

April 26, 2018

Taisei Corporation

Announcement of Revisions of Financial Forecast for the full year ending March 31, 2018

Taisei Corporation has revised its consolidated and non-consolidated financial forecast for the full year ending March 31, 2018 which were previously released on November 10, 2017 as follows.

1. Revised consolidated forecast for the full year ending March 31,2018  
(From April 1, 2017 to March 31, 2018)

(Unit: Million yen, %)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share (yen)
Previous forecast (A)	1,580,000	140,000	141,000	97,000	429.48
<b>Revised forecast (B)</b>	<b>1,585,000</b>	<b>181,800</b>	<b>185,300</b>	<b>126,700</b>	<b>560.97</b>
Change (B-A)	5,000	41,800	44,300	29,700	
Change (%)	0.3	29.9	31.4	30.6	
Results for the full year of the fiscal year ended March 2017	1,487,252	140,822	144,591	90,566	392.87

2. Revised non-consolidated forecast for the full year ending March 31,2018  
(From April 1, 2017 to March 31, 2018)

(Unit: Million yen, %)

	Net sales	Operating Income	Ordinary income	Net income attributable to owners of parent	Net income per share (yen)
Previous forecast (A)	1,270,000	122,000	123,000	85,000	376.34
<b>Revised forecast (B)</b>	<b>1,273,000</b>	<b>157,600</b>	<b>161,100</b>	<b>112,100</b>	<b>496.33</b>
Change (B-A)	3,000	35,600	38,100	27,100	
Change (%)	0.2	29.2	31.0	31.9	
Results for the full year of the fiscal year ended March 2017	1,176,711	118,632	126,638	91,087	395.13

(note)

We conducted 1-for-5 consolidation of shares on October 1, 2017, and net income per share is calculated based on the assumption that the consolidation of shares was executed at the beginning of FY2016.

### 3. Reasons for the revisions

#### (1) Non-consolidated forecast

While net sales is basically in line with previous forecast, operating income is expected to increase by 35.6 billion yen compared to previous forecast, reflecting an increase in construction gross profit due to improvement of construction gross margin ratio.

Ordinary income will increase by 38.1 billion yen and net income will increase by 27.1 billion yen compared to previous forecast, reflecting the increase in operating income.

Furthermore, gross margin ratio is expected to be 16.7% (civil engineering: 23.7%, building construction: 14.3%)

Previous forecast: 13.9% (civil engineering: 17.7%, building construction: 12.7%)

#### (2) Consolidated forecast

In addition to revisions of non-consolidated forecast, consolidated operating income, ordinary income, and net income attributable to owners of parent are expected to increase by exceeding change of non-consolidated forecast due to strong performance of subsidiaries.

### Disclaimer

This "Announcement of Revisions of Financial Forecast for the full year ending March 31, 2018" announced in the Japanese language at the Tokyo Stock Exchange on April 26, 2018 was translated into English and presented solely for the convenience of non-Japanese speaking users. If there is any discrepancy between the Japanese announcement and this English translation, the former will prevail.