

Consolidated Financial Statements (For the Third Quarter of FY2025)

Consolidated Balance Sheets

(Millions of Yen)

	FY2024	Current Third Quarter
	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets:		
Cash and deposits	30,248	21,056
Notes receivable, accounts receivable from completed construction contracts and other	172,323	189,395
Real estate for sale	933	574
Costs on construction contracts in progress	3,695	5,201
Costs on real estate investment, development business and other	1,960	2,274
Work in process	926	1,469
Raw materials and supplies	582	659
Other	9,937	16,042
Allowance for doubtful accounts	(189)	(197)
Total current assets	220,418	236,475
Non-current assets:		
Property, plant and equipment:		
Land	35,149	36,296
Other, net	40,326	40,483
Total property, plant and equipment	75,476	76,779
Intangible assets:		
Goodwill	348	326
Other	1,457	1,449
Total intangible assets	1,806	1,775
Investments and other assets:		
Investment securities	68,732	59,291
Retirement benefit asset	5,525	5,467
Other	14,722	18,784
Allowance for doubtful accounts	(1,930)	(1,921)
Total investments and other assets	87,049	81,621
Total non-current assets	164,332	160,176
Total assets	384,750	396,652

(Millions of Yen)

	FY2024	Current Third Quarter
	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities:		
Notes payable, accounts payable for construction contracts and other	52,074	53,454
Short-term borrowings	16,701	44,901
Income taxes payable	3,385	1,334
Advances received on construction contracts in progress	19,161	11,909
Provisions	4,307	2,238
Provision for loss on construction contracts	859	2,317
Asset retirement obligations	86	—
Other	49,791	50,489
Total current liabilities	146,367	166,644
Non-current liabilities:		
Long-term borrowings	5,108	5,007
Non-recourse borrowings	22,333	21,398
Provisions	150	299
Asset retirement obligations	393	479
Other	18,823	18,737
Total non-current liabilities	46,809	45,922
Total liabilities	193,176	212,567
Net assets		
Shareholders' equity:		
Share capital	19,838	19,838
Capital surplus	26,466	26,510
Retained earnings	107,684	104,315
Treasury shares	(5,316)	(5,268)
Total shareholders' equity	148,673	145,396
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	34,976	29,622
Deferred gains or losses on hedges	3,840	5,380
Remeasurements of defined benefit plans	1,201	996
Total accumulated other comprehensive income	40,017	35,999
Non-controlling interests	2,882	2,689
Total net assets	191,573	184,085
Total liabilities and net assets	384,750	396,652

Consolidated Statements of Income

(Nine-month Period Ended December 31)

(Millions of Yen)

	3Q / FY2024 April 1, 2023 through December 31, 2023	3Q / FY2025 April 1, 2024 through December 31, 2024
Net sales :		
Net sales of completed construction contracts	193,007	208,281
Net sales of real estate investment, development business and other	14,233	9,922
Total net sales	207,241	218,203
Cost of sales :		
Cost of sales of completed construction contracts	171,243	187,240
Cost of real estate investment, development business and other	10,667	9,557
Total cost of sales	181,911	196,797
Gross profit :		
Gross profit on completed construction contracts	21,763	21,040
Gross profit on real estate investment, development business and other	3,566	365
Total gross profit	25,330	21,406
Selling, general and administrative expenses	15,343	15,738
Operating profit	9,986	5,667
Non-operating income :		
Interest income	59	68
Dividend income	1,202	1,337
Gain on valuation of forward exchange contracts	—	63
Other	351	307
Total non-operating income	1,614	1,776
Non-operating expenses :		
Interest expenses	445	558
Other	44	472
Total non-operating expenses	489	1,031
Ordinary profit	11,111	6,412
Extraordinary income :		
Gain on sale of investment securities	2,747	3,457
Other	610	0
Total extraordinary income	3,357	3,458
Extraordinary losses :		
Loss on retirement of non-current assets	493	296
Other	—	49
Total extraordinary losses	493	345
Profit before income taxes	13,974	9,524
Income taxes - current	3,733	3,711
Income taxes - deferred	962	785
Total income taxes	4,695	4,496
Profit	9,278	5,028
Loss attributable to non-controlling interests	(247)	(1,733)
Profit attributable to owners of parent	9,526	6,761

Consolidated Statements of Comprehensive Income

(Nine-month Period Ended December 31)

(Millions of Yen)

