative to attend the meeting in your place. Please have your representative submit the document certifying power of proxy at the reception desk.

(2) Guide to Deadlines for Exercise of Voting Rights

1. In the event that you are exercising your voting rights by mail, the voting deadline in all circumstances is 5:00 p.m. Japan time on the day preceding the General Meeting of Shareholders (Thursday, June 26, 2014), so please indicate your acceptance or rejection of the proposals mentioned on the enclosed Voting Rights Exercise Form and be sure to return the form to us by the voting cutoff date mentioned above.
2. In the event that you are exercising your voting rights via the Internet, the deadline for submission is 6:00 p.m. on the day preceding the General Meeting of Shareholders (Thursday, June 26, 2014). See the "(5) Guide to Exercise of Voting Rights via the Internet" below.

(3) Handling of Duplicate Votes Occurring by Mail and via the Internet

If voting rights have been exercised in duplicate, both via postal mail and via the Internet, the vote submitted via the Internet shall be considered valid.

(4) Handling of Duplicate Votes Occurring via the Internet

If voting rights have been exercised multiple times via the Internet, the vote submitted last shall be considered valid.

(5) Guide to Exercise of Voting Rights via the Internet

1. Website for Exercise of Voting Rights
 - a. Exercise of voting rights via the Internet is only possible by accessing and using the Company's designated voting website (<http://www.evotep.jp/>) from a personal computer, smartphone or mobile phone (i-mode, EZ Web, Yahoo!; please note that this service is unavailable from 2:00 a.m. to 5:00 a.m. every day). ("i-mode" is a registered trademark of NTT DoCoMo Corporation, "EZ Web" is a registered trademark of KDDI Corporation, and "Yahoo!" is a registered trademark of Yahoo! Inc. [US].)
 - b. In the event of exercising voting rights via personal computer or smartphone, please be aware that, depending on the environment the shareholders use the Internet, it may not be possible to vote via the Internet on the Company's voting website if the Internet connection is using, for example, firewall, antivirus software, or proxy server.
 - c. Exercise of voting rights that use a mobile phone requires access to services such as i-mode, EZ Web, or Yahoo! Mobile. Please be aware that the Company's voting website, for security reasons, only supports mobile devices that are capable of encrypted (SSL) communication and mobile phone data transmissions, so you may not be able to exercise your voting rights via the Internet, even if you have access to one of these services.

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2. How to Exercise Voting Rights via the Internet

- a. Use the login ID and temporary password enclosed in the Voting Rights Exercise Form on the Company's voting website (<http://www.evotep.jp/>), and follow the website's onscreen instructions to accept or reject proposals.
- b. Please be aware that shareholders that use the Company's voting website may be asked to change their temporary password in order to prevent unauthorized access by non-shareholders (identity fraud) and alteration of voting contents.
- c. You will be provided with a new login ID and temporary password for each Convocation of the General Meeting of Shareholders. Furthermore, shareholders who agree to have the Notice of Convocation of the General Meeting of Shareholders sent to their personal computer or smartphone via e-mail will continue to use their password until they change it themselves, so please take proper care in managing this password.

3. Costs Incurred by Accessing the Company's Voting Website

The shareholder shall be responsible for any costs (internet connection charges, telephone charges, and so forth) incurred by accessing the Company's voting website. Furthermore, although packet communication and other charges are required for use of mobile phone, these shall also be the shareholder's responsibilities.

4. Means of Receiving the Notice of Convocation

Shareholders may receive the Notice of Convocation via e-mail, if they like, from the next General Meeting of Shareholders onward by completing the procedure on the Company's voting website via personal computer or smartphone. (The procedure cannot be completed via mobile phone. Please also be aware that a mobile phone cannot be specified as an e-mail address.)

Direct all inquiries related to the voting system to:
Corporate Agency Division Help Desk
Mitsubishi UFJ Trust and Banking Corporation
Telephone: +81-120-173-027 (toll free in Japan, 9:00 a.m. to 9:00 p.m.)

