

Consolidated Financial Statements (For the First Quarter of FY2024)

Consolidated Balance Sheets

(Millions of Yen)

	FY2023	Current First Quarter
	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets :		
Cash and deposits	40,244	23,226
Notes receivable, accounts receivable from completed construction contracts and other	132,454	125,764
Securities	10,000	25,000
Real estate for sale	959	880
Costs on construction contracts in progress	3,180	4,474
Costs on real estate investment, development business and other	796	835
Work in process	1,230	1,352
Raw materials and supplies	744	597
Other	9,386	7,782
Allowance for doubtful accounts	(142)	(585)
Total current assets	198,855	189,328
Non-current assets :		
Property, plant and equipment :		
Land	34,667	35,043
Other, net	42,454	41,972
Total property, plant and equipment	77,122	77,015
Intangible assets :		
Goodwill	378	371
Other	1,304	1,241
Total intangible assets	1,683	1,612
Investments and other assets :		
Investment securities	54,913	61,637
Retirement benefit asset	4,435	4,418
Other	8,662	11,693
Allowance for doubtful accounts	(1,943)	(1,939)
Total investments and other assets	66,067	75,809
Total non-current assets	144,872	154,437
Total assets	343,727	343,765

(Millions of Yen)

	FY2023	Current First Quarter
	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities:		
Notes payable, accounts payable for construction contracts and other	50,268	45,266
Short-term borrowings	10,708	10,601
Income taxes payable	3,050	1,021
Advances received on construction contracts in progress	12,594	14,458
Provisions	4,005	1,681
Provision for loss on construction contracts	1,566	1,244
Asset retirement obligations	83	83
Other	46,771	49,820
Total current liabilities	129,048	124,179
Non-current liabilities:		
Long-term borrowings	3,110	3,110
Non-recourse borrowings	26,003	24,632
Provisions	—	37
Asset retirement obligations	300	302
Other	12,050	15,348
Total non-current liabilities	41,463	43,430
Total liabilities	170,511	167,610
Net assets		
Shareholders' equity:		
Share capital	19,838	19,838
Capital surplus	26,240	26,433
Retained earnings	103,827	100,314
Treasury shares	(5,185)	(5,381)
Total shareholders' equity	144,720	141,205
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	24,801	29,545
Deferred gains or losses on hedges	1,829	2,840
Remeasurements of defined benefit plans	662	595
Total accumulated other comprehensive income	27,293	32,981
Non-controlling interests	1,201	1,968
Total net assets	173,215	176,155
Total liabilities and net assets	343,727	343,765

Consolidated Statements of Income

(Three-month Period Ended June 30)

(Millions of Yen)

	1Q / FY2023 April 1, 2022 through June 30, 2022	1Q / FY2024 April 1, 2023 through June 30, 2023
Net sales:		
Net sales of completed construction contracts	48,941	60,234
Net sales of real estate investment, development business and other	1,771	4,444
Total net sales	50,713	64,678
Cost of sales:		
Cost of sales of completed construction contracts	43,779	54,117
Cost of real estate investment, development business and other	886	3,489
Total cost of sales	44,666	57,606
Gross profit:		
Gross profit on completed construction contracts	5,161	6,116
Gross profit on real estate investment, development business and other	885	955
Total gross profit	6,047	7,071
Selling, general and administrative expenses	4,721	5,670
Operating profit	1,326	1,401
Non-operating income:		
Interest income	6	13
Dividend income	675	690
Foreign exchange gains	320	243
Other	97	57
Total non-operating income	1,099	1,004
Non-operating expenses:		
Interest expenses	113	150
Other	6	6
Total non-operating expenses	120	157
Ordinary profit	2,305	2,248
Extraordinary income:		
Gain on sale of non-current assets	18	318
Gain on sale of investment securities	444	910
Total extraordinary income	463	1,228
Extraordinary losses:		
Loss on valuation of investment securities	18	—
Loss on retirement of non-current assets	4	0
Total extraordinary losses	22	0
Profit before income taxes	2,746	3,477
Income taxes - current	496	1,111
Income taxes - deferred	409	343
Total income taxes	906	1,454
Profit	1,839	2,022
Loss attributable to non-controlling interests	(154)	(243)
Profit attributable to owners of parent	1,994	2,265

