

June 10, 2020

NOTICE FOR 80th ANNUAL GENERAL MEETING OF SHAREHOLDERS

TAIHEI DENGYO KAISHA, LTD. is calling its 80th Annual General Meeting of Shareholders as scheduled hereunder. We extend a cordial invitation to our individual shareholders to attend the meeting.

Very truly yours,

Jo Nojiri
President and Chief Executive Officer
TAIHEI DENGYO KAISHA, LTD.

1. Date/Time: 10:00 a.m., June 26 (Friday), 2020

2. Place: Main Conference Room, 9th Floor
TAIHEI DENGYO KAISHA, LTD.
2-4 Kanda Jimbo-cho,
Chiyoda-ku, Tokyo, Japan
(Please note that in order to prevent the spread of infection of new coronavirus (COVID-19), the number of seats will be significantly reduced compared to the usual year so as to increase the spacing between seats. As a result, shareholders may not be able to be seated. We appreciate your understanding in advance.)

3. Agenda for Meeting:

Reports

- (1) The business report, the consolidated financial statements, and the audit results on the consolidated financial statements submitted by the Accounting Auditor and the Audit & Supervisory Board for the 80th business term of April 1, 2019, to March 31, 2020
- (2) The non-consolidated financial statements for the 80th business term of April 1, 2019, to March 31, 2020

Resolutions

- Resolution-1: Appointment of 10 Directors
Resolution-2: Appointment of 1 Audit & Supervisory Board Member
Resolution-3: Appointment of 1 Substitute Audit & Supervisory Board Member

- Notes: 1. When attending the meeting in person, please submit the enclosed voting card to the receptionist.
2. Hand sanitizer will be placed near the reception desk. (Shareholders arriving at the venue are respectfully requested to bring and wear masks.)
3. Attendees will have their temperatures checked at the entrance to the venue. If an attendee considered to have a fever, feeling unwell, or has returned from overseas within the past 14 days, we may direct the attendee to another room. Anyone who has returned from overseas within the past 14 days is requested to inform at the reception desk.
4. Management staff of the General Meeting of Shareholders will wear a mask and serve after checking their health conditions including taking temperatures.
5. This year, we will not provide souvenirs for shareholders attending the General Meeting of Shareholders in order to alleviate congestion and reduce the risk of contact infection. We appreciate your understanding.
6. Of the documents to be provided along with this convocation notice, the Notes to the Consolidated Financial Statements and the Notes to the Non-Consolidated Financial Statements are posted on

the website of the Company (<https://www.taihei-dengyo.co.jp/>) pursuant to laws and ordinances as well as the provision of Article 15 of the Articles of Incorporation of the Company. Therefore, these statements are not included in the attached Reference Documents for the General Meeting of Shareholders. The Consolidated Financial Statements and the Non-Consolidated Financial Statements in the attached Reference Documents for the General Meeting of Shareholders are part of the Consolidated and Non-Consolidated Financial Statements that were audited by the Accounting Auditor and Audit & Supervisory Board Members to prepare the audit reports.

7. If the Reference Documents for the General Meeting of Shareholders, the business report, the non-consolidated financial statements, and the consolidated financial statements are amended, the amended items will be disclosed on our website (<https://www.taihei-dengyo.co.jp/>).

REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Resolutions as Proposed and Reference Information:

Resolution-1: Appointment of 10 Directors

All of our directors (10) will complete their terms of office at the time that this Annual General Meeting of Shareholders has been completed. Accordingly, we ask you to increase the number of highly independent outside directors by 1 and appoint 10 directors including 4 outside directors in order to increase the soundness of management and further strengthen corporate governance.

The candidates for the post of director are as follows:

No.	Name (Date of Birth)	Career Summary, Position and Responsibility at the Company, and Significant Office(s) Concurrently Held	Number of Shares of the Company Held
1	Jo Nojiri (Jan. 29, 1959) Reappointment Number of Board of Directors meetings attended: 14 of 14 meetings	<p>Mar. 1984 Joined the Company</p> <p>Jul. 2007 Promoted to General Manager, Maintenance Department</p> <p>Apr. 2008 Promoted to Executive Officer/ General Manager, Maintenance Department</p> <p>Jun. 2009 Promoted to Senior Executive Officer/ Deputy General Manager, Construction Operations Division and General Manager, Maintenance Department</p> <p>Apr. 2012 Promoted to Senior Executive Officer/ General Manager, Construction Operations Division</p> <p>Jun. 2012 Appointed as Director and Senior Executive Officer/ General Manager, Construction Operations Division</p> <p>Apr. 2013 Appointed as Representative Director, President and Chief Executive Officer To the Present</p> <p>[Reasons for the appointment as a candidate for director] As outlined in his career summary above, Mr. Jo Nojiri possesses extensive professional experience and offers excellent insights and leadership for tackling the important managerial issues of the TDK Group quickly and boldly and for producing good results. Therefore, we believe that Mr. Nojiri is suitable as a director of the Company and have reappointed him as a candidate for director.</p>	16,100

No.	Name (Date of Birth)	Career Summary, Position and Responsibility at the Company, and Significant Office(s) Concurrently Held	Number of Shares of the Company Held
2	<p>Yasushi Takeshita (Sep. 3, 1955)</p> <p>Reappointment</p> <p>Number of Board of Directors meetings attended: 13 of 14 meetings</p>	<p>Mar. 1979 Joined the Company</p> <p>Mar. 2005 Promoted to Construction Site Manager of Kawasaki Thermal Power Plant Project</p> <p>Jun. 2009 Promoted to Executive Officer/ General Manager, Construction Department</p> <p>Apr. 2012 Promoted to Deputy General Manager, Construction Operations Division and General Manager, Construction Department</p> <p>Apr. 2013 Promoted to Senior Executive Officer/ General Manager, Construction Operations Division</p> <p>Jun. 2013 Appointed as Director and Senior Executive Officer/ General Manager, Construction Operations Division</p> <p>Jun. 2017 Appointed as Director and Managing Executive Officer/ General Manager, Construction Operations Division</p> <p>Apr. 2018 Appointed as Director and Managing Executive Officer/ General Manager, Construction Operations Division and Supervising Director, East Japan Division</p> <p>Jun. 2019 Appointed as Director and Managing Executive Officer/ General Manager, Construction Operations Division</p> <p>To the Present</p> <p>[Reasons for the appointment as a candidate for director] As outlined in his career summary above, Mr. Yasushi Takeshita possesses abundant experience and excellent insights concerning the business activities of the TDK Group in the construction department. Therefore, we believe that Mr. Takeshita is suitable as a director of the Company and have reappointed him as a candidate for director.</p>	12,400

No.	Name (Date of Birth)	Career Summary, Position and Responsibility at the Company, and Significant Office(s) Concurrently Held	Number of Shares of the Company Held
3	<p>Toru Tsurunaga (Mar. 5, 1958)</p> <p>Reappointment</p> <p>Number of Board of Directors meetings attended: 14 of 14 meetings</p>	<p>Apr. 1980 Joined the Company</p> <p>Oct. 1991 Promoted to Construction Site Manager of the Demolition and Removal Work Project at the Toyosu Operations Center (Shin-Tokyo Thermal Power Plant)</p> <p>Jan. 2005 Promoted to Director and Executive Vice President of TAIHEI ALLTECH CONSTRUCTION (PHIL.), INC.</p> <p>Apr. 2008 Promoted to General Manager, 2nd Sales Department</p> <p>Jun. 2009 Promoted to Executive Officer/ Deputy General Manager, Sales Operations Division and General Manager, 2nd Sales Department</p> <p>Jun. 2014 Appointed as Director and Senior Executive Officer/ General Manager, Nagoya Branch Office</p> <p>Apr. 2017 Appointed as Director and Senior Executive Officer/ Supervising Director, East Japan Division</p> <p>Mar. 2018 Appointed as Representative Director and President, Nihon Kikai Seisakusho Co., Ltd.</p> <p>Apr. 2018 Appointed as Director and Senior Executive Officer/ Responsible for special assignments from the President</p> <p>Jun. 2019 Appointed as Director and Managing Executive Officer/ General Manager, Technical & Engineering Operations Division To the Present</p> <p>[Reasons for the appointment as a candidate for director] As outlined in his career summary above, Mr. Toru Tsurunaga possesses abundant experience and excellent insights concerning the business activities of the TDK Group in overseas and sales departments and at the Branch Offices. Therefore, we believe that Mr. Tsurunaga is suitable as a director of the Company and have reappointed him as a candidate for director.</p>	20,950

