

# Consolidated Statement of Income

Year Ended March 31, 2019

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2019	2018	2019
<b>OPERATING REVENUES</b>	<b>¥1,625,315</b>	¥1,538,813	<b>\$14,643,799</b>
<b>OPERATING COSTS AND EXPENSES:</b>			
Operating costs	1,513,988	1,452,485	13,640,762
Selling, general and administrative expenses	52,981	50,642	477,354
Total operating costs and expenses	1,566,969	1,503,127	14,118,116
Operating profit	58,346	35,686	525,683
<b>OTHER INCOME (EXPENSES):</b>			
Interest and dividend income	1,036	981	9,336
Interest expense	(276)	(272)	(2,483)
Loss on sales and disposal of property, plant and equipment—net	(300)	(1,042)	(2,704)
Loss on impairment of long-lived assets (Note 7)	(2,087)	(3,241)	(18,808)
Gain on sales of marketable and investment securities (Note 6)	37	1,639	334
Loss on valuation of investment securities (Note 6)	(39)	(1)	(352)
Loss on valuation of investment in unconsolidated subsidiaries and affiliates	(1,357)	(55)	(12,228)
Share of loss of entities accounted for using equity method	(4,873)	(1,355)	(43,902)
Provision of allowance for investment loss of unconsolidated subsidiaries		(127)	
Provision of allowance for doubtful accounts		(136)	
Compensation for delay damages	1,776		16,001
Other—net	(5)	1,046	(41)
Other expenses—net	(6,088)	(2,563)	(54,847)
<b>PROFIT BEFORE INCOME TAXES</b>	<b>52,258</b>	33,123	<b>470,836</b>
<b>INCOME TAXES</b> (Note 12):			
Current	24,651	14,622	222,106
Deferred	1,657	(187)	14,927
Total income taxes	26,308	14,435	237,033
<b>PROFIT</b>	<b>25,950</b>	18,688	<b>233,803</b>
<b>PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS</b>	<b>268</b>	456	<b>2,410</b>
<b>PROFIT ATTRIBUTABLE TO OWNERS OF PARENT</b>	<b>¥ 25,682</b>	¥ 18,232	<b>\$ 231,393</b>

	Yen		U.S. Dollars (Note 1)
	2019	2018	2019
<b>PER SHARE OF COMMON STOCK</b> (Notes 2.q and 16):			
Basic earnings	¥65.14	¥46.24	\$0.59
Cash dividends applicable to the year	28.00	27.00	0.25

See notes to consolidated financial statements.