Consolidated Statements of Comprehensive Income

(Three-month Period Ended June 30)

(Millions of Yen)

	1Q / FY2023 April 1, 2022 through June 30, 2022	1Q / FY2024 April 1, 2023 through June 30, 2023
Profit	1,839	2,022
Other comprehensive income:		
Valuation difference on available-for-sale securities	983	4,744
Deferred gains or losses on hedges	2,131	2,021
Remeasurements of defined benefit plans, net of tax	(97)	(66)
Total other comprehensive income	3,017	6,698
Comprehensive income	4,857	8,721
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	3,945	7,953
Comprehensive income attributable to non-controlling interests	911	767

Breakdown of Orders (Nonconsolidated)

(Millions of Yen)

			1Q / FY2023 April 1, 2022 through June 30, 2022			1Q / FY2024 April 1, 2023 through June 30, 2023			Change Increase (Decrease)	% Change Increase (Decrease)	
				%	%		%		%		
Construction orders awarded	Civil engineering	Domestic public sector	3,893	45.2	46.8	15,640	45.9	32.3	11,746	301.7	
		Domestic private sector	4,521	52.5		6,803	19.9		2,282	50.5	
		Overseas	193	2.3		11,658	34.2		11,465	—	
		Subtotal	8,608	100		34,103	100		25,494	296.1	
	Architectural construction	Domestic public sector	818	8.3	53.2	3,056	4.3	67.7	2,237	273.6	
		Domestic private sector	10,059	102.6		68,464	95.7		58,404	580.6	
		Overseas	(1,072)	(10.9)		—	—		1,072	—	
		Subtotal	9,805	100		71,520	100		61,715	629.4	
	Total	Domestic public sector	4,712	25.6	100	18,696	17.7	100	13,984	296.8	
		Domestic private sector	14,581	79.2		75,268	71.3		60,686	416.2	
		Overseas	(879)	(4.8)		11,658	11.0		12,538	—	
		Total	18,413	100		105,623	100		87,209	473.6	
Net sales	Construction business	Civil engineering	Domestic public sector	14,451	72.9	[40.5]	14,776	64.1	[38.3]	325	2.3
			Domestic private sector	4,577	23.1	39.5	6,515	28.3	37.4	1,937	42.3
			Overseas	801	4.0		1,759	7.6		958	119.5
			Subtotal	19,830	100		23,051	100		3,220	16.2
	Architectural construction	Domestic public sector	6,424	22.1	[59.5]		5,067	13.6		[61.7]	(1,357)
		Domestic private sector	22,425	77.0	58.0	32,114	86.4	60.4	9,689	43.2	
		Overseas	260	0.9		—	—		(260)	—	
		Subtotal	29,111	100		37,182	100		8,071	27.7	
	Subtotal	Domestic public sector	20,876	42.6		[100]	19,844		33.0	[100]	(1,032)
		Domestic private sector	27,003	55.2	97.5	38,630	64.1	97.8	11,627	43.1	
		Overseas	1,062	2.2		1,759	2.9		697	65.6	
		Subtotal	48,941	100		60,234	100		11,292	23.1	
	Real estate investment, development business and other			1,268		2.5	1,335		2.2	66	5.3
	Total			50,210	100	61,569	100	11,358	22.6		
	Period-end backlog	Civil engineering	Domestic public sector	108,106	57.1	58.3	102,854	50.9	45.6	(5,252)	(4.9)
Domestic private sector			66,236	35.0	66,758		33.0	522		0.8	
Overseas			14,904	7.9	32,490		16.1	17,586		118.0	
Subtotal			189,246	100	202,103		100	12,856		6.8	
Architectural construction		Domestic public sector	45,440	33.6	41.7	43,992	18.2	54.4	(1,447)	(3.2)	
		Domestic private sector	89,644	66.4		197,421	81.8		107,776	120.2	
		Overseas	—	—		—	—		—	—	
		Subtotal	135,084	100		241,413	100		106,328	78.7	
Total		Domestic public sector	153,546	47.3	100	146,846	33.1	100	(6,700)	(4.4)	
		Domestic private sector	155,880	48.1		264,179	59.6		108,298	69.5	
		Overseas	14,904	4.6		32,490	7.3		17,586	118.0	
		Total	324,331	100		443,516	100		119,185	36.7	