No.	Name (Date of Birth)	Career Summary, Position and Responsibility at the Company, and Significant Office(s) Concurrently Held	Number of Shares of the Company Held
4	Shinya Kusaka (May 15, 1963) Reappointment Number of Board of Directors meetings attended: 14 of 14 meetings	<p>Mar. 1986 Joined the Company</p> <p>Jul. 2007 Promoted to General Manager, Sales Department, Nagoya Branch Office</p> <p>Apr. 2010 Promoted to General Manager, Accounting Department</p> <p>Oct. 2014 Promoted to Executive Officer/ General Manager, Accounting Department</p> <p>Apr. 2017 Promoted to Executive Officer/ Deputy General Manager, General Affairs Administrative Division</p> <p>Jun. 2017 Appointed as Director and Senior Executive Officer/ General Manager, General Affairs Administrative Division</p> <p>Apr. 2018 Appointed as Director and Senior Executive Officer/ General Manager, General Affairs Administrative Division and General Manager, Accounting Department</p> <p>To the Present</p> <p>[Reasons for the appointment as a candidate for director] As outlined in his career summary above, Mr. Shinya Kusaka possesses abundant experience and excellent insights concerning the business activities of the TDK Group in the accounting department. Therefore, we believe that Mr. Kusaka is suitable as a director of the Company and have reappointed him as a candidate for director.</p>	7,400
5	Hiroaki Ito (Sep. 8, 1964) Reappointment Number of Board of Directors meetings attended: 10 of 10 meetings	<p>Mar. 1987 Joined the Company</p> <p>Jan. 2007 Promoted to Site Manager of Electrical and Instrumentation Construction Works for Shin-Nagoya Thermal Power Station Unit 8</p> <p>Apr. 2014 Promoted to General Manager, Maintenance Department</p> <p>Oct. 2015 Promoted to Executive Officer/ Deputy General Manager, Construction Operations Division and General Manager, Maintenance Department</p> <p>Apr. 2017 Promoted to Executive Officer/ General Manager, Tokyo Branch Office</p> <p>Jun. 2019 Appointed as Director and Senior Executive Officer/ Supervising Director, East Japan Division and Deputy General Manager, Construction Operations Division</p> <p>To the Present</p> <p>[Reasons for the appointment as a candidate for director] As outlined in his career summary above, Mr. Hiroaki Ito possesses abundant experience and excellent insights concerning the business activities of the TDK Group in the construction department and at the Branch Offices. Therefore, we believe that Mr. Ito is suitable as a director of the Company and have appointed him as a candidate for director.</p>	3,000

No.	Name (Date of Birth)	Career Summary, Position and Responsibility at the Company, and Significant Office(s) Concurrently Held	Number of Shares of the Company Held
6	Masaki Ariyoshi (Nov. 24, 1961) New appointment	<p>Mar. 1984 Joined the Company</p> <p>Apr. 2002 Promoted as Office manager, Maintenance Office at Taiheiyo Cement Kamiiso factory</p> <p>Mar. 2010 Promoted as Construction Site Manager of Kamiiso Waste Heat Power Plant Project</p> <p>Apr. 2014 Promoted as Office Manager, Tomari Maintenance Office</p> <p>Apr. 2017 Promoted as General Manager, Construction Department, Hokkaido Branch Office</p> <p>Apr. 2019 Promoted as Executive Officer/ Manager, Tohoku Branch Office</p> <p>To the Present</p> <p>[Reasons for the appointment as a candidate for director] As outlined in his career summary above, Mr. Masaki Ariyoshi possesses abundant experience and excellent insights concerning the business activities of the TDK Group in the construction department and at the Branch Offices. Therefore, we believe that Mr. Ariyoshi is suitable as a director of the Company and have appointed him as a candidate for director.</p>	3,000
7	Yoshihisa Minakuchi (Jun. 5, 1947) Reappointment Number of Board of Directors meetings attended: 14 of 14 meetings	<p>Nov. 1986 Conferred with a doctorate in Engineering</p> <p>Apr. 1999 Promoted to Professor at the Faculty of Engineering, University of Yamanashi</p> <p>Apr. 2003 Promoted to Professor at Interdisciplinary Graduate School of Medicine and Engineering, University of Yamanashi</p> <p>Apr. 2013 Granted the title of Emeritus Professor, University of Yamanashi</p> <p>To the Present</p> <p>Jun. 2015 Appointed as Outside Director</p> <p>To the Present</p> <p>[Reasons for the appointment as a candidate for outside director] Mr. Yoshihisa Minakuchi satisfies the requirements for independent director/audit & supervisory board member stipulated by Tokyo Stock Exchange, Inc. He will reflect his long experience and professional knowledge as a researcher in the mechanical engineering field in the Company's management. The Company thus recommends his election as an outside director. Although Mr. Minakuchi has not been engaged in company management directly, based on the reasons above, we believe that he will be able to execute the duties as an outside director appropriately and have reappointed him as a candidate for outside director.</p>	0