Management trust banks and other nominee shareholders (including standing proxies) who send in applications in advance to use the Electronic Voting Platform managed by ICJ, Inc. (established as a joint venture company by the Tokyo Stock Exchange, Inc.) can use this platform as an alternative method of electronic voting at the Company's General Meeting of Shareholders instead of the method of voting via the Internet described above.

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Reference Materials for the General Meeting of Shareholders

Proposals and Reference Matters

Proposal No. 1 Distribution of Surplus

Based on a financial strategy under the Medium-term Business Plan, “PLAN for NEXT (Plan 4N),” HASEKO CORPORATION (“HASEKO” or “the Company”) aimed to redeem all existing Class B I Preferred Shares by the arrival of their conversion period by the corresponding profit for the period, in order to avoid dilution caused by the conversion of these existing preferred shares into common shares. The purpose of this move was to maintain and improve financial soundness by improving the quality of shareholders’ equity and reducing interest-bearing debt. Thus, the Company had continued, with reluctance, to refrain from paying dividends on common shares. However, now that redemption of all preferred shares has become feasible, the Company has decided to resume the payment of dividends on its common shares so that it can return profits to shareholders, which is one of its most important managerial issues.

Accordingly, with respect to the year-end dividend for the fiscal year ended March 31, 2014, the Company has decided on a policy of distributing ¥3.00 per common share, in light of the fact that it redeemed ¥20.0 billion of its preferred shares in July 2013 and March 2014, in addition to its plan of redeeming the remaining ¥15.0 billion in July 2014. As for preferred shares, the Company will distribute dividends as per the calculation procedure specified upon the issuance of such shares.

Matters Regarding the Year-end Distribution

(1) Type of Dividend Property:

Cash

(2) Matters Concerning Distribution of Dividend Property and Total Amounts:

Class of shares	Dividend per share	Total amount of dividends
Common share	¥ 3.00	¥ 901,858,278
Class B I Preferred share	¥ 33.45	¥ 200,700,000
Total	—	¥ 1,102,558,278

(3) Effective Date for Distribution of Surplus:

June 30, 2014

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Proposal No. 2 Election of Seven (7) Directors

Since the terms of office of six (6) directors—Minoru Nishino, Morio Shimada, Ryuichiro Yoshida, Kin'ichi Kitamura, Junichi Tani and Takeshi Tsunematu—will expire and one (1) director—Atsushi Hasegawa—will retire at the conclusion of this General Meeting of Shareholders, the Company proposes the election of seven (7) directors.

The candidates for Director are as follows:

No.	Name (Date of Birth)	Personal History, Positions, and Responsibilities in the Company (Significant Positions Concurrently Held)	Number of Company Shares Owned
1	Minoru Nishino (August 16, 1950)	<p>April 1974 Joined Daiwa Bank, Ltd. January 1993 Iogi Branch Manager May 1998 Transferred to HASEKO Corporation as General Manager of Management Promotion Dept. November 1999 General Manager of Management Promotion Dept. and Responsible for Subsidiary Dept. April 2001 Nihonbashi Branch Manager for Daiwa Bank June 2003 Executive Officer for Resona Holdings Co., Ltd. November 2003 Joined HASEKO Corporation as Executive Counselor and General Manager of Corporate Planning Dept. June 2004 Director April 2005 Senior Operating Officer and Director July 2007 Senior Operating Officer and Representative Director and Kansai Representative April 2008 Senior Operating Officer and Representative Director, In Charge of Corporate Planning Division and Management Division April 2010 Executive Operating Officer and Representative Director, In Charge of Corporate Planning Division and Management Division (to the present)</p> <p>[Significant Positions Concurrently Held] Representative Director and President, Haseko Anesis Corporation</p>	Common Stock 31,600

