

# Annual Report 2011

Year Ended March 31, 2011



Nishimatsu  
Construction Co., Ltd.

# PROFILE

Founded in 1937, Nishimatsu Construction Co., Ltd. has earned recognition worldwide as one of Japan's leading general contractors. The Company is renowned for its taking on of new challenges and for its trend-setting development and introduction of sophisticated technologies in the fields of civil engineering and building construction.

With its headquarters in Tokyo, Nishimatsu has a network of 6 regional headquarters and 7 branches around Japan, as well as overseas offices in 11 countries and territories. The Company is well-known for its expertise in planning, design and construction in a wide variety of fields such as marine and harbor projects, airport projects, highways, dams, tunnels, railways, high-rise buildings and power plants.

Nishimatsu has an impressive record of contributions to social and economic development in Asia. In addition to a continuing presence in several Asian countries, the Company is currently involved in or has completed large-scale projects in Europe and Africa.

Providing high-quality, timely and environmentally-friendly services at all stages of its various projects, Nishimatsu continues working to meet the demands of its clients and advance the frontiers of construction technology.

## ON THE COVER



Project Name: D Runway Construction, Tokyo International Airport (Haneda Airport)  
Construction Site: Haneda Airport extension, Ota Ward, Tokyo  
Ordered by: Kanto Regional Development Bureau, Ministry of Land, Infrastructure, Transport and Tourism

## Project Overview

Construction of D runway island and a bridge taxiway that connects the D runway island with the current airport island as part of the Tokyo International Airport Re-expansion Project. Construction performed through a joint venture comprising 15 companies, including Nishimatsu Construction Co., Ltd.

The D runway is 2,500m long, 60m wide, and about 13m to 17m above sea level. The D runway is a hybrid structure consisting of the existing landfill structure (landfill area), and the pier structure (pier area) that ensures the passage of the Tama River, as well as the connecting joints of those two structures. This project employs the following anti-corrosion technologies. The top steel girder is plated with titanium having excellent corrosion resistance, and a dehumidification system controls the relative humidity of the interior space. Both the splash zone and tidal zone are protected by seawater-resistant stainless steel lining that has an expected lifetime of 100 years, and the cathodic protection method is used for the underwater and underground sections.

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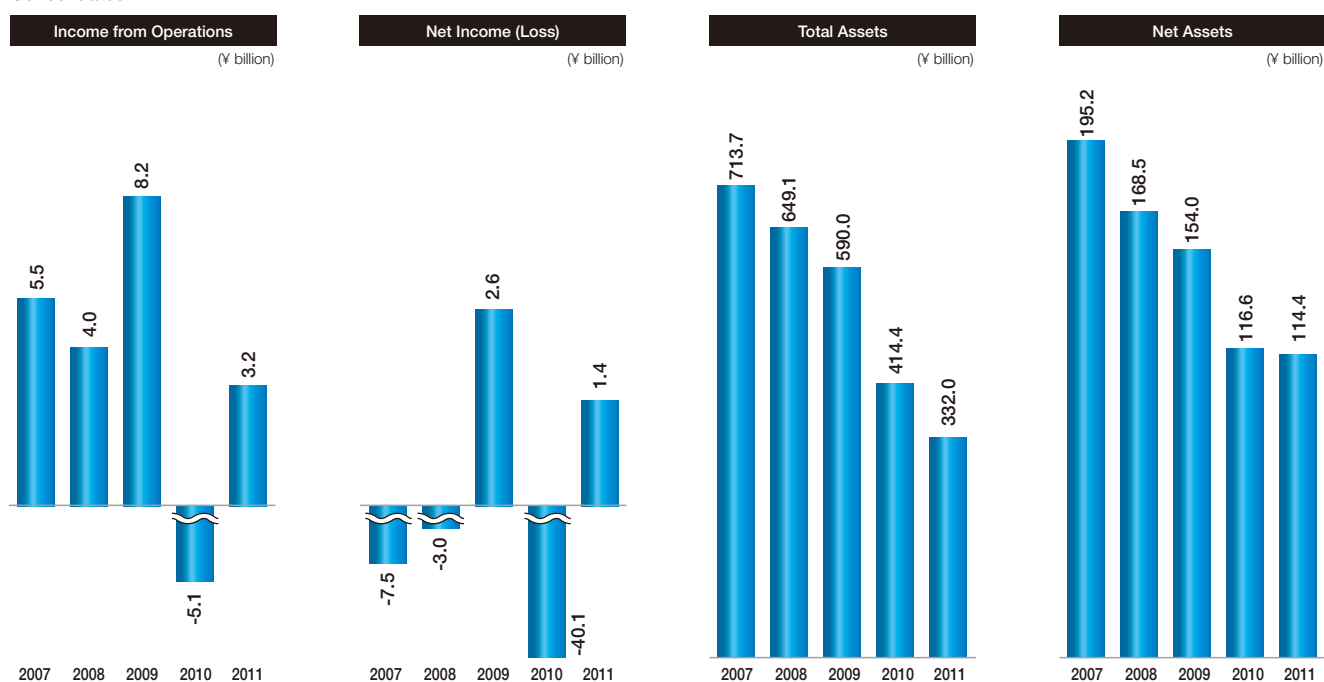
# FINANCIAL HIGHLIGHTS

	Consolidated			Non-Consolidated		
	Millions of yen		Thousands of U.S. dollars	Millions of yen		Thousands of U.S. dollars
	2010	2011	2011	2010	2011	2011
<b>For the year:</b>						
Orders received	¥ —	¥ —	\$ —	¥258,889	¥229,778	\$2,763,416
Net sales	396,823	257,856	3,101,103	390,296	255,452	3,072,181
Income (loss) before income taxes	(21,358)	1,639	19,715	(18,657)	2,248	27,030
Net income (loss)	(40,092)	1,405	16,897	(36,971)	2,882	34,658
<b>At year-end:</b>						
Total assets	¥414,393	¥331,998	\$3,992,760	¥397,883	¥317,794	\$3,821,935
Net assets	116,599	114,444	1,376,362	114,083	112,764	1,356,151
Common stock	23,514	23,514	282,786	23,514	23,514	282,786
<b>Per share of common stock:</b>						
(in yen and dollars)						
Net income (loss)	¥(144.58)	¥5.07	\$0.061	¥(133.32)	¥10.39	\$0.125
Cash dividends applicable to the year	4.00	4.00	0.048	4.00	4.00	0.048

Note 1: Figures in US\$ in this annual report are converted from yen at the rate of ¥83.15 = US\$1.00, the rate prevailing on March 31, 2011, for the readers' convenience only.

Note 2: Net income per share of common stock is based upon the weighted average number of shares of common stock outstanding during each year.

## Consolidated



# TO OUR SHAREHOLDERS



**Harusada Kondo**  
*Representative Director and President*

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## Foreword

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I would like to express my sympathy to all those who have been affected by the recent earthquake in eastern Japan, along with my fervent hopes for their safety and rapid recovery from the effects of this disaster.

The Company set up an East Japan Earthquake Disaster Recovery Headquarters on March 26 to provide support in the reconstruction and recovery effort in the Tohoku and northern Kanto regions. Following its measures since the immediate quake aftermath, the Headquarters will be functioning as a kind of general constructor, enabling the afflicted region to get back on its feet as rapidly as possible.

We have been able to confirm the safety of all our employees and their families in the aftermath of the earthquake. None of our facilities in eastern Japan were damaged to the extent of hindering our business capacity.

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## Business results

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In the year under review, the Japanese economy saw signs of recovery underpinned by growth in the emerging economies and government stimulus policies in Japan. However, factors such as deflation and sudden fluctuations in the exchange rate raised the specter of downward pressure on the economy. The continuing severity of the employment situation also contributed to the ongoing opaque outlook.

The construction industry continued to face an environment of weak order levels, due to the continuing contraction in public investment and weak private capital investment despite diminished fears of overcapacity.

Under these circumstances, Group net sales were down by 35.0% over the previous fiscal year to ¥257.8 billion, due to a sharp fall in the value of completed projects, reflecting the weak order performance in the prior fiscal year.

Turning to earnings, large-scale project sales in the real estate business outweighed a steep deterioration in profitability at some overseas projects in the construction business, enabling us to book income from operations of ¥3.1 billion (compared with a loss from operations of ¥5.0 billion in the previous year) and an ordinary profit of ¥2.2 billion (compared with an ordinary loss of ¥6.4 billion). Net income for the year came to ¥1.4 billion (compared with a net loss of ¥40.0 billion), with extraordinary losses (impairment losses and losses on revaluation of investment in securities, etc.) offset by extraordinary income from sale of fixed assets.