No.	Name (Date of Birth)	Career Summary, Position and Responsibility at the Company, and Significant Office(s) Concurrently Held	Number of Shares of the Company Held
8	<p>Akira Yuba (Mar. 13, 1956)</p> <p>Reappointment</p> <p>Number of Board of Directors meetings attended: 14 of 14 meetings</p>	<p>Mar. 1991 Registered as a Certified Public Accountant</p> <p>Jan. 1992 Established Yuba CPA Firm</p> <p>Jun. 2003 Registered as a tax accountant</p> <p>Established Akira Yuba Tax Accountant Office</p> <p>Feb. 2015 Appointed as External Auditor, HIOKI E.E. CORPORATION</p> <p>To the Present</p> <p>Jun. 2015 Appointed as Outside Director</p> <p>To the Present</p> <p>[Reasons for the appointment as a candidate for outside director] Mr. Akira Yuba satisfies the requirements for independent director/audit & supervisory board member stipulated by Tokyo Stock Exchange, Inc. He is a certified public accountant with considerable knowledge of financing and accounting. He will reflect his professional knowledge and experience in the Company's management. The Company thus recommends his election as an outside director. Although Mr. Yuba has not been engaged in company management directly, based on the reasons above, we believe that he will be able to execute the duties as an outside director appropriately and have reappointed him as a candidate for outside director.</p>	0
9	<p>Yuji Kato (Sep. 23, 1952)</p> <p>Reappointment</p> <p>Number of Board of Directors meetings attended: 14 of 14 meetings</p>	<p>Apr. 1983 Registered as a lawyer</p> <p>Jul. 2003 Established Yuji Kato Law Firm</p> <p>Jun. 2012 Appointed as Outside Audit & Supervisory Board Member</p> <p>Jun. 2016 Retired as Outside Audit & Supervisory Board Member</p> <p>Jun. 2018 Appointed as Outside Director</p> <p>To the Present</p> <p>[Reasons for the appointment as a candidate for outside director] Mr. Yuji Kato satisfies the requirements for independent director/audit & supervisory board member as stipulated by Tokyo Stock Exchange, Inc. He is a lawyer with considerable knowledge of corporate legal affairs. He will reflect his professional knowledge and experience in the Company's management. The Company thus recommends his election as an outside director. Although Mr. Kato has not been engaged in company management directly, based on the reasons above, we believe that he will be able to execute the duties as an outside director appropriately and have reappointed him as a candidate for outside director.</p>	0

No.	Name (Date of Birth)	Career Summary, Position and Responsibility at the Company, and Significant Office(s) Concurrently Held	Number of Shares of the Company Held
10	Satoru Asai (Sep. 23, 1954) New appointment	<p>Apr. 1980 Joined Tokyo Shibaura Electric Co., Ltd. (currently Toshiba Corporation)</p> <p>Mar. 2014 Conferred with a doctorate in Engineering</p> <p>Sep. 2014 Retired from Toshiba Corporation</p> <p>Apr. 2015 Appointed as Professor, Division of Materials and Manufacturing Science, Graduate School of Engineering, Osaka University</p> <p>Apr. 2020 Specially Appointed Professor, DAIHEN Welding and Joining Research Alliance Laboratories, Joining and Welding Research Institute, Osaka University To the Present</p> <p>[Reasons for the appointment as a candidate for outside director] Mr. Satoru Asai satisfies the requirements for independent director/audit & supervisory board member as stipulated by Tokyo Stock Exchange, Inc. He will reflect his many years of experience as a researcher in the field of welding engineering in the Company's management. The Company thus recommends his election as an outside director. Although Mr. Asai has not been engaged in company management directly, based on the reasons above, we believe that he will be able to execute the duties as an outside director appropriately and have appointed him as a candidate for outside director.</p>	0

