

Consolidated Financial Statements
(For the fiscal year ended March 31, 2024)

Consolidated Balance Sheets

(Millions of Yen)

	FY2023	FY2024
	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets:		
Cash and deposits	40,244	30,248
Notes receivable, accounts receivable from completed construction contracts and other	132,454	172,323
Securities	10,000	—
Real estate for sale	959	933
Costs on construction contracts in progress	3,180	3,695
Costs on real estate investment, development business and other	796	1,960
Work in process	1,230	926
Raw materials and supplies	744	582
Other	9,386	9,937
Allowance for doubtful accounts	(142)	(189)
Total current assets	198,855	220,418
Non-current assets:		
Property, plant and equipment:		
Buildings and structures, net	22,839	22,279
Machinery, vehicles, tools, furniture and fixtures, net	19,558	17,235
Land	34,667	35,149
Leased assets, net	6	17
Construction in progress	49	794
Total property, plant and equipment	77,122	75,476
Intangible assets:		
Goodwill	378	348
Other	1,304	1,457
Total intangible assets	1,683	1,806
Investments and other assets:		
Investment securities	54,913	68,732
Long-term loans receivable	103	58
Retirement benefit asset	4,435	5,525
Deferred tax assets	3	2
Other	8,555	14,661
Allowance for doubtful accounts	(1,943)	(1,930)
Total investments and other assets	66,067	87,049
Total non-current assets	144,872	164,332
Total assets	343,727	384,750

(Millions of Yen)

	FY2023	FY2024
	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities :		
Notes payable, accounts payable for construction contracts and other	50,268	52,074
Short-term borrowings	10,708	16,701
Lease liabilities	1	6
Income taxes payable	3,050	3,385
Advances received on construction contracts in progress	12,594	19,161
Deposits received	20,061	19,519
Provision for warranties for completed construction	504	627
Provision for bonuses	3,462	3,641
Provision for bonuses for directors (and other officers)	37	39
Provision for loss on construction contracts	1,566	859
Asset retirement obligations	83	86
Suspense receipt of consumption taxes	17,938	23,960
Other	8,769	6,305
Total current liabilities	129,048	146,367
Non-current liabilities :		
Long-term borrowings