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## Outlook

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The outlook for the construction industry in Japan is likely to remain severe amid continuing shrinkage of the market, despite the prospect of recovery demand in the disaster-hit areas.

Based on our revised medium-term business plan “Nishimatsu Re-birth Plan 2009,” we have implemented various measures grounded in our basic corporate policies of deepening customer and local community trust and generating stable earnings.

The specific measures that we have been working on include setting up the CSR Promotion Unit on April 1, 2010. This was aimed at further consolidating and stepping up safety and environmental measures on construction sites as well as conducting activities that contribute to society, to ensure that the businesses of our Group are indispensable to local communities and stakeholders.

With the aim of establishing an organizational structure in line with the scale of our business activities, we have reduced our workforce by around 900 employees through an early retirement system, and have centralized and streamlined operations by introducing a regional headquarters system.

Moving forward, we intend to create a firm earnings base in the development and real estate businesses, by concentrating the functions related to development activities hitherto scattered among head office and branch offices into the new Development Business and Real Estate Headquarters, established on April 1, 2011. The aim of this was to strengthen both businesses, enabling us to better leverage the technology and expertise that we have accumulated over the years.

In overseas markets, we will reorganize our offices into “International Division” to establish a stable earnings foundation for our overseas operations. We intend to step up business activities especially in Southeast Asian markets, where there are good prospects for growth and we have already established marketing infrastructure.

Fiscal 2011 is the final year of the “Nishimatsu Re-birth Plan 2009.” However, we are inevitably having to revise downward our forecasts for sales and income from operations. This is due to the shortfall in orders received in fiscal 2010 in comparison with original targets, and also because we found ourselves up against an unexpectedly competitive operating environment, forcing us to take on less profitable project orders.

The Group will continue to implement a variety of measures to consolidate our status as a company that enjoys a high level of trust from its customers and local community while generating stable profit. We are also committed to achieving the new targets for the final year of the medium-term plan.

I would like to ask our shareholders for their continuing support and guidance in this endeavor.

近藤 晴 貞

Harusada Kondo  
Representative Director and President

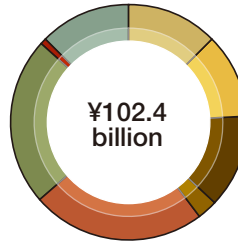
# REVIEW OF OPERATIONS

## CIVIL ENGINEERING

Net sales of civil engineering operations for the year came to ¥102.4 billion (US\$1.23 billion), a drop of 48.5% from the previous year.

The harsh business climate is expected to continue. Using our wide-ranging PFI know-how accumulated over many years, in both our home and overseas markets, we aim to be your best partner in PFI projects.

Sales Breakdown by Project

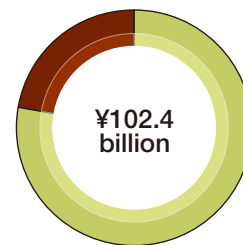


Dams & Hydroelectric Facilities	12.6%
Railways	11.6%
Water & Sewage Works	13.0%
Site Formation	2.8%
Harbors, Wharfs & Airports	23.7%
Road Construction	23.1%
Cable Tunnels	0.7%
Others	12.5%

Major 5 Domestic Civil Engineering Projects (Completed)

Name of Project	¥ million
1 D runway Construction, Tokyo International Airport	22,723
2 Nanao Tunnel Construction	4,034
3 Concrete Aggregate Production for Kasegawa Dam (Stage 3)	3,437
4 Channel for Right Bank Main Water Transmission (Narushika Construction Section), Kuzuryu River Lower Stream Water Usage Plan	2,903
5 2-1 Construction Section, No. 2 Step Site Formation	2,371

Sales Breakdown by Client



Public Sector	77.8%
Private Sector	22.2%



Kasegawa Counter-Dam



Sakashita Farm-pond, Nishimoro Agricultural Water Usage Plan (Stage 2)



Nanao Tunnel



Substructure for Tokai Junction, 2nd Tomei Expressway

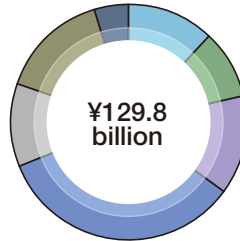


# BUILDINGS

Net sales of building operations for the year came to ¥129.8 billion (US\$1.56 billion), a drop of 28.8% from the previous year. Continued fierce price competition is anticipated.

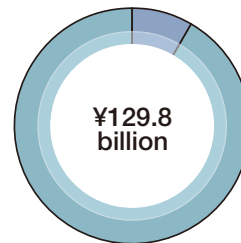
Based on our sterling track record in construction projects all over Japan, we aggressively engage in redevelopments, backed by our expertise, sound financial position, and strength in technology. Looking ahead, we aim to contribute to community-building nationwide.

Sales Breakdown by Project



Office & Government Buildings	12.1%
Shopping Centers	9.4%
Factories & Power Stations	13.6%
Residential Buildings	33.9%
Educational, Research & Cultural Facilities	11.5%
Hospital & Welfare Facilities	15.0%
Others	4.5%

Sales Breakdown by Client



Public Sector	8.4%
Private Sector	91.6%

Major 5 Domestic Building Projects (Completed)		
	Name of Project	¥ million
1	New Building Construction, Shibuya Uguisudanicho Plan	16,414
2	New Building Construction, Kofu Kobai Area First Class Urban Redevelopment Plan	7,245
3	New Building Construction, Izumi-fuchu Station East No. 1 Area Second Class Urban Redevelopment Plan	5,720
4	Fukuoka Hashimoto Mall Construction	5,574
5	New Building Construction, Gotenba Project	4,539



Municipal Hospital (South Wing) Reconstruction



Building Construction, Shibuya Uguisudanicho Plan



Shin-Tosu Station, Kyushu Shinkansen



"C" Area Construction, Higashi-kishiwada Land Adjustment Plan for Disaster Prevention

# OVERSEAS ACTIVITIES

## Hong Kong

Hong Kong West Drainage Services Tunnel project is now in the peak period of construction activity, which will last until the end of 2011. The project comprises 10km of large diameter hard rock TBM tunneling, a further 8km of drill and blast adits, and thirty-two drop shafts with associated intake structures.

During the year, both large diameter hard rock double shield TBM drives were completed on schedule. Our 'Nuwa' TBM completed its drive on 6th October 2010 and our 'Oshin' TBM completed its drive on 17th January 2011. The successful completion of the Nuwa and Oshin tunnel drives represents the achievement of two major milestones for the project.

The 8km of adit construction using the drill and blast method is at peak production. The adits excavated from the East tunnel are scheduled to complete in April 2011, and the West Tunnel by the end of 2011. Lining work has just commenced and will reach peak production in the 3rd quarter of this year.

Above ground, construction activity is now in progress at all thirty-two intake structure sites with activity ranging between site preparation works, slope works, temporary cofferdam construction and mechanical excavation. Shaft excavation commenced in June 2010 using the raised-boring method. All four raise-boring rigs are now deployed and progressing well. During February 2011, construction works have commenced to the precast lining of the shafts.

MTRC West Island Line Contract 704 – Sai Ying Pun and University Stations, and Sai Ying Pun to University Tunnels has also made significant progress during the year. The project comprises the construction of two rock cavern stations at Sai Ying Pun and University which are connected by up and down track tunnels and a number of construction adits built using drill and blast methods.

During the year, underground works have been progressing well, and excavation of the Praya Construction Adit has been completed, with works now in progress on the single cavern for crusher #1. The Hill Road Construction Adit is also in progress with the noise enclosure completed above the shaft. Installation of the vertical conveyor system from the base of Praya Shaft to the PCWA Barging point is substantially completed. At the barging facility, two truck loading ramps are now operational to receive excavated materials.

The shaft works for the station entrances are also progressing well with HKU Entrance A, Entrance C1 and Vent Shaft VS-Z4 all under excavation and HKU

Entrance C2 piling works progressing. At Sai Ying Pun Entrances B1/B2 and B3, piling works are progressing.