- Notes: 1. There are no special interests between the Company and each of the above-listed director candidates.
2. Mr. Hiroaki Ito's "Number of Board of Directors meetings attended:" shows the number of meetings he attended after he assumed office in June 2019.
3. Mr. Yoshihisa Minakuchi, Mr. Akira Yuba, Mr. Yuji Kato and Mr. Satoru Asai are candidates for outside director.
4. The terms of office of both Mr. Yoshihisa Minakuchi and Mr. Akira Yuba as outside directors will be five years and that of Mr. Yuji Kato will be two years at the time that this Annual General Meeting of Shareholders has been completed.
5. Contracts limiting the liabilities of outside directors
Article 29 of the Company's current Articles of Incorporation stipulates that pursuant to the provisions of Clause 1, Article 427 of the Companies Act, the Company may enter into a contract with each of the directors (excluding executive directors, etc.) to limit such liabilities for damages caused by negligence of their duties; provided, however, the limit of liability under such contract shall be the amount set by laws and regulations. The Company entered into the contracts with Mr. Yoshihisa Minakuchi, Mr. Akira Yuba and Mr. Yuji Kato at their assumption of office as outside directors. If the reappointments of these three candidates are approved, the Company plans to continue the contracts with them to limit their liabilities. In addition, if the election of Mr. Satoru Asai is approved, the Company plans to enter into the contract with him.

Resolution-2: Appointment of 1 Audit & Supervisory Board Member

The audit & supervisory board member, Mr. Ichiro Wada, will complete his term of office at the time that this Annual General Meeting of Shareholders has been completed. Accordingly, we ask you to appoint 1 audit & supervisory board member.

The Audit & Supervisory Board has already approved this Resolution-2.

The candidate for the post of audit & supervisory board member is as follows:

Name (Date of Birth)	Career Summary and Position at the Company, and Significant Office(s) Concurrently Held	Number of Shares of the Company Held
Setsuko Yamada (May 8, 1954) New appointment	Apr. 1981 Registered as a lawyer Joined Yamada Brothers (currently Yamada, Goya & Suzuki)	0
	Oct. 2007 Appointed as Special Committee Member, Central Committee for Adjustment of Construction Work Disputes, Ministry of Land, Infrastructure, Transport and Tourism (MLIT) To the Present	
	Mar. 2009 Appointed as Outside Audit & Supervisory Board Member, NAKANO REFRIGERATORS CO., LTD. To the Present	
	Apr. 2010 Retired from Yamada, Goya & Suzuki Established Yamada Law Firm Civil Conciliation Commissioner, Tokyo Summary Court To the Present	
	Apr. 2012 Appointed as a Member of Expropriation Commission To the Present	
	Oct. 2013 Appointed as Special Committee Member, Dispute Reconciliation Committee for Nuclear Damage Compensation, Ministry of Education, Culture, Sports, Science and Technology To the Present	
	Mar. 2015 Appointed as Member of Council for Transport Policy, MLIT To the Present	
	[Reasons for the appointment as a candidate for outside audit & supervisory board member] Ms. Setsuko Yamada satisfies the requirements for independent director/audit & supervisory board member as stipulated by Tokyo Stock Exchange, Inc. She will reflect her professional perspective as a lawyer in the Company's audits, and the Company therefore proposes her election as an outside audit & supervisory board member. Although Ms. Yamada has not been directly engaged in company management, because she is a lawyer with considerable knowledge in corporate legal affairs, we believe that she will be able to execute the duties as an outside audit & supervisory board member appropriately and have appointed her as a candidate for outside audit & supervisory member.	

Notes: 1. There are no special interests between the Company and the above-listed audit & supervisory board member candidate.

2. Ms. Setsuko Yamada is a candidate for outside audit & supervisory board member.

3. Contracts limiting the liability of the outside audit & supervisory board members

Article 38 of the Company's current Articles of Incorporation stipulates that pursuant to the provisions of Clause 1, Article 427 of the Companies Act, the Company may enter into a contract with each of the audit & supervisory board members to limit such liabilities for damages caused by negligence of their duties; provided, however, the limit of liability under such contract shall be the amount set by laws and regulations. Accordingly, the Company plans to enter into the contract with Ms. Setsuko Yamada, a candidate for outside audit & supervisory board member, at her assumption of office as outside audit & supervisory board member.