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No.	Name (Date of Birth)	Personal History, Positions, and Responsibilities in the Company (Significant Positions Concurrently Held)	Number of Company Shares Owned
2	Morio Shimada (December 28, 1952)	<p>April 1975 Joined HASEKO Corporation</p> <p>April 2001 Manager of Building Department 2 for Construction Division</p> <p>April 2003 Assistant to General Manager responsible for Construction Management and General Manager of Construction Department 3</p> <p>April 2005 Operating Officer, Responsible for Construction Management, Construction Division</p> <p>April 2008 Senior Operating Officer, In Charge of Construction Division</p> <p>June 2008 Senior Operating Officer and Director, In Charge of Construction Division</p> <p>April 2013 Director, Executive Operating Officer, In Charge of Construction Division (to the present)</p> <p>[Significant Positions Concurrently Held] Representative Director and President, Hasec, Inc. Director, Foris Corporation Director, Haseko Navie Inc. Director, Haseko Reform Inc. Director, KAI Environmental Architecture Consultants Inc.</p>	Common Stock 26,300
3	Ryuichiro Yoshida (December 22, 1954)	<p>April 1977 Joined the Industrial Bank of Japan Ltd.</p> <p>April 2002 Shinjuku Minamiguchi Branch Manager for Mizuho Bank, Ltd.</p> <p>April 2005 Operating Officer, Manager responsible for Unit 3 of Branch Operation, Operation Department of Mizuho Bank, Ltd.</p> <p>June 2006 Joined HASEKO Corporation as Corporate Advisor</p> <p>June 2006 Senior Operating Officer and Director, Responsible for Business Planning Dept. and Public Relations/IR Dept.</p> <p>April 2007 Senior Operating Officer and Director, In Charge of Public Relations/IR Dept and Responsible for Corporate Planning Dept.</p> <p>April 2008 Senior Operating Officer and Director, In Charge of Sales Planning Division and Urban Development Division</p> <p>April 2011 Senior Operating Officer and Representative Director, In Charge of Sales Planning Division and Urban Development Division</p> <p>April 2014 Senior Operating Officer and Representative Director, In Charge of Urban Development Division (to the present)</p>	Common Stock 19,000

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No.	Name (Date of Birth)	Personal History, Positions, and Responsibilities in the Company (Significant Positions Concurrently Held)	Number of Company Shares Owned
4	Kin'ichi Kitamura (November 21, 1951)	<p>April 1975 Joined HASEKO Corporation</p> <p>July 2000 General Manager, Construction Department 1 of Kansai Construction Division</p> <p>April 2005 General Manager of Division I of Kansai Construction Division</p> <p>July 2007 Operating Officer, Responsible for Construction Management for Kansai Construction Division</p> <p>April 2008 Operating Officer, In Charge of Kansai Construction Division</p> <p>June 2008 Operating Officer and Director, In Charge of Kansai Construction Division</p> <p>April 2009 Senior Operating Officer and Director, In Charge of Kansai Construction Division</p> <p>April 2014 Senior Operating Officer and Director, In Charge of Kansai Construction Division and Kansai Representative (to the present)</p> <p>[Significant Positions Concurrently Held] Director, Haseko-tecno Corporation</p>	Common Stock 21,200
5	Junichi Tani (January 24, 1958)	<p>March 1980 Joined HASEKO Corporation</p> <p>August 1998 General Manager of Business Promotion Dept. I, Kansai Housing Business Promotion Div.</p> <p>April 2004 Deputy General Manager of Business Promotion Dept. II, Kansai Business Promotion Div.</p> <p>April 2005 General Manager of Business Dept. II, Kansai Business Promotion Div.</p> <p>April 2008 Operating Officer, General Manager of Business Dept. I, Business Promotion Div.</p> <p>April 2012 Operating Officer, Responsible for Kansai Business Promotion Div., General Manager of Tokai Business Div., In Charge of Kansai Project Promotion Div.</p> <p>June 2012 Operating Officer and Director, Responsible for Kansai Business Promotion Div., General Manager of Tokai Business Div., In Charge of Kansai Project Promotion Div.</p> <p>April 2014 Senior Operating Officer and Director, In Charge of Kansai Business Promotion Div. and Kansai Project Promotion Div. (to the present)</p> <p>[Significant Positions Concurrently Held] Director, HASEKO URBEST, Inc. Director, Haseko Real Estate Inc.</p>	Common Stock 10,000