Our focus on implementation of an integrated management system for Health and Safety, Environment and Quality management across the business remains a key business objective for our Hong Kong operation. A Safety First approach is being rigorously promoted by our staff. During the past year, we received the "HKCA Proactive Safety Contractors Award" from Hong Kong Construction Association, "Safety Performance Award" from Occupational Safety and Health Council; Gold Quality Award, Silver Safety Award, Best Site Condition Award and Best Near Miss Report from MTRC for our 704 project. We have also received a Gold Prize in the Civil Engineering Site Category in the Construction Industry Safety Award Scheme for our Hong Kong West Drainage Tunnel contract. Our proactive environmental management system also continues to reap rewards, and this year we have again extended our record of '0' convictions. In addition, our Corporate Social Responsibility (CSR) programme joined the worldwide coastal cleanup initiative on 30th October 2010 which was organized by the HK Green Council. More than 100 of our staff participated in this event and collected more than 500kg of rubbish. We will continue to expand our CSR initiatives in the coming year.

The year has also been defined by a continuous schedule of prequalification and tendering activity for the KTE1001 and SIL902 projects, the results of which are expected in the 2nd quarter 2011. Looking forward, the Hong Kong construction market continues to gain momentum, with many large scale projects being procured.

## Thailand

This year, Thai Nishimatsu Construction Co., Ltd., successfully completed the following projects: Bridgestone Tire Manufacturing (Thailand) BB-1 project, Bridgestone Bandag Manufacturing (Thailand) new factory in Amata Nakorn industrial estate and Furukawa-Sky Aluminum (Thailand) new factory in Rojana industrial park.

The economic recession that started in the last quarter of FY2008 with the world financial crisis continued throughout FY2009 until the first quarter of FY2010, affecting our business results for this year.

Orders in FY2009 fell short of expectations so that sales from completed projects this year were very



low. This resulted in an operating loss even though gross profit was a high 9.1% (average for completed projects). Fortunately other income covered the operating loss.

The construction industry in Thailand has recovered dramatically in the last quarter of this year, mainly because of strong economic conditions in ASEAN countries including Thailand. This attracted new private sector investment, especially from Japan and we successfully secured several contracts. These include Ajinomoto Land filling Project, HATC PO Injection Expansion, APM Phase 2 Expansion, Eternal-Sakata New Factory and above all APC 2nd New Warehouse. We are sure that sales and profits in these newly ordered projects will contribute to next year's financial results.

Demand in the construction market continues to increase, and we are expecting new projects tenders from key clients in FY2011 such as IWCT (Inoac Thailand), Daihen Electric factory, and the BTMT new warehouse, Asahi Kasei Spunbond factory, BTMT Phase 4 factory, Thai Koito R&D center, and Ajinomoto Ayutthaya factory.

To meet this increasing demand in the construction market, we have to strengthen our organization in terms of financial position, human resources and relations with suppliers and subcontractors.

We are determined to make the most of opportunities for future improvement of our business activities in Thailand.

## Singapore

The construction and completion of the tunnels between Ubi and Kaki Bukit Stations, as well as the Reception Tunnels named as Contract 929A, was one of the first two packages of the Land Transport Authority's Downtown Line Stage 3 (DTL3) to be awarded. The contract was awarded to Nishimatsu

Construction Co., Ltd. in February 2011 at a value of S\$211,700,000. Preparatory works for site facilities have commenced, and the project is contracted for completion in 2016.

Every year, the Building and Construction Authority (BCA) recognizes and awards construction projects which have been judged to have demonstrated performance excellence. For the BCA Awards 2011 and in the Civil Engineering category, Nishimatsu has been conferred the Construction Excellence Award for the Land Transport Authority (LTA)'s project, Contract 823 Construction and Completion of Stations at Paya Lebar, Dakota and Mountbatten and the tunnels between them.

BCA has also awarded the Universal Design award to two LTA projects in which Nishimatsu was involved. A Silver award was given to the Paya Lebar Interchange Station (Contract 823), where the architect is LTA and forms part of Contract 823.

A Bronze award was given to the Nicoll Highway Station (LTA's Contract 828), where the architect is Ong & Ong Pte Ltd appointed by Nishimatsu Construction Co., Ltd. in this Design and Build contract.

Introduced in 2007, the Universal Design Award recognizes good practice and special efforts taken to raise awareness of the importance of providing a seamless, accessible built environment for all.

The BCA has forecast that projects for fiscal year 2011 will yield between S\$22 and S\$28 billion of works; of which 55% is expected to be generated from the public sector. For the year 2010, BCA forecasted works of between S\$21 and \$27 billion. This is now recorded as S\$25.7 billion, with S\$8.3 billion coming from the public sector. For the year 2012, BCA estimates that between S\$19 and S\$26 billion of projects will be generated, of which 35% will be civil engineering works.

This has invariably attracted more international firms to Singapore, and more than forty contracting groups have submitted bids in the ongoing DTL3 tenders. LTA is now planning for the next mass rapid transit line, the Thomson Line, which has 18 stations



FSTH Project, Thailand



BBMT New Factory, Thailand

and 27 kilometres of tunnels. Tenders are expected to be called in 2013, with work scheduled for completion in 2018. In addition, the North South Expressway, which is partly to be built underground, is scheduled to be completed in 2020.

SP PowerAssets Ltd, the owner of the electricity infrastructure, is expected to call tenders for six contracts to design and build tunnels to house utilities cables. Work is expected to commence next year and complete in four years' time.

Nishimatsu will look into these and other opportunities, while also building up its core team of professional and supervisory personnel to meet the challenges ahead.

## Vietnam

Moving into 2010, the Vietnamese economy, in line with the global economy, began to show signs of recovery from the 2008 "Lehman Shock", and foreign investment increased. Japanese companies also began to establish new plants, but as the development of industrial parks has stagnated during the past two years, it has proved difficult to find sites that meet requirements.

Under these circumstances, approximately 70ha of land was reclaimed for Thang Long Industrial Park II, and in December 2010 the Company bid for the second phase of infrastructure works. We won this contract and construction is now underway, with completion scheduled for the end of November 2011. We have seen a growing number of inquiries from Japanese companies for plant construction as this work has progressed.

We will maintain a proactive approach to plant construction projects in the current fiscal year, in tandem with civil engineering projects including the creation of industrial parks for Japanese companies and infrastructure works, as well as business expansion by Japanese firms.

Meanwhile, projects financed by Japanese ODA (Yen loans) are now underway, including subways, water treatment facilities and railway renovation, and prospects for the construction market remain promising. Nishimatsu Construction intends to market aggressively to win construction projects in our fields of expertise, including tunnels and water treatment facilities.

## Other Countries

The Malaysia Office of Nishimatsu Construction Co., Ltd. was incorporated in September 1993. Since then, we have constructed and completed many civil engineering and building projects in a number of major cities in Malaysia, including factory buildings, hotels, a business complex, airport runway, football stadium, 36-hole golf course, 5000-space underground car park and sewerage system.

Currently, we have two main on-going projects. In Kuching city, the Design and Build Contract for Wastewater Management System: Centralized Sewerage for Kuching City Centre Package 1, which commenced in October 2008 and will be completed by April 2014. In Peninsular, the Pahang-Selangor Raw Water Transfer Project, Lot 1-1, Water Transfer Tunnel and Related Works, which commenced in June 2009 and has a contract period of 5 years. The 44.6km tunnel alignment starts at Karak, Pahang, cuts through the Titiwangsa Range, and ends in Hulu Langat, Selangor.

Following the Asian financial crisis, Malaysian economic growth remained steady, with the exception of the year 2009. The actual GDP growth rate in Malaysia was 7.2% in 2010. GDP for 2011 is expected to be around 5% or higher. The government plans to stimulate growth with mega infrastructure projects, such as the construction of an underground railway in Kuala Lumpur.

We will continue to work for our clients and the nation of Malaysia.



Contract 823, Singapore



Tunnel Boring Machine for Pahang-Selangor Raw Water Transfer Project, Lot 1-1, Water Transfer Tunnel and Related Works, Malaysia

## “Primary invert construction management system” Improves safety and construction quality in construction projects with early cross-section closure

### Mountain tunneling technology

In recent years, a tunnel construction method for early cross-section closure has become increasingly widespread. With this method, construction is carried out separately for the upper and lower halves of the cross section, the invert (floor) is excavated at a position within 10m of the top heading face, and shotcrete and steel invert struts are then installed (primary invert), inhibiting deformation of the tunnel cross-section resulting from excavation in areas of unconsolidated ground with significant deformability.

The tunnel face tends to become more unstable during primary invert construction, increasing the risk of collapse, but the primary invert construction management system both ensures safety and improves the quality of construction.