Resolution-3: Appointment of 1 Substitute Audit & Supervisory Board Member

In the event that the number of audit & supervisory board members falls below the required number stipulated by laws and regulations, we ask you to appoint 1 substitute audit & supervisory board member to stand ready as a substitute for Mr. Hiroshi Omura, the current outside audit & supervisory board members now in office, and Ms. Setsuko Yamada, the candidate for substitute audit & supervisory board member who is scheduled to assume the office of outside audit & supervisory board member provided that Resolution-2 is approved.

The Audit & Supervisory Board has already approved this Resolution-3.

The candidate for the post of substitute audit & supervisory board member is as follows:

Name (Date of Birth)	Career Summary and Position at the Company, and Significant Office(s) Concurrently Held	Number of Shares of the Company Held
Yoshiyuki Higuchi (January 5, 1954)	May 1988 Registered as a Certified Public Accountant Jun. 2006 Appointed as Representative Partner, Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) Nov. 2010 In charge of General Affairs, Tokyo Office, Deloitte Touche Tohmatsu LLC Nov. 2013 In charge of General Affairs, Head Office, Deloitte Touche Tohmatsu LLC Jun. 2019 Retired from Deloitte Touche Tohmatsu LLC Jul. 2019 Established Yoshiyuki Higuchi Certified Public Accountant Office Dec. 2019 External Audit & Supervisory Board Member, EPS Holdings, Inc. To the Present	0
	[Reasons for the appointment as a candidate for substitute outside audit & supervisory board member] Mr. Yoshiyuki Higuchi satisfies the requirements for independent director/audit & supervisory board member as stipulated by Tokyo Stock Exchange, Inc. He is a Certified Public Accountant with considerable knowledge of finance and accounting. He will reflect his professional knowledge and experience in the Company's audits, and the Company therefore proposes his election as an outside audit & supervisory board member. Although Mr. Higuchi has not been directly engaged in company management, based on the reasons above, we believe that he will be able to execute the duties as an outside audit & supervisory board member appropriately and have appointed him as a candidate for substitute outside audit & supervisory member.	

Notes: 1. There are no special interests between the Company and the above-listed substitute audit & supervisory board member candidate.

2. Contracts limiting the liability of the outside audit & supervisory board members

Article 38 of the Company's current Articles of Incorporation stipulates that pursuant to the provisions of Clause 1, Article 427 of the Companies Act, the Company may enter into a contract with each of the audit & supervisory board members to limit such liabilities for damages caused by negligence of their duties; provided, however, the limit of liability under such contract shall be the amount set by laws and regulations. Accordingly, the Company plans to enter into the contract with Mr. Yoshiyuki Higuchi, a candidate for outside audit & supervisory board member, at her assumption of office as outside audit & supervisory board member.

ATTACHED DOCUMENTS

Orders Received, Orders Completed and Carried Forward Work

(Unit : ¥ 1 million)

Category	Balance Brought forward from the Previous Consolidated Fiscal Year	Orders Received in the Current Consolidated Fiscal Year	Orders Completed in the Current Consolidated Fiscal Year	Balance Carried forward to the Next Consolidated Fiscal Year
Construction Segment	45,782	52,744	50,695	47,831
Maintenance and Renovation Segment	36,604	72,649	68,764	40,490
Total	82,387	125,393	119,459	88,321
Domestic Division	75,202	121,076	114,233	82,045
Overseas Division	7,184	4,317	5,225	6,275

Notes: 1. Fractional numbers of less than a million yen have been omitted.

2. Construction Segment includes businesses such as installation and reconstruction works, etc., for thermal power plants, nuclear power plants, iron and steel-related plants, environmental preservation plants and chemical plants, etc., electric and instrumentation work, and insulation and painting works incidental to these facilities, as well as demolition and decommissioning, etc., of various plants and facilities.

3. Maintenance and Renovation Segment includes businesses such as periodic inspection, daily maintenance, renovation, etc., for the various plants and facilities mentioned above.