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No.	Name (Date of Birth)	Personal History, Positions, and Responsibilities in the Company (Significant Positions Concurrently Held)	Number of Company Shares Owned
6	Takeshi Tsunematsu (April 3, 1952)	<p>April 1976 Joined HASEKO Corporation</p> <p>April 2001 General Manager of Structural Design Office, Osaka Architecture & Engineering Div.</p> <p>April 2005 Deputy General Manager of Osaka Architecture & Engineering Dept., Kansai Architecture & Engineering Div.</p> <p>April 2008 Operating Officer, Deputy General Manager of Osaka Architecture & Engineering Dept., Kansai Architecture & Engineering Div.</p> <p>April 2009 Operating Officer, General Manager of Osaka Architecture & Engineering Dept., Kansai Architecture & Engineering Div.</p> <p>June 2012 Operating Officer and Director, General Manager of Osaka Architecture & Engineering Dept., Kansai Architecture & Engineering Div.</p> <p>April 2014 Senior Operating Officer and Director, , In Charge of Technology Promotion Div. and General Manager of Technical Research Institute (to the present)</p> <p>[Significant Positions Concurrently Held] Director, Foris Corporation</p>	Common Stock 11,600
7	New candidate Fujio Hirano (March 22, 1956)	<p>March 1979 Joined HASEKO Corporation</p> <p>April 1997 General Manager of Real Estate II of Tokyo Branch, Contractor Business Div.</p> <p>April 2004 Deputy General Manager of Business Dept. I, Business Promotion Div.</p> <p>April 2008 Operating Officer, Responsible for Urban Development Div. and Investment Development Business Div., General Manager of Condominium Development Div.</p> <p>April 2012 Senior Operating Officer, Responsible for Business Promotion Div.</p> <p>April 2014 Senior Operating Officer, In Charge of Business Promotion Div. and Project Promotion Div. (to the present)</p> <p>[Significant Positions Concurrently Held] Director, Haseko Real Estate Inc. Director, Hasec, Inc.</p>	Common Stock 7,404

Note: Each candidate has no special interest in the Company.

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Proposal No. 3 Election of Two (2) Corporate Auditors

Since the term of office of Haruya Uchikawa will expire and Masahiko Nakamichi will retire at the conclusion of this General Meeting of Shareholders, the Company proposes the election of two (2) Corporate Auditors.

The candidates for the position of Corporate Auditors are as follows. The Board of Auditors has approved this proposal.

No.	Name (Date of Birth)	Personal History and Positions (Significant Positions Concurrently Held)	Number of Company Shares Owned
1	New candidate Candidate for Outside Corporate Auditor Yoshitaka Fukui (August 13, 1962)	<p>April 1985 Joined Japanese National Railways</p> <p>April 1987 Worked at East Japan Railway Company (until March 2000)</p> <p>May 1998 Completed Ph.D at Carnegie Mellon University</p> <p>April 2000 Assistant Professor, Graduate School of Economics and Management, Tohoku University</p> <p>April 2002 Assistant Professor, Aoyama Business School, Chartered Financial Analyst by U.S. CFA Institute</p> <p>June 2005 Outside Corporate Auditor, Resona Bank, Ltd. (until June 2013)</p> <p>April 2008 Professor, Aoyama Business School (to the present)</p> <p>[Significant Positions Concurrently Held] Professor, Aoyama Business School</p>	Common Stock —
2	New candidate Candidate for Outside Corporate Auditor Mitsuo Isoda (January 7, 1970)	<p>April 1995 Registered as Attorney (Osaka Bar Association)</p> <p>April 1995 Joined Miyake Joint Partnership Law Office (current Miyake & Partners)</p> <p>June 2001 Completed LL.M. Program at Harvard Law School</p> <p>August 2001 Received training at New York Office of Pillsbury Winthrop</p> <p>February 2002 Registered as Attorney of New York State</p> <p>April 2004 Lecturer, Doshisha Law School (until March 2012) (to the present)</p> <p>[Significant Positions Concurrently Held] Attorney, Miyake & Partners</p>	Common Stock —

Notes:

1. Each candidate has no special interest in the Company.
2. Yoshitaka Fukui and Mitsuo Isoda are candidates for Outside Corporate Auditors stipulated in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act.
3. Yoshitaka Fukui is a professor of Economic Analysis of Accounting Institution and Information at Aoyama Business School. Since he has highly specialized knowledge of finance and accounting and is expected to perform duties as Corporate Auditor from an expert perspective, the Company chose him as a candidate for Outside Corporate Auditor. Although he has no experience of being directly engaged in company management other than serving as Outside Corporate Auditor, the Company believes that he will be able to adequately perform duties as

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- an Outside Corporate Auditor based on the above reasons.
- 4 Since Mistuo Isoda has highly specialized knowledge, as an attorney, on laws and regulations and is expected to perform duties as Corporate Auditor from a legal perspective, the Company chose him as a candidate for Outside Corporate Auditor. Although he has no experience of being directly engaged in company management, the Company believes that he will be able to adequately perform duties as an Outside Corporate Auditor based on the above reasons.
 5. The Company will notify both the Tokyo Stock Exchange of the proposal to elect Yoshitaka Fukui and Mitsuo Isoda as independent directors in accordance with the listing rules of each exchange.
 6. In the event that Yoshitaka Fukui and Mitsuo Isoda are elected as Outside Corporate Auditors, the Company will enter into a limited liability agreement with them in accordance with the Articles of Incorporation. Brief details are presented as follows.

Contracts for Limitation of Liability with Outside Officers

Effective after entering into an agreement for limiting liability, should an Outside Auditor bear any liability with respect to his or her responsibilities prescribed under Article 423, Paragraph 1 of the Companies Act, where such Outside Auditor performed his or her duties in good faith and without gross negligence, his or her liabilities shall be limited to an amount stipulated under Article 425, Paragraph 1 of the Companies Act.

Consolidated Balance Sheet
(As of March 31, 2014)

(millions of yen)

Account Item	Amount	Account Item	Amount
(Assets)		(Liabilities)	
I. Current assets	356,926	I. Current liabilities	209,699
Cash and bank deposits	138,382	Notes and accounts payable	107,856
Notes and accounts receivable, trade	89,732	Short-term borrowings	42,449
Costs on uncompleted construction contracts	5,712	Income taxes payable	1,880
Real estate for sale	22,606	Advances received on uncompleted contracts	14,282
Costs and advances for real estate operations	38,451	Advances received for real estate sales	3,998
Real estate for development projects	42,215	Warranty reserve	3,081
Deferred tax assets	9,346	Reserve for loss on construction contracts	416
Other current assets	10,637	Accrued bonuses	2,996
Allowance for doubtful accounts	(155)	Provision for directors' bonuses	111
II. Fixed assets	100,482	Other current liabilities	32,630
1 Property and equipment	53,883	II. Long-term liabilities	128,237
Buildings and structures	22,025	Long-term debt	102,776
Machinery, vehicle, equipment and furniture	3,489	Reserve for employees' retirement benefits	9,372
Land	28,216	Other long-term liabilities	16,089
Construction in progress	153		
2 Intangible fixed assets	11,183	Total liabilities	337,936
Land leasehold rights	689	(Net assets)	
Goodwill	9,870	I. Shareholders' equity	128,632
Other intangible fixed assets	624	1 Capital stock	57,500
3 Investments and other assets	35,416	2 Additional paid-in capital	7,500
Investment securities	9,707	3 Retained earnings	63,764
Long-term loans	1,310	4 Treasury stock	(132)
Long-term deferred tax assets	14,292	II. Valuation and translation adjustments	(9,367)
Other assets	11,168	1 Valuation adjustments on other investment securities	2,657
Allowance for doubtful accounts	(1,060)	2 Foreign currency translation adjustments	(7,167)
		3 Remeasurements of defined benefit plans	(4,857)
		207	
		III. Minority interests	
		Total net assets	119,472
Total assets	457,408	Total liabilities and net assets	457,408

Consolidated Statement of Income

(For the period from April 1, 2013 to March 31, 2014)

(millions of yen)