### [Main features and advantages of the system]

#### 1. Monitoring of tunnel face deformation:

The tunnel face (excavation face) is measured directly with a Total Station. The operator of the excavator is shown the degree of deformation risk based on the deformation value, in real time on screen.

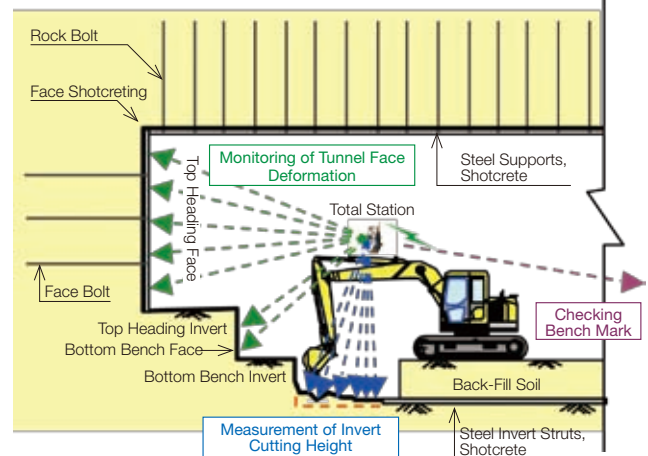
#### 2. Measurement of invert cutting height:

Using the same method as for monitoring of the tunnel face, the excavation floor is measured and the difference from the planned height is shown on screen, reducing excess excavation.

#### 3. Measurement of supports:

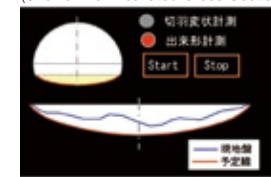
Using a reflecting prism, the strut installation height and position are measured with high precision, enabling installation in the appropriate position. The shotcrete height is also measured to prevent under-shotcreting.

### Invert Excavation Chart



### Operator's Screen Display (Result of Excavation Height Measurement)

Cross-Sectional View  
(Shows The Excavated Cross-Section)



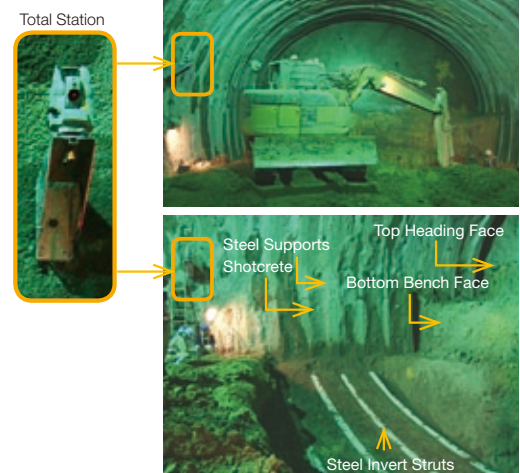
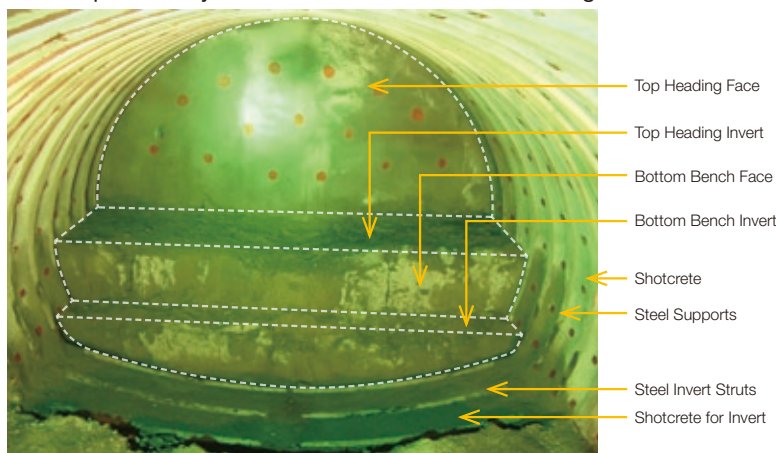
Surface Face  
(Shows Difference from Planned Height in Color)



### Invert Construction

Excavation Work

### Example of Early Cross-Section Closure in Tunneling





## “Stick scanner”

**Scans the interior of concrete through a narrow hole, without damaging the structure**

### Diagnostic technology for concrete degradation

In the maintenance and management of concrete, it is important to accurately diagnose the concrete's state. The stick scanner scans the concrete interior through a narrow hole (24.5mm diameter) and produces images of the interior, making it possible to obtain a visual measurement of the depth and width of minute cracks, and the depth of carbonation.

#### [Features]

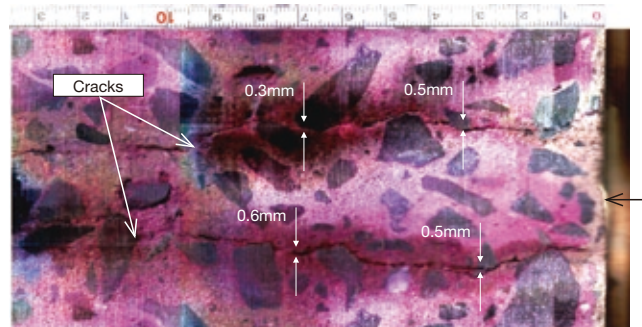
- No need to cut through reinforcing steel, and no damage to the structure thanks to the narrow hole.
- Takes in numerous scan points, providing even more data about the concrete interior.
- Produces images to a depth of 330mm inside the hole.
- Enables accurate measurement, up to a minimum crack width of 0.042mm.
- Small device enables easy scanning by just one person.

\*This technology has been developed by Professor Yukihiro Ito of Saga University. Nishimatsu Construction collaborates on technology with Keisoku Research Consultant Co.



Scanning

Outside Face of Concrete Structure



Scanned Result

## OUR RESPONSE TO ENVIRONMENTAL ISSUES

The responsibility and role of corporations is becoming increasingly important as moves to build a sustainable society accelerate.

At our construction sites, we give due consideration to the surrounding environment and select low-noise/low-vibration construction techniques to minimize noise and vibration arising from construction works. Other measures include installing sound insulation facilities and varying the times at which work is carried out.

In addition, matters including the setting of our environmental objectives and consideration of the issues to be addressed are carried out by the Comprehensive Environmental Committee, a company-wide, cross-functional organization. The policies and proposals considered by this Committee are reported to top management, and decisions are implemented proactively throughout the whole company.

Our main environmental preservation initiatives comprise the “3 Rs” concept, which tackles the by-products of construction (through reduction, reuse and recycling), and activities to combat global warming.

In our 3R activities, we aim to increase the recycling rate for industrial waste, and we have reduced mixed waste through segregation and outsourced processes to companies with excellent environmental

records and high recycling rates.

As part of our activities to combat global warming, we have held seminars concerning fuel-saving operation of vehicles and heavy construction Machinery at our construction sites, and we have also implemented training activities aimed at controlling fuel consumption. At our local offices and head office/branch offices/sales offices, we have reduced energy consumption through measures such as careful switching-off of lighting and adoption of low-energy lighting equipment, and we have also made rigorous efforts to reduce CO<sub>2</sub> emissions.

Furthermore, we have promoted eco-friendly R&D, and the resulting technologies have been deployed in our environmental preservation-related businesses and other areas, including air cleaning, and contaminated soil purification. We have also taken proactive steps to build an environmentally-friendly corporate infrastructure through eco-friendly design.

Nishimatsu Construction has acquired ISO14001 environmental management systems certification, and we operate the above environmental initiatives in our environmental management system.

We intend to further expand these environmental initiatives so that we can pass on our precious global environment to future generations.



# FINANCIAL SECTION

Nishimatsu Construction Co., Ltd.