Business Results and Summary of Assets

(Unit : ¥ 1 million)

Category	FY-2016 77th Term	FY-2017 78th Term	FY-2018 79th Term	FY-2019 80th Term
Orders Received	82,560	117,051	103,209	125,393
Net Sales	79,528	81,393	101,141	119,459
Ordinary Income	6,520	3,422	4,013	9,580
Profit Attributable to Owners of Parent	4,358	2,287	2,795	6,190
Basic Earnings per Share (¥)	116.68	122.55	149.13	326.75
Total Assets	90,597	94,770	107,995	127,571
Net Assets	60,800	62,199	63,363	67,623

Notes: 1. Fractional numbers of less than a million yen have been omitted.

2. Basic earnings per share is calculated based on the average number of shares issued and outstanding during the term (excluding treasury shares).

3. The Company conducted a one for two reverse share split of its common shares as of October 1, 2017. The "Basic Earnings per Share" shown above was computed assuming that the reverse share split was conducted at the beginning of the 78th consolidated fiscal year.

4. From the beginning of the 79th consolidated fiscal year, the Company has adopted the Partial Amendments to Accounting Standard for Tax Effect Accounting (ASBJ Statement No. 28, February 16, 2018). The numbers for the 78th consolidated fiscal year have been adjusted by retrospectively applying this amended accounting standard.

Directors and Audit & Supervisory Board Members

List of Directors and Audit & Supervisory Board Members

Position	Name	Duties at the Company and Significant Office(s) Concurrently Held
Representative Director, President and Chief Executive Officer	Jo Nojiri	
Director and Senior Managing Executive Officer	Yutaka Aoki	General Manager, Sales Operations Division and in charge of Power Business Division
Director and Managing Executive Officer	Toshimune Kimoto	Supervising Director, West Japan Division
Director and Managing Executive Officer	Yasushi Takeshita	General Manager, Construction Operations Division
Director and Managing Executive Officer	Toru Tsurunaga	General Manager, Technical & Engineering Operations Division
Director and Senior Executive Officer	Shinya Kusaka	General Manager, General Affairs Administrative Division and General Manager, Accounting Department
Director and Senior Executive Officer	Hiroaki Ito	Supervising Director, East Japan Division and Deputy General Manager, Construction Operations Division
Director	Yoshihisa Minakuchi	Emeritus Professor, University of Yamanashi
Director	Akira Yuba	Certified Public Accountant, External Auditor, HIOKI E.E. CORPORATION
Director	Yuji Kato	Lawyer
Audit & Supervisory Board Member (full-time)	Tsutomu Mitsutomi	
Audit & Supervisory Board Member (full-time)	Hiromi Ogasawara	
Audit & Supervisory Board Member	Ichiro Wada	Lawyer
Audit & Supervisory Board Member	Hiroshi Omura	Certified Public Accountant

- Notes: 1. Directors Mr. Yoshihisa Minakuchi, Mr. Akira Yuba and Mr. Yuji Kato are outside directors as stipulated in Item 15, Article 2, of the Companies Act. The Company has already appointed Directors Mr. Yoshihisa Minakuchi, Mr. Akira Yuba and Mr. Yuji Kato as independent directors, as required under the provisions of the Tokyo Stock Exchange, Inc.
2. There are no special interests between the Company and the entities at which the outside directors concurrently hold their positions.
3. Audit & supervisory board members Mr. Ichiro Wada and Mr. Hiroshi Omura are outside audit & supervisory board members as stipulated in Item 16, Article 2, of the Companies Act. The Company has already appointed both Mr. Ichiro Wada and Mr. Hiroshi Omura as independent audit & supervisory board members, as required under the provisions of the Tokyo Stock Exchange, Inc.
4. The audit & supervisory board member Mr. Ichiro Wada is a lawyer with considerable knowledge regarding corporate legal affairs.

5. The audit & supervisory board member Mr. Hiroshi Omura is a Certified Public Accountant with considerable knowledge regarding finance and accounting.

