MODEC, INC. and Consolidated Subsidiaries

CONSOLIDATED BALANCE SHEET

March 31, 2019

A S S E T S

	Millions of Japanese yen
CURRENT ASSETS:	
Cash and time deposits	¥53,769
Accounts receivable-trade	106,896
Inventories	14,664
Short-term loans receivable	28,181
Other current assets	16,443
Less allowance for bad debts	(771)
Total current assets	219,183
PROPERTY AND EQUIPMENT:	
Machinery and equipment	996
Other property and equipment	5,071
Total property and equipment	6,068
INTANGIBLE ASSETS:	9,355
INVESTMENTS AND OTHER ASSETS:	
Investment securities	71,204
Long-term loans receivable from affiliates	36,262
Other investments	10,183
Total investments and other assets	117,650
Total assets	¥352,257

** The figures are rounded down to the nearest million yen.*

LIABILITIES AND NET ASSETS

	Millions of Japanese yen
CURRENT LIABILITIES:	
Accounts payable-trade	¥105,790
Current portion of long-term loans payable	13,001
Accrued expenses	14,204
Income taxes payable	6,694
Advances received	23,369
Accrued employees' bonuses	174
Provision for product warranty	5,522
Other provisions	46
Other current liabilities	2,709
Total current liabilities	171,513
LONG-TERM LIABILITIES:	
Long-term loans payable	15,760
Net defined benefit liabilities	323
Other long-term liabilities	11,751
Total long-term liabilities	27,835
Total liabilities	199,349
NET ASSETS:	
SHAREHOLDERS' EQUITY:	
Common stock;	
Authorized - 102,868,000 shares	
Issued - 56,408,000 shares	30,122
Capital surplus	29,506
Retained earnings	93,765
Treasury stock, at cost	(188)
Total shareholders' equity	153,205
ACCUMULATED OTHER COMPREHENSIVE INCOME:	
Unrealized gains (losses) on hedging derivatives, net of tax	(9,634)
Foreign currency translation adjustments	5,375
Retirement liability adjustments for foreign consolidated subsidiaries	(653)
Total accumulated other comprehensive income	(4,912)
NON-CONTROLLING INTERESTS	4,614
Total net assets	152,907
Total liabilities and net assets	¥352,257

** The figures are rounded down to the nearest million yen.*

MODEC, INC. and Consolidated Subsidiaries

CONSOLIDATED STATEMENT OF INCOME

For the three months ended March 31, 2019

	Millions of Japanese yen
SALES	¥58,092
COST OF SALES	54,477
Gross profit (loss)	3,614
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	3,364
Operating profit (loss)	250
OTHER INCOME (EXPENSES):	
Interest and dividend income	1,471
Equity in earnings of unconsolidated subsidiaries and affiliates, net	1,709
Gain (loss) on revaluation of derivatives	(312)
Interest expense	(329)
Foreign exchange gain (loss), net	369
Others, net	(68)
Total other income (expenses)	2,840
PROFIT (LOSS) BEFORE INCOME TAXES	3,090
INCOME TAXES:	
Current	1,005
Deferred	106
PROFIT (LOSS)	1,977
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	21
PROFIT (LOSS) ATTRIBUTABLE TO OWNERS OF PARENT	¥1,956

** The figures are rounded down to the nearest million yen.*

Earnings (loss) per share	¥34.71

MODEC, INC. and Consolidated Subsidiaries

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended March 31, 2019

	Millions of Japanese yen
PROFIT	¥1,977
OTHER COMPREHENSIVE INCOME:	
Unrealized gains (losses) on hedging derivatives, net of tax	13
Foreign currency translation adjustments	(615)
Retirement liability adjustments for foreign consolidated subsidiaries	107
Share of other comprehensive income (loss) of unconsolidated subsidiaries and affiliates accounted for using equity method	(2,780)
Total other comprehensive income (loss)	(3,274)
COMPREHENSIVE INCOME	(¥1,296)
Comprehensive income attributable to owners of parent	(¥1,174)
Comprehensive income attributable to non-controlling interests	(¥121)