# 2011

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# Consolidated Balance Sheets

March 31, 2010 and 2011

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2010	2011	2011
<b>Assets</b>			
<b>Current assets:</b>			
Cash and time deposits (Notes 2 and 12) .....	¥ 61,496	¥ 64,244	\$ 772,622
Notes and accounts receivable, trade:			
Notes (Note 12) .....	5,815	2,319	27,892
Accounts (Note 12) .....	135,604	86,990	1,046,186
Allowance for doubtful accounts (Note 2) .....	(2,536)	(1,584)	(19,056)
Inventories (Note 2) .....	65,576	46,685	561,452
Deferred income taxes (Notes 2 and 7) .....	32	32	382
Advance paid .....	18,811	17,575	211,365
Other current assets .....	4,924	6,427	77,307
Total current assets .....	289,722	222,688	2,678,150
<b>Investments and other assets:</b>			
Investment securities (Notes 2, 4, 9 and 12) .....	52,551	45,176	543,303
Investments in subsidiaries and affiliates .....	384	343	4,128
Others .....	18,661	8,300	99,816
Allowance for doubtful accounts (Note 2) .....	(8,636)	(2,087)	(25,097)
Total investments and other assets .....	62,960	51,732	622,150
<b>Property and equipment (Notes 2, 9 and 12):</b>			
Land .....	34,922	33,710	405,411
Buildings .....	57,309	51,853	623,610
Machinery and equipment .....	10,762	10,131	121,840
Accumulated depreciation .....	(41,282)	(38,116)	(458,401)
Total property and equipment .....	61,711	57,578	692,460
<b>Total assets</b> .....	¥414,393	¥331,998	\$3,992,760

The accompanying notes are an integral part of this statement.



	Millions of yen		Thousands of U.S. dollars (Note 3)
	2010	2011	2011
<b>Liabilities and net assets</b>			
<b>Current liabilities:</b>			
Short-term debt from banks (Notes 5 and 12) .....	¥ 40,513	¥ 22,060	\$ 265,298
Current portion of long-term debt (Note 5) .....	2,293	10,579	127,231
Notes and accounts payable, trade:			
Notes (Note 12) .....	13,657	8,793	105,753
Accounts (Note 12) .....	93,087	74,167	891,963
Advances received on uncompleted contracts .....	43,352	24,278	291,976
Accrued expenses (Note 9) .....	4,848	9,203	110,676
Accrued income taxes .....	883	177	2,125
Employees' deposits .....	5,939	4,763	57,278
Provision for loss on real estate business and other .....	1,333	1,296	15,586
Provision for special extra retirement payments etc. for early retirement programs (Note 2) .....	5,471	—	—
Provision for loss on compensation for damage .....	—	390	4,687
Asset retirement obligations .....	—	13	154
Deposits received .....	21,215	19,333	232,508
Other current liabilities .....	4,489	2,002	24,093
<b>Total current liabilities</b> .....	<b>237,080</b>	<b>177,054</b>	<b>2,129,328</b>
<b>Long-term liabilities:</b>			
Long-term debt (Notes 5 and 12) .....	41,105	25,708	309,181
Accrued retirement benefits (Notes 2 and 6) .....	1,222	1,667	20,045
Deferred income taxes (Notes 2 and 7) .....	12,465	8,982	108,026
Provision for environmental measures .....	—	225	2,700
Asset retirement obligations .....	—	190	2,283
Other long-term liabilities .....	5,922	3,728	44,835
<b>Total long-term liabilities</b> .....	<b>60,714</b>	<b>40,500</b>	<b>487,070</b>
<b>Total liabilities</b> .....	<b>297,794</b>	<b>217,554</b>	<b>2,616,398</b>
<b>Net assets:</b>			
Common stock:			
Authorized – 800,000,000 shares			
Issued and outstanding – 277,957,513 shares .....	23,514	23,514	282,786
Capital surplus .....	20,780	20,780	249,914
Retained earnings .....	62,474	63,877	768,223
Treasury stock, at cost .....	(226)	(226)	(2,720)
Unrealized gain on available-for-sale securities .....	9,676	6,563	78,932
Equity adjustment from foreign currency translation .....	(334)	(444)	(5,343)
Minority interests .....	715	380	4,570
<b>Total net assets</b> .....	<b>116,599</b>	<b>114,444</b>	<b>1,376,362</b>
<b>Total liabilities and net assets</b> .....	<b>¥414,393</b>	<b>¥331,998</b>	<b>\$3,992,760</b>

# Consolidated Statements of Income

For the years ended March 31, 2010 and 2011

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2010	2011	2011
<b>Net sales</b> (Note 2):			
Completed construction contract	¥383,738	¥232,400	\$2,794,954
Real estate business and other	13,085	25,456	306,149
	396,823	257,856	3,101,103
<b>Cost of sales</b> (Note 2):			
Cost of completed construction contract	370,126	227,575	2,736,917
Cost of real estate business and other	12,258	12,105	145,578
	382,384	239,680	2,882,495
Gross profit	14,439	18,176	218,608
<b>Selling, general and administrative expenses</b>	19,518	15,002	180,435
Income (loss) from operations	(5,079)	3,174	38,173
<b>Other income (expenses):</b>			
Interest and dividend income	1,388	986	11,859
Interest expenses	(1,672)	(1,693)	(20,367)
Gains on sales of investment securities	3,076	18	223
Gains on sales of fixed assets	1,623	2,404	28,908
Provision for allowance for doubtful accounts	(477)	—	—
Reversal of allowance for doubtful accounts	—	616	7,408
Loss on bankruptcy of developers	(3,713)	—	—
Loss on impairment of long-lived assets	(9,302)	(2,421)	(29,121)
Valuation loss on investment securities	(529)	(1,230)	(14,791)
Provision for special extra retirement payments etc. for early retirement programs	(5,471)	—	—
Provision for loss on compensation for damage	—	(390)	(4,686)
Provision for environmental measures	—	(218)	(2,624)
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	(78)	(937)
Other – net	(1,202)	471	5,670
	(16,279)	(1,535)	(18,458)
<b>Income (loss) before income taxes and minority interests</b>	(21,358)	1,639	19,715
<b>Income taxes</b> (Notes 2 and 7):			
Current	275	243	2,923
Prior periods	1,341	—	—
Deferred	17,046	(300)	(3,601)
	18,662	(57)	(678)
Income (loss) before minority interests	(40,020)	1,696	20,393
<b>Minority interests</b>	(72)	(291)	(3,496)
<b>Net income (loss)</b>	¥ (40,092)	¥ 1,405	\$ 16,897
		Yen	U.S. dollars
<b>Per share of common stock</b> (Notes 16 and 18):			
Net income (loss)	¥(144.58)	¥5.07	\$0.061
Cash dividends applicable to the year	4.00	4.00	0.048

# Consolidated Statement of Comprehensive Income

For the year ended March 31, 2011

	Millions of yen	Thousands of U.S. dollars (Note 3)
	2011	2011
<b>Income before minority interests</b>	¥1,696	\$20,393
<b>Other comprehensive income:</b>		
Valuation difference on available-for-sale securities	(3,113)	(37,443)
Foreign currency translation adjustment	(135)	(1,616)
	(3,248)	(39,059)
<b>Comprehensive income</b>	(1,552)	(18,666)
<b>Comprehensive income attributable to:</b>		
Comprehensive income attributable to owners of the parent	(1,818)	(21,859)
Comprehensive income attributable to minority interest	266	3,193

The accompanying notes are an integral part of this statement.

# Consolidated Statements of Changes in Net Assets

For the years ended March 31, 2010 and 2011

	Millions of yen								
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Unrealized gain on available-for-sale securities	Deferred loss on derivatives under hedge accounting	Equity adjustment from foreign currency transaction	Minority interests	Total net assets
Balance at March 31, 2009	¥23,514	¥20,780	¥103,678	¥(223)	¥6,137	¥(1)	¥(382)	¥522	¥154,025
Dividends declared			(1,109)						(1,109)
Net income (loss)			(40,093)						(40,093)
Purchase of treasury stock				(5)					(5)
Disposal of treasury stock			(2)	2					0
Changes in unrealized gain on available-for-sale securities					3,539				3,539
Changes in deferred loss on derivatives under hedge accounting						1			1
Changes in foreign currency translation							48		48
Changes in minority interests								193	193
Balance at March 31, 2010	¥23,514	¥20,780	¥ 62,474	¥(226)	¥9,676	¥ 0	¥(334)	¥715	¥116,599
Dividends declared			(1,109)						(1,109)
Net income			1,405						1,405
Purchase of treasury stock				(4)					(4)
Disposal of treasury stock			(3)	4					1
Change of scope of consolidation			1,110						1,110
Changes in unrealized gain on available-for-sale securities					(3,113)				(3,113)
Changes in foreign currency translation							(110)		(110)
Changes in minority interests								(335)	(335)
Balance at March 31, 2011	¥23,514	¥20,780	¥ 63,877	¥(226)	¥6,563		¥(444)	¥380	¥114,444

	Thousands of U.S. dollars (Note 3)							
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Unrealized gain on available-for-sale securities	Equity adjustment from foreign currency transaction	Minority interests	Total net assets
Balance at March 31, 2010	\$282,786	\$249,914	\$751,341	\$(2,713)	\$116,374	\$(4,029)	\$8,605	\$1,402,278
Dividends declared			(13,339)					(13,339)
Net income			16,897					16,897
Purchase of treasury stock				(56)				(56)
Disposal of treasury stock			(34)	49				15
Change of scope of consolidation			13,358					13,358
Changes in unrealized gain on available-for-sale securities					(37,442)			(37,442)
Changes in foreign currency translation						(1,314)		(1,314)
Changes in minority interests							(4,035)	(4,035)
Balance at March 31, 2011	\$282,786	\$249,914	\$768,223	\$(2,720)	\$ 78,932	\$(5,343)	\$4,570	\$1,376,362

The accompanying notes are an integral part of this statement.