Consolidated Balance Sheet (as of March 31, 2020)

(Unit : ¥ 1 million)

Assets		Liabilities	
Account item	Amount	Account item	Amount
Current assets	95,027	Current liabilities	38,748
Cash and deposits	17,239	Notes payable-trade and accounts payable for construction contracts	10,333
Notes receivable-trade and accounts receivable from completed construction contracts	46,843	Electronically recorded obligations – operating	12,232
Electronically recorded monetary claims - operating	8,730	Current portion of bonds	400
Costs on uncompleted construction contracts	20,496	Current portion of long-term loans payable	1,685
Raw materials and supplies	52	Lease obligations	107
Other current assets	1,666	Income taxes payable	2,596
		Advances received on uncompleted construction contracts	7,296
		Provision for employee bonuses	956
		Provision for bonuses for directors and audit & supervisory board members	139
		Provision for guarantee costs on completed Constructions	96
		Provision for losses on construction contracts	321
		Electronically recorded obligations - facilities	615
		Other current liabilities	1,966
Noncurrent assets	32,543	Noncurrent liabilities	21,199
Property, plant and equipment	20,304	Bonds payable	9,400
Buildings and structures	8,034	Long-term loans payable	7,464
Machinery, equipment and vehicles	4,314	Lease obligations	157
Tools, furniture and fixtures	219	Provision for retirement benefits	3,891
Land	7,310	Provision for share payment to directors	103
Lease assets	181	Provision for directors' retirement benefits	97
Construction in progress	244	Other noncurrent liabilities	84
		Total liabilities	59,947
Intangible assets	404	Net assets	
Leasehold rights	37	Shareholders' equity	66,572
Lease assets	84	Share capital	4,000
Goodwill	73	Capital surplus	4,888
Other intangible assets	208	Retained earnings	59,845
Investments and other assets	11,834	Treasury shares	(2,162)
Investment securities	6,850	Accumulated other comprehensive income	222
Business insurance	1,284	Valuation difference on available-for-sale securities	1,144
Deferred tax assets	1,562	Foreign currency translation adjustment	(155)
Real estate for rent	992	Remeasurements of defined benefit plans	(766)
Long-term time deposits	594	Non-controlling interests	828
Other investments and other assets	651	Total net assets	67,623
Allowance for doubtful accounts	(101)	Total liabilities and net assets	127,571
Total assets	127,571		

Note: Fractional numbers of less than a million yen have been omitted.

Consolidated Statement of Income
(for the fiscal year ended March 31, 2020)

(Unit : ¥ 1 million)

Account item	Amount	
Net sales		119,459
Cost of sales		102,165
Gross profit		17,293
Selling, general and administrative expenses		7,843
Operating income		9,450
Non-operating income		
Interest and dividends income	189	
Share of profit of entities accounted for using equity method	87	
Rent income on noncurrent assets	253	
Other non-operating income	161	692
Non-operating expenses		
Interest expenses	30	
Foreign exchange losses	158	
Rent expenses on noncurrent assets	159	
Other non-operating expenses	213	562
Ordinary income		9,580
Extraordinary income		
Gain on sales of noncurrent assets	17	
Compensation for expropriation	71	88
Extraordinary loss		
Loss on valuation of investment securities	249	
Other extraordinary loss	0	250
Profit before income taxes		9,419
Income taxes-current	3,229	
Income taxes-deferred	(99)	3,129
Profit		6,289
Profit (loss) attributable to non-controlling interests		99
Profit attributable to owners of parent		6,190

Note: Fractional numbers of less than a million yen have been omitted.

Consolidated Statement of Changes in Net Assets
(for the fiscal year ended March 31, 2020)

(Unit : ¥ 1 million)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance as of April 1, 2019	4,000	4,888	55,179	(2,457)	61,610
Change during the consolidated fiscal year					
Dividends from surplus			(1,523)		(1,523)
Profit attributable to owners of parent			6,190		6,190
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		0		295	295
Net changes of items other than shareholders' equity during the consolidated fiscal year					
Total of changes during the consolidated fiscal year	—	0	4,666	294	4,961
Balance as of March 31, 2020	4,000	4,888	59,845	(2,162)	66,572

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance as of April 1, 2019	2,191	(152)	(1,021)	1,017	734	63,363
Change during the consolidated fiscal year						
Dividends from surplus						(1,523)
Profit attributable to owners of parent						6,190
Purchase of treasury shares						(0)
Disposal of treasury shares						295
Net changes of items other than shareholders' equity during the consolidated fiscal year	(1,046)	(3)	255	(795)	93	(701)
Total of changes during the consolidated fiscal year	(1,046)	(3)	255	(795)	93	4,259
Balance as of March 31, 2020	1,144	(155)	(766)	222	828	67,623

Note: Fractional numbers of less than a million yen have been omitted.

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