	3Q / FY2024 April 1, 2023 through December 31, 2023	3Q / FY2025 April 1, 2024 through December 31, 2024
Profit	9,278	5,028
Other comprehensive income :		
Valuation difference on available-for-sale securities	5,279	(5,353)
Deferred gains or losses on hedges	2,393	3,080
Remeasurements of defined benefit plans, net of tax	(200)	(204)
Total other comprehensive income	7,472	(2,477)
Comprehensive income	16,751	2,550
Comprehensive income attributable to :		
Comprehensive income attributable to owners of parent	15,802	2,743
Comprehensive income attributable to non-controlling interests	949	(192)

Breakdown of Orders (Nonconsolidated)

(Millions of Yen)

			3Q / FY2024 April 1, 2023 through December 31, 2023		3Q / FY2025 April 1, 2024 through December 31, 2024		Change Increase (Decrease)	% Change Increase (Decrease)			
				%		%		%			
Construction orders awarded	Civil engineering	Domestic public sector	31,921	50.8	27.1	85,518	76.8	65.1	53,597	167.9	
		Domestic private sector	18,766	29.9		14,251	12.8		(4,515)	(24.1)	
		Overseas	12,116	19.3		11,565	10.4		(550)	(4.5)	
		Subtotal	62,804	100		111,335	100		48,531	77.3	
	Architectural construction	Domestic public sector	26,773	15.9	72.9	8,587	14.4	34.9	(18,186)	(67.9)	
		Domestic private sector	142,137	84.1		51,039	85.6		(91,098)	(64.1)	
		Overseas	—	—		—	—		—	—	
		Subtotal	168,911	100		59,626	100		(109,284)	(64.7)	
	Total	Domestic public sector	58,694	25.3	100	94,105	55.0	100	35,411	60.3	
		Domestic private sector	160,904	69.5		65,290	38.2		(95,613)	(59.4)	
		Overseas	12,116	5.2		11,565	6.8		(550)	(4.5)	
		Total	231,715	100		170,962	100		(60,753)	(26.2)	
Net sales	Construction business	Civil engineering	Domestic public sector	45,033	60.5	[38.6]	45,153	62.9	[34.5]	119	0.3
			Domestic private sector	22,818	30.6	37.7	22,375	31.1	33.8	(442)	(1.9)
			Overseas	6,628	8.9		4,312	6.0		(2,315)	(34.9)
			Subtotal	74,480	100		71,841	100		(2,639)	(3.5)
	Architectural construction	Domestic public sector	15,675	13.2	[61.4]		23,700	17.4		[65.5]	8,025
		Domestic private sector	102,851	86.8	60.0	112,738	82.6	64.2	9,886	9.6	
		Overseas	—	—		—	—		—	—	
		Subtotal	118,527	100		136,439	100		17,912	15.1	
	Subtotal	Domestic public sector	60,709	31.5		[100]	68,853		33.0	[100]	8,144
		Domestic private sector	125,670	65.1	97.7	135,114	64.9	98.0	9,444	7.5	
		Overseas	6,628	3.4		4,312	2.1		(2,315)	(34.9)	
		Subtotal	193,007	100		208,281	100		15,273	7.9	
	Real estate investment, development business and other		4,556	2.3			4,336		2.0		(220)
	Total		197,564	100		212,617	100		15,052	7.6	
	Period-end backlog	Civil engineering	Domestic public sector	88,877	49.5	41.1	144,875	62.1	54.3	55,997	63.0
Domestic private sector			62,417	34.8	52,864		22.7	(9,553)		(15.3)	
Overseas			28,079	15.7	35,501		15.2	7,421		26.4	
Subtotal			179,375	100	233,241		100	53,866		30.0	
Architectural construction		Domestic public sector	57,101	22.2	58.9	60,453	30.8	45.7	3,352	5.9	
		Domestic private sector	200,358	77.8		135,655	69.2		(64,702)	(32.3)	
		Overseas	—	—		—	—		—	—	
		Subtotal	257,459	100		196,109	100		(61,349)	(23.8)	
Total		Domestic public sector	145,979	33.4	100	205,329	47.8	100	59,350	40.7	
		Domestic private sector	262,775	60.2		188,520	43.9		(74,255)	(28.3)	
		Overseas	28,079	6.4		35,501	8.3		7,421	26.4	
		Total	436,834	100		429,351	100		(7,483)	(1.7)	