# Consolidated Statements of Cash Flows

For the years ended March 31, 2010 and 2011

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2010	2011	2011
<b>Cash flows from operating activities:</b>			
Income (loss) before income taxes and minority interests .....	¥ (21,358)	¥ 1,639	\$ 19,715
Adjustment for:			
Depreciation and amortization .....	1,957	1,828	21,996
Loss on impairment of long-lived assets .....	9,302	2,421	29,121
Increase (decrease) in allowance for doubtful accounts .....	2,495	(517)	(6,212)
Increase (decrease) in provision for loss on construction contracts .....	(21,833)	4,595	55,261
Increase (decrease) in provision for loss on compensation for damage .....	—	390	4,686
Provision for special extra retirement payments etc. for early retirement programs .....	5,471	(5,471)	(65,797)
Increase (decrease) in provision for environmental measures .....	—	225	2,700
Loss (gain) on sales of investment securities .....	(2,984)	39	463
Loss (gain) on sales of property and equipment .....	(1,279)	(2,377)	(28,581)
Interest and dividend income .....	(1,387)	(986)	(11,859)
Interest expenses .....	1,672	1,693	20,367
Decrease (increase) in notes and accounts receivable .....	6,449	51,228	616,087
Decrease (increase) in inventory .....	117,684	20,632	248,124
Increase (decrease) in notes and accounts payable .....	(16,437)	(23,759)	(285,740)
Increase (decrease) in advance received on uncompleted contracts .....	(88,008)	(19,074)	(229,398)
Others .....	13,496	(2,656)	(31,939)
Sub-total .....	5,240	29,850	358,994
Interest and dividend received .....	1,387	1,009	12,140
Interest paid .....	(1,518)	(1,768)	(21,265)
Income taxes paid .....	(1,045)	(1,026)	(12,346)
Net cash provided by (used in) operating activities .....	4,064	28,065	337,523
<b>Cash flows from investing activities:</b>			
Payment for purchases of marketable and investment securities .....	(345)	(209)	(2,519)
Proceeds from sale of marketable and investment securities .....	5,649	333	4,003
Acquisition of property and equipment .....	(1,072)	(4,842)	(58,234)
Proceeds from sale of property and equipment .....	2,531	5,208	62,634
Disbursements for loans .....	(408)	(989)	(11,900)
Proceeds from collection of loans .....	439	2,998	36,061
Payments of long-term time deposits .....	10,000	150	1,804
Others .....	(44)	704	8,482
Net cash provided by (used in) investing activities .....	16,750	3,353	40,331
<b>Cash flows from financing activities:</b>			
Net increase (decrease) in short-term loans .....	(1,867)	(18,163)	(218,438)
Borrowing of long-term debt .....	5,680	14,783	177,791
Repayment of long-term debt .....	(2,678)	(9,817)	(118,058)
Redemption of bonds with subscription rights to shares .....	(22,500)	(12,500)	(150,331)
Cash dividends paid .....	(1,110)	(1,110)	(13,354)
Others .....	(1,307)	(881)	(10,600)
Net cash provided by (used in) financing activities .....	(23,782)	(27,688)	(332,990)
<b>Effect of exchange rate changes on cash and cash equivalents .....</b>	49	(610)	(7,339)
<b>Net increase (decrease) of cash and cash equivalents .....</b>	(2,919)	3,120	37,525
<b>Cash and cash equivalents at beginning of year (Note 2) .....</b>	63,754	60,835	731,633
<b>Decrease in cash and cash equivalents due to the unconsolidated subsidiaries .....</b>	—	(75)	(904)
<b>Cash and cash equivalents at end of year (Note 2) .....</b>	¥ 60,835	¥63,880	\$768,254

The accompanying notes are an integral part of this statement.

# Non-Consolidated Five-Year Summary

	Millions of yen				
	2007	2008	2009	2010	2011
Orders received	¥409,086	¥402,478	¥276,678	¥258,889	¥229,778
Orders received from overseas	62,141	46,752	21,245	41,091	15,387
Percentage of orders received from overseas	15.2%	11.6%	7.7%	15.9%	6.7%
Net sales	476,222	414,037	408,859	390,296	255,452
Cost of sales	450,360	390,837	381,109	375,858	237,564
Selling, general and administrative expenses	21,269	21,077	21,452	19,250	14,488
Income (loss) before income taxes	(5,138)	(2,032)	5,148	(18,657)	2,248
Net income (loss)	(7,362)	(3,238)	1,664	(36,971)	2,882
Percentage of net income (loss) against net sales	(1.5%)	(0.8%)	0.4%	(9.5%)	1.1%
Total assets	692,764	623,580	568,131	397,883	317,794
Net assets	191,123	163,692	148,523	114,083	112,764
Percentage of net assets against total assets	27.6%	26.3%	26.1%	28.7%	35.5%
Common stock	23,514	23,514	23,514	23,514	23,514
Per share of common stock (in yen):					
Net income (loss)*	¥ (26.53)	¥ (11.67)	¥ 6.00	¥ (133.32)	¥ 10.39
Cash dividends applicable to the year	9.00	9.00	4.00	4.00	4.00
Net assets	688.80	590.08	535.56	411.42	406.71
Number of shareholders	27,528	26,246	29,874	28,185	29,275
Number of employees	3,698	3,641	3,426	3,327	2,392

Note:

\* Net income per share of common stock is based upon the weighted average number of common stock outstanding during each year.

# Non-Consolidated Balance Sheets

March 31, 2010 and 2011

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2010	2011	2011
<b>Assets</b>			
<b>Current assets:</b>			
Cash and time deposits .....	¥ 58,967	¥ 62,397	\$ 750,410
Notes and accounts receivable, trade:			
Notes .....	5,725	2,316	27,855
Accounts .....	138,831	92,180	1,108,603
Allowance for doubtful accounts (Note 2) .....	(2,544)	(1,580)	(19,005)
Inventories (Notes 2 and 4) .....	61,181	39,049	469,623
Short-term loans to subsidiaries and affiliates (Note 5) .....	40	41	491
Advance paid (Notes 2 and 6) .....	18,810	17,575	211,364
Other current assets .....	4,446	5,915	71,136
Total current assets .....	285,456	217,893	2,620,477
<b>Investments and other assets:</b>			
Investment securities (Notes 2 and 10) .....	47,072	40,659	488,980
Investments in subsidiaries and affiliates (Notes 2 and 5) .....	2,003	1,867	22,467
Long-term loans to subsidiaries and affiliates .....	277	236	2,838
Others (Note 2) .....	26,723	12,860	154,661
Allowance for doubtful accounts (Note 2) .....	(15,218)	(5,400)	(64,951)
Total investments and other assets .....	60,857	50,222	603,995
<b>Property and equipment (Notes 2 and 10):</b>			
Land .....	29,367	28,888	347,418
Buildings .....	46,196	45,046	541,747
Machinery and equipment .....	10,375	9,893	118,981
Accumulated depreciation .....	(34,368)	(34,148)	(410,683)
Total property and equipment .....	51,570	49,679	597,463
<b>Total assets</b> .....	¥397,883	¥317,794	\$3,821,935

The accompanying notes are an integral part of this statement.