Account Item	Amount	
I. Net sales		587,571
II. Cost of sales		526,208
Gross profit		61,363
III. Selling, general and administrative expenses		32,525
Operating income		28,838
IV. Non-operating income		
Interest and dividend income	507	
Equity in earnings of affiliates	197	
Other non-operating income	899	1,604
V. Non-operating expenses		
Interest expenses	3,016	
Loan incidental expenses	1,467	
Other non-operating expenses	553	5,036
Ordinary income		25,405
VI. Special income		
Gain on sale of fixed assets	5,931	
Other	106	6,037
VII. Special losses		
Loss on disposal of fixed assets	64	
Impairment loss on fixed assets	597	
Other	60	721
Income before income taxes and minority interests		30,721
Income taxes – current	2,576	
Income taxes – deferred	3,277	5,853
Income before minority interests		24,868
Minority interests		38
Net income		24,830

Consolidated Statement of Change in Net Assets

(For the period from April 1, 2013 to March 31, 2014)

(millions of yen)

	Shareholders' equity				
	Capital stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2013	57,500	7,500	59,605	(123)	124,481
Changes during the consolidated fiscal year					
Net income for the fiscal year ended March 31, 2014			24,830		24,830
Dividends of surplus			(502)		(502)
Purchase of treasury stock				(20,178)	(20,178)
Disposal of treasury stock		(0)		0	0
Cancellation of treasury stock		(20,169)		20,169	—
Appropriation of retained earnings for additional paid-in capital		20,169	(20,169)		—
Net changes of items other than shareholders' equity during the consolidated fiscal year					
Total of changes during the consolidated fiscal year	—	—	4,159	(8)	4,150
Balance as of March 31, 2014	57,500	7,500	63,764	(132)	128,632

(millions of yen)

	Valuation and translation adjustments				Minority interests	Total net assets
	Valuation adjustments on other investment securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total valuation and translation adjustments		
Balance as of April 1, 2013	2,225	(13,073)	—	(10,848)	172	113,805
Changes during the consolidated fiscal year						
Net income for the fiscal year ended March 31, 2014						24,830
Dividends of surplus						(502)
Purchase of treasury stock						(20,178)
Disposal of treasury stock						0
Cancellation of treasury stock						—
Appropriation of retained earnings for capital surplus						—
Net changes of items other than shareholders' equity during the consolidated fiscal year	432	5,906	(4,857)	1,481	36	1,517
Total of changes during the consolidated fiscal year	432	5,906	(4,857)	1,481	36	5,667
Balance as of March 31, 2014	2,657	(7,167)	(4,857)	(9,367)	207	119,472

Non-consolidated Balance Sheet

(As of March 31, 2014)

(millions of yen)

Account Item	Amount	Account Item	Amount
(Assets)		(Liabilities)	
I. Current assets	239,357	I. Current liabilities	154,985
Cash and bank deposit	95,865	Notes payable	48,579
Notes receivable	17,732	Accounts payable on construction contracts	37,023
Accounts receivable on construction contracts	38,914	Accounts payable on real estate operations	1,513
Accounts receivable on real estate operations	2,053	Short-term borrowings	38,612
Costs on uncompleted construction contracts	3,514	Lease liabilities	25
Real estate for sale	20,392	Income taxes payable	299
Costs and advances for real estate operations	37,627	Advances received on uncompleted contracts	12,403
Real estate for development projects	5,677	Advances received for real estate operations	3,921
Deferred tax assets	8,505	Deposits received	1,913
Other current assets	9,138	Warranty reserve	2,687
Allowance for doubtful accounts	(60)	Reserve for loss on construction contracts	416
II. Fixed assets	109,913	Accrued bonuses	1,458
1. Property and equipment	9,956	Provision for directors' bonuses	111
Buildings and structures	3,501	Other current liabilities	6,024
Machinery	181	II. Long-term liabilities	88,599
Equipment and furniture	206	Long-term debt	86,644
Land	5,999	Leased liabilities	50
Leased assets	71	Security deposit	248
2. Intangible fixed assets	220	Reserve for employees' retirement benefits	1,198
Land leasehold rights	0	Other long-term liabilities	458
Other intangible fixed assets	220	Total liabilities	243,583
3. Investments and other assets	99,737	(Net assets)	
Investment securities	4,737	I. Shareholders' equity	103,400
Shares of affiliate companies	51,077	1. Capital stock	57,500
Other investment securities of affiliates	3	2. Additional paid-in capital	7,500
Long-term loans	27,188	Capital legal reserves	7,500
Bankruptcy claim, reorganization claim	821	3. Retained earnings	38,532
Long-term prepaid expenses	226	Earned surplus reserve	826
Long-term deferred tax assets	11,807	Other retained earnings	37,706
Other assets	4,917	Earned surplus carried forward	37,706
Allowance for doubtful accounts	(1,039)	4. Treasury stock	(132)
		II. Valuation and translation adjustments	2,287
		Valuation adjustments on other investment securities	2,287
		Total net assets	105,687
Total assets	349,270	Total liabilities and net assets	349,270