** The figures are rounded down to the nearest million yen.*

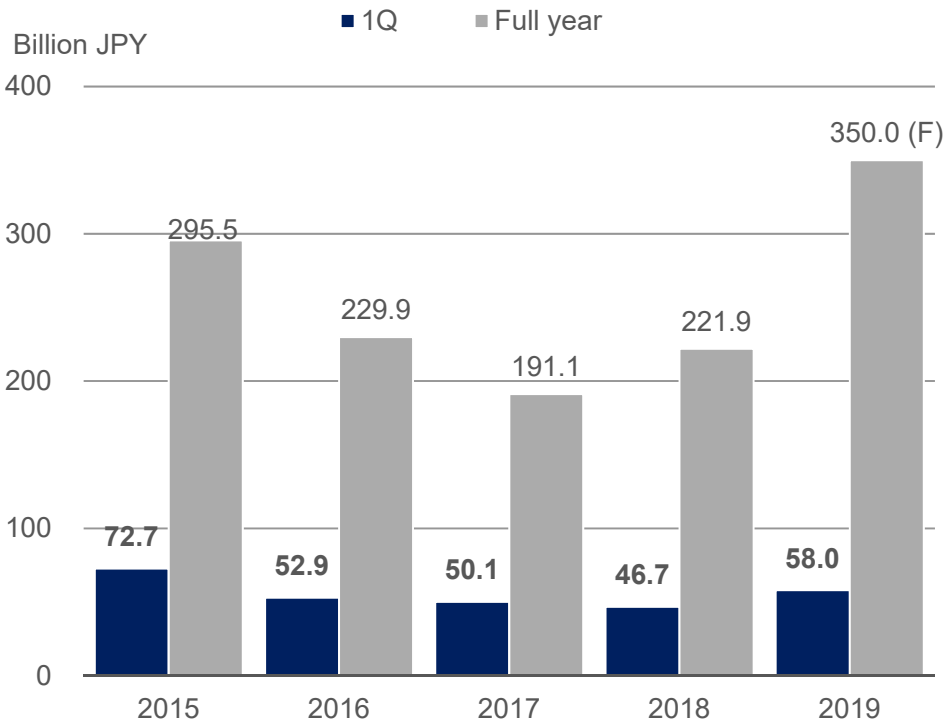
MODEC

MODEC, Inc.
2019 1Q Financial Results
Supplementary Presentation

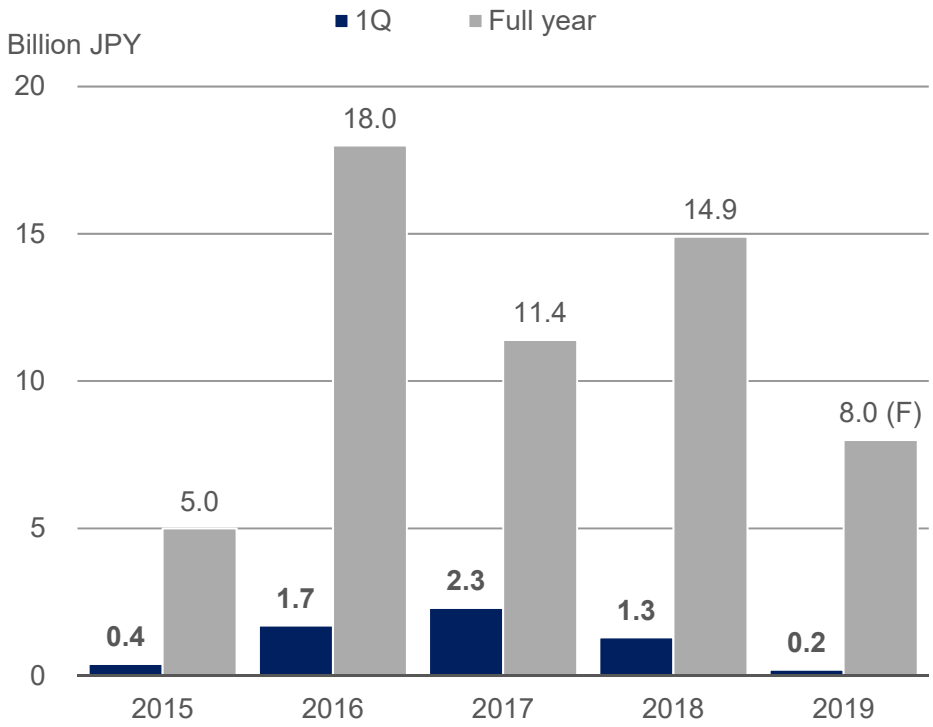
May 10, 2019

2019 First Quarter : Highlight

Revenue



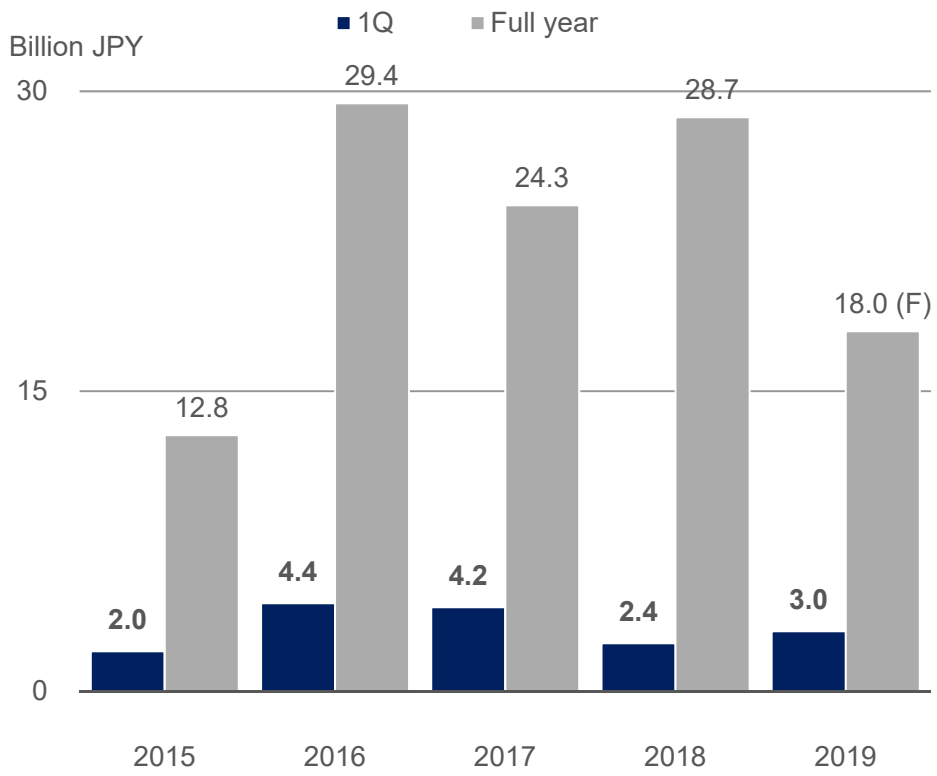
Operating Profit



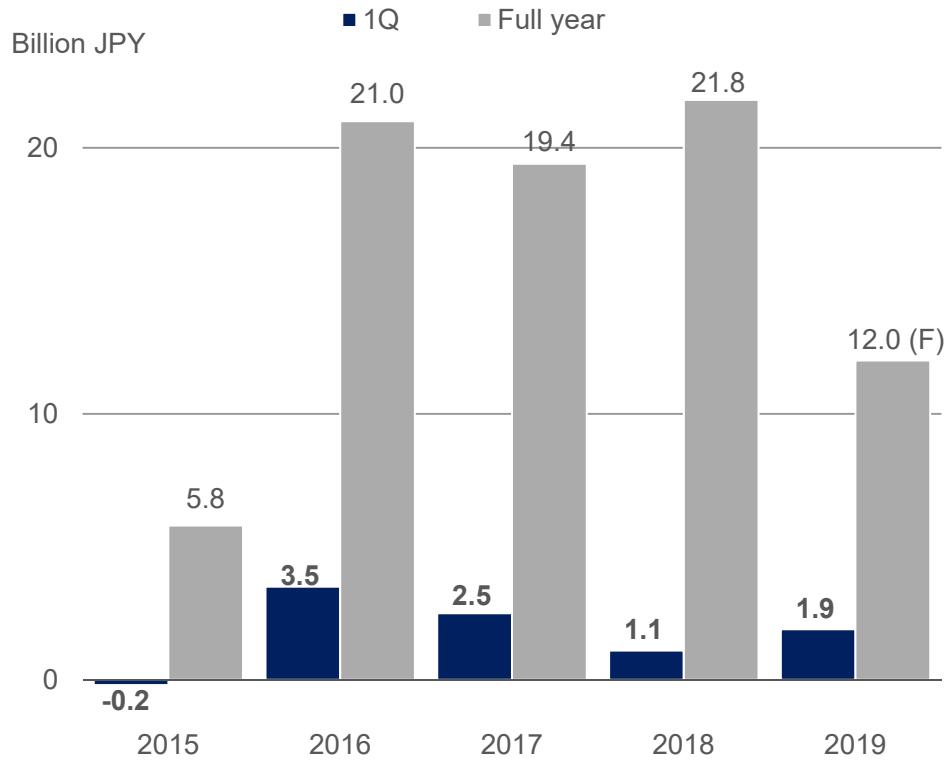
- MV30 and MV31 projects progressed on track.
- Operating profit decreased mainly due to a completion of charter contract in August 2018.

2019 First Quarter : Highlight

Ordinary Profit



Profit Attribute to Owners of Parent



- Equity in earnings of unconsolidated subsidiaries and affiliates and interest and dividend income increased as other income.
- Profit attributable to owners of parent increased in accordance with increase in ordinary profit.