	Millions of yen		Thousands of U.S. dollars (Note 3)
	2010	2011	2011
<b>Liabilities and net assets</b>			
<b>Current liabilities:</b>			
Short-term debt from banks (Note 9) .....	¥ 37,245	¥ 20,309	\$ 244,248
Short-term debt from subsidiaries and affiliates .....	1,515	1,453	17,476
Current portion of long-term debt (Note 9) .....	200	8,481	101,998
Notes and accounts payable, trade:			
Notes .....	13,401	8,676	104,339
Accounts .....	92,150	73,875	888,457
Advance received on uncompleted contracts .....	42,478	21,678	260,709
Accrued expenses (Note 10) .....	4,831	9,193	110,563
Accrued income taxes .....	879	176	2,113
Provision for loss on real estate business and other .....	1,333	1,296	15,586
Provision for special extra retirement payments etc. for early retirement programs (Note 2) .....	5,471	—	—
Provision for loss on compensation for damage (Note 2) .....	—	390	4,686
Asset retirement obligations .....	—	13	154
Employees' deposits .....	5,901	4,720	56,768
Deposits received .....	21,195	19,310	232,228
Other current liabilities .....	3,820	1,461	17,578
<b>Total current liabilities</b> .....	<b>230,419</b>	<b>171,031</b>	<b>2,056,903</b>
<b>Long-term liabilities:</b>			
Long-term debt (Note 9) .....	34,350	20,284	243,943
Long-term debt from subsidiaries and affiliates .....	2,473	751	9,034
Accrued retirement benefits .....	1,188	1,635	19,660
Deferred income taxes (Notes 2 and 6) .....	10,751	7,855	94,466
Provision for environmental measures (Note 2) .....	—	225	2,700
Asset retirement obligations (Note 6) .....	—	92	1,112
Other long-term liabilities .....	4,619	3,157	37,966
<b>Total long-term liabilities</b> .....	<b>53,381</b>	<b>33,999</b>	<b>408,881</b>
<b>Total liabilities</b> .....	<b>283,800</b>	<b>205,030</b>	<b>2,465,784</b>
<b>Net assets:</b>			
Common stock:			
Authorized – 800,000,000 shares			
Issued and outstanding – 277,957,513 shares .....	23,514	23,514	282,786
Capital surplus .....	20,780	20,780	249,914
Legal reserve .....	5,878	5,878	70,695
Retained earnings .....	54,522	56,292	676,983
Treasury stock, at cost .....	(226)	(226)	(2,720)
Unrealized gain on available-for-sale securities .....	9,615	6,526	78,493
<b>Total net assets</b> .....	<b>114,083</b>	<b>112,764</b>	<b>1,356,151</b>
<b>Total liabilities and net assets</b> .....	<b>¥397,883</b>	<b>¥317,794</b>	<b>\$3,821,935</b>

# Non-Consolidated Statements of Income

For the years ended March 31, 2010 and 2011

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2010	2011	2011
<b>Net sales</b> (Note 2):			
Completed construction contract .....	¥381,091	¥232,171	\$2,792,191
Real estate business and other .....	9,205	23,281	279,989
	390,296	255,452	3,072,180
<b>Cost of sales</b> (Note 2):			
Cost of completed construction contract .....	367,927	227,401	2,734,828
Cost of real estate business and other .....	7,931	10,163	122,223
	375,858	237,564	2,857,051
Gross profit .....	14,438	17,888	215,129
<b>Selling, general and administrative expenses</b> .....	19,250	14,488	174,236
Income (loss) from operations .....	(4,812)	3,400	40,893
<b>Other income (expenses):</b>			
Interest and dividend income .....	1,520	1,560	18,763
Interest expenses .....	(1,601)	(1,633)	(19,637)
Gains on sales of investment securities .....	3,076	—	—
Gains on sales of fixed assets .....	1,605	2,253	27,097
Provision for allowance for doubtful accounts .....	(726)	—	—
Reversal (provision) of allowance for doubtful accounts .....	(726)	198	2,379
Loss on impairment of long-lived assets .....	(7,078)	(1,642)	(19,742)
Loss on bankruptcy of developers .....	(3,713)	—	—
Valuation loss on investment securities .....	(529)	(1,230)	(14,791)
Foreign currency exchange loss .....	(47)	(54)	(650)
Provision for special extra retirement payments etc. for early retirement programs .....	(5,471)	—	—
Provision for environmental measures .....	—	(218)	(2,624)
Loss on adjustment for changes of accounting standard for asset retirement obligations .....	—	(41)	(490)
Provision for loss on compensation for damage .....	—	(389)	(4,686)
Other – net .....	(155)	44	518
	(13,845)	(1,152)	(13,863)
<b>Income (loss) before income taxes</b> .....	(18,657)	2,248	27,030
<b>Income taxes</b> (Notes 2 and 6):			
Current .....	186	242	2,907
Prior periods .....	1,317	—	—
Deferred .....	16,811	(876)	(10,534)
	18,314	(634)	(7,627)
<b>Net income (loss)</b> .....	¥ (36,971)	¥ 2,882	\$ 34,657
		Yen	U.S. dollars
<b>Per share of common stock</b> (Notes 11 and 13):			
Net income (loss) .....	¥(133.32)	¥10.39	\$0.125
Cash dividends applicable to the year .....	4.00	4.00	0.048

The accompanying notes are an integral part of this statement.

# Non-Consolidated Statements of Changes in Net Assets

For the years ended March 31, 2010 and 2011

Millions of yen

	Common stock	Capital surplus	Legal reserve	Retained earnings	Treasury stock, at cost	Unrealized gain on available-for-sale securities	Deferred loss on derivatives under hedge accounting	Total net assets
Balance at March 31, 2009	¥23,514	¥20,780	¥5,878	¥92,604	¥(223)	¥5,971	¥(1)	¥148,523
Dividends declared				(1,109)				(1,109)
Net income (loss)				(36,971)				(36,971)
Purchase of treasury stock					(5)			(5)
Disposal of treasury stock				(2)	2			0
Changes in unrealized gain on available-for-sale securities						3,644		3,644
Changes in deferred loss on derivatives under hedge accounting							1	1
Balance at March 31, 2010	¥23,514	¥20,780	¥5,878	¥54,522	¥(226)	¥9,615		¥114,083
Dividends declared				(1,109)				(1,109)
Net income				2,882				2,882
Purchase of treasury stock					(4)			(4)
Disposal of treasury stock				(3)	4			1
Changes in unrealized gain on available-for-sale securities						(3,089)		(3,089)
Balance at March 31, 2011	¥23,514	¥20,780	¥5,878	¥56,292	¥(226)	¥6,526		¥112,764

Thousands of U.S. dollars (Note 3)

	Common stock	Capital surplus	Legal reserve	Retained earnings	Treasury stock, at cost	Unrealized gain on available-for-sale securities	Total net assets
Balance at March 31, 2010	\$282,786	\$249,914	\$70,695	\$655,699	\$(2,713)	\$115,640	\$1,372,021
Dividends declared				(13,339)			(13,339)
Net income				34,657			34,657
Purchase of treasury stock					(56)		(56)
Disposal of treasury stock				(34)	49		15
Changes in unrealized gain on available-for-sale securities						(37,147)	(37,147)
Balance at March 31, 2011	\$282,786	\$249,914	\$70,695	\$676,983	\$(2,720)	\$78,493	\$1,356,151

The accompanying notes are an integral part of this statement.



# CORPORATE DIRECTORY

## HEAD OFFICE

20-10, Toranomom 1-chome, Minato-ku,  
Tokyo 105-8401, Japan  
Phone: 81-3-3502-0232  
Fax: 81-3-3580-2745

## REGIONAL HEADQUARTERS & BRANCH OFFICES

Sapporo, Sendai, Niigata, Tokyo, Nagoya, Osaka,  
Hiroshima, Takamatsu, Fukuoka

## OVERSEAS OFFICES

### Hong Kong

#### Hong Kong Office

Room 508, Star House, Salisbury Road, Kowloon  
Phone: 852-2736-6461~5 Fax: 852-2730-1512

#### Fan Ling Machine & Mechanical Centre

P.O. Box 98612, Tsim Sha Tsui Post Office  
Phone: 852-2674-7535 Fax: 852-2674-6053

#### Hong Kong West Drainage Tunnel

c/o Dragages Nishimatsu Joint Venture  
P.O. Box No. 38098 Hing Fat Street Post Office  
Causeway Bay, Hong Kong  
Phone: 852-2671-7333 Fax: 852-3476-0611

#### MTR West Island Line

c/o Gammon Nishimatsu WIL Joint Venture  
P.O. Box 33168, Sheung Wan Post Office, Hong Kong  
Phone: 852-3559-9000 Fax: 852-2818-7077

### Thailand

#### Bangkok Office

c/o Thai Nishimatsu Construction Co., Ltd.  
19th Floor, Sino-Thai Tower  
32/48 Sukhumvit 21 (Soi Asoke)  
Klongtoey-Nua, Wattana, Bangkok 10110  
Phone: 662-258-9590~7 Fax: 662-258-9599  
E-mail: nccinnet@thainishimatsu.co.th