Non-consolidated Statement of Income

(For the period from April 1, 2013 to March 31, 2014)

(millions of yen)

Account Item	Amount	
I. Net sales		
Construction contracts	286,423	
Commissioned work	6,245	
Design and supervision	9,573	
Lease rentals of buildings	2,103	
Real estate sales	117,878	422,221
II. Cost of sales		
Construction contracts	265,913	
Commissioned work	2,270	
Design and supervision	4,080	
Lease rentals of buildings	1,420	
Real estate sales	113,136	386,818
Gross profit (loss) on net sales		
Construction contracts	20,511	
Commissioned work	3,975	
Design and supervision	5,492	
Lease rentals of buildings	683	
Real estate sales	4,742	35,403
III. Selling, general and administrative expenses		16,265
Operating income		19,138
IV. Non-operating income		
Interest and dividend income	2,528	
Other non-operating income	696	3,224
V. Non-operating expenses		
Interest paid	2,604	
Loan incidental expenses	1,200	
Other non-operating expenses	540	4,344
Ordinary income		18,018
VI. Special income		
Gain on sale of fixed assets	745	
Dividends distribution from silent partnership	1,704	
Other special income	44	2,493
VII. Special losses		
Loss on retirement of intangible assets	12	
Impairment loss on fixed assets	514	526
Income before income taxes		19,986
Income taxes - current	(1,491)	
Income taxes - deferred	2,629	1,138
Net income		18,848

Non-consolidated Statement of Change in Net Assets

(For the period from April 1, 2013 to March 31, 2014)

(millions of yen)

	Shareholders' equity						
	Capital stock	Additional paid-in capital			Retained earnings		
		Capital legal reserves	Other capital surplus	Total additional paid-in capital	Earned surplus reserve	Other retained earnings Earned surplus carried forward	Total retained earnings
Balance as of April 1, 2013	57,500	7,500	—	7,500	775	39,579	40,355
Changes during the fiscal year							
Net income for the fiscal year ended March 31, 2014						18,848	18,848
Dividends of surplus						(502)	(502)
Reserves due to dividends of surplus					50	(50)	—
Purchase of treasury stock							
Disposal of treasury stock			(0)	(0)			
Cancellation of treasury stock			(20,169)	(20,169)			
Appropriation of retained earnings for other capital surplus			20,169	20,169		(20,169)	(20,169)
Net changes of items other than shareholders' equity during the fiscal year							
Total of changes during the fiscal year	—	—	—	—	50	(1,873)	(1,823)
Balance as of March 31, 2014	57,500	7,500	—	7,500	826	37,706	38,532

	Shareholders' equity		Valuation and translation adjustments	Total net assets
	Treasury stock	Total shareholders' equity	Valuation adjustments on other investment securities	
Balance as of April 1, 2013	(123)	105,231	2,017	107,248
Changes during the fiscal year				
Net income for the fiscal year ended March 31, 2014		18,848		18,848
Dividends of surplus		(502)		(502)
Reserves due to dividends of surplus		—		—
Purchase of treasury stock	(20,178)	(20,178)		(20,178)
Disposal of treasury stock	0	0		0
Cancellation of treasury stock	20,169	—		—
Appropriation of retained earnings for other capital surplus		—		—
Net changes of items other than shareholders' equity during the fiscal year			270	270
Total of changes during the fiscal year	(8)	(1,832)	270	(1,562)
Balance as of March 31, 2014	(132)	103,400	2,287	105,687