#### Thai Nishimatsu Construction Co., Ltd.

19th Floor, Sino-Thai Tower  
32/48 Sukhumvit 21 (Soi Asoke)  
Klongtoey-Nua, Wattana, Bangkok 10110  
Phone: 662-258-9590~7 Fax: 662-258-9599  
E-mail: tncinnet@thainishimatsu.co.th

#### HATC Project Office

c/o Honda Automobile (Thailand) Co., Ltd.  
Rojana Industrial Park  
49 Moo. 9, Tambol Thanu, Amphur Uthai  
Ayutthaya 13210  
Phone: 66-35-719-545~6 Fax: 66-35-719-547

#### APC Project Office

c/o Asian Honda Motor Co., Ltd.  
Wellgrow Industrial Estate  
Bangna-Trad Road Km. 36, Tambol Bangwua  
Amphur Bangpakong, Chachoengsao 24180  
Phone: 66-38-571-214 Fax: 66-38-571-214

#### BTMT New Warehouse Project Office

c/o BridgestoneTire Manufacturing (Thailand) Co., Ltd.  
Amata Nakorn Industrial Estate  
700/622 Moo.4 Tambol Bankao  
Amphur Panthong, Chonburi 20160  
Phone: 66-38-452-574~5 Fax: 66-38-452-571

#### Eternal Sakata Inx Project Office

c/o Eternal Sakata Inx Co., Ltd.  
Sinsakhon Printing City & Industrial Estate  
Tambol Khok Kham, Amphur Muangsamsakhon  
Samutsakhon, 74000  
Phone: 66-34-452-148 Fax: 66-34-452-148

#### SASC Project Office

c/o Steel Alliance Service Center Co., Ltd.  
Hamaraj Eastern Seaboard Industrial Estate  
500/95 Moo.3, Tambol Tha-Sit  
Amphur Pluakdaeng, Rayong, 21140  
Phone: 66-38-020-560 Fax: 66-38-020-560

#### Rangsit Machine & Material Center

84 Moo. 1, Tambol Banklang  
Amphur Muang, Pathumthanee  
Phone: 662-581-6783 Fax: 662-598-0115

### Singapore

#### Singapore Office

6A Ubi Avenue 1  
Singapore 408943  
Phone: 65-6298-0566 Fax: 65-6291-1449

#### LTA Downtown Line Stage 3 C929A (UBI) Project Office

6A Ubi Avenue 1  
Singapore 408943  
Phone: 65-6735-3928 Fax: 65-6672-6262

### Philippines

#### Manila Office

Unit 303, GC Corporate Plaza  
150 Legaspi Street, Legaspi Village  
Makati City, Metro Manila, Philippines  
Phone: 632-892-2955 Fax: 632-892-2955

### The United Kingdom

#### London Office

Suite CP108 Winchester House  
259-269 Old Marylebone Road, London NW1 5RA  
Phone: 44-20-3004-0057~9 Fax: 44-20-7170-4108

### Malaysia

#### Malaysia Office

Letter Box No. 60, 5th Floor  
UBN Tower, 10, Jalan P. Ramlee  
50250 Kuala Lumpur  
Phone: 60-3-2070-9911 Fax: 60-3-2078-9911

### Vietnam

#### Hanoi Office

#402, D10 Giang Vo, Ba Dinh District, Hanoi, Vietnam  
Phone: 84-4-3772-3034~6 Fax: 84-4-3772-3032

#### Ho Chi Minh Office

1st Floor, Block A, FIDECO Building  
28 Phung Khac Khoan, District 1  
Ho Chi Minh City, Vietnam  
Phone: 84-8-3823-7513 Fax: 84-8-3823-7514

### Taiwan

#### Taiwan Office

23 F-1 A2, No. 260, Zhongshan 2 Road  
Chianjien Chiu, Kaohsiung 806, Taiwan, R.O.C.  
Phone: 886-7-536-8338 Fax: 886-7-536-3788

#### Tsengwen Reservoir Transbasin Water Diversion Project – Tunnel Works Office

No. 212-20, Zhong-xiao Rd., Jiasian Township  
Kaohsiung County 847, Taiwan, R.O.C.  
Phone: 886-7-675-2523 Fax: 886-7-675-3877

### India

#### Liaison Office

E-19, Ashiana Village, Vasundhra Colony  
Bhiwadi District, Alwar 301019 Rajasthan, India  
Phone: 91-1493-515314

#### INDIA Project Office

E-19, Ashiana Village, Vasundhra Colony  
Bhiwadi District, Alwar 301019 Rajasthan, India  
Phone: 91-1493-515314

### Sri Lanka

#### Upper Kotmale Hydropower Project, Lot-2 Project Office

c/o Maeda – Nishimatsu Joint – Venture  
22 1/1, Hemachandra Mawatha, Talawakelle, Sri Lanka  
Phone: 94-52-2258791 Fax: 94-52-2258790

### Algeria

#### Algeria East-West Motorway Project, Single Lot, Eastern Section

c/o COJAAL, Direction des Travaux Constantine  
Cit  Boulkercha Hacen, Z. I, Ain Smara  
BP68 Constantine 25140, Algeria  
Phone: 213-31-972-500 Fax: 213-31-972-272

# INVESTOR INFORMATION

## Board of Directors and Statutory Auditors

*Representative Director and President* Harusada Kondo

*Representative Directors* Eiji Hirata  
Takashi Suzuki

*Directors* Uichi Mizuguchi  
Yoshiyuki Sawai  
Takao Komori  
Nobutoshi Takase  
Katsuaki Saito  
Sadao Ousaka

*Statutory Auditors* Toshiyuki Fujii  
Koji Yamamoto  
Hiroshi Hirano  
Yasubumi Inouchi

## Executive Officers

*Chief Executive Officer and President* Harusada Kondo

*Executive Vice President* Eiji Hirata

*Senior Managing Officers* Uichi Mizuguchi  
Akira Maeda

*Managing Officers* Yoshiyuki Sawai  
Takao Komori  
Nobutoshi Takase  
Toshio Furuya  
Shuichi Abe  
Hideo Iijima  
Akimitsu Takashima  
Haruto Ban

*Executive Officers* Yasuhiro Kawamura  
Shigeru Tokura  
Noboru Mizuwake  
Ryozo Fujihara  
Hideo Kaneko  
Hiroo Morimoto  
Yoshiaki Kudo  
Junichiro Saito  
Akira Matsumoto  
Hiroki Tanaka

## Established

September 1937

## Authorized Number of Shares

800,000,000 shares

## Issued and Outstanding Number of Shares

277,957,513 shares

## Paid-in Capital

¥23,513 million

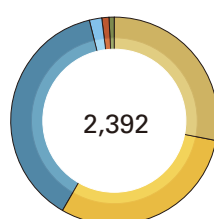
## Number of Shareholders

29,275

## Major Shareholders

	Thousands of Shares
The Master Trust Bank of Japan, Ltd. (trust account)	9,650
Japan Trustee Services Bank, Ltd. (trust account No. 4)	9,404
Japan Trustee Services Bank, Ltd. (trust account)	8,997
CBNY DFA INTL SMALL CAP VALUE PORTFOLIO	8,227
Mizuho Corporate Bank, Ltd.	5,070
Mizuho Trust & Banking Co., Ltd.	5,050
Meiji Yasuda Life Insurance Company	4,577
Trust & Custody Services Bank, Ltd. (securities investment trust account)	4,514
Nishimatsu Construction Employee Shareholders' Association	3,283
Mitsuboshi Belting Ltd.	3,000

## Employees



Administrative Staff	677	28.3%
Civil Engineers	720	30.1%
Building Engineers	907	37.9%
Mechanical Engineers	44	1.8%
Electrical Engineers	25	1.1%
Others	19	0.8%
<b>Total</b>	<b>2,392</b>	<b>100%</b>

## Stock Listing

Tokyo Stock Exchange (First Section) (August 1963)

## Independent Certified Accountants

GYOSEI & Co.

## Administrator of Shareholders' Register

Mizuho Trust & Banking Co., Ltd.

## Other Publications in English

Corporate Guide

(As of June 29, 2011)

(As of March 31, 2011)



# **Nishimatsu Construction Co., Ltd.**

20-10, Toranomom 1-chome, Minato-ku, Tokyo 105-8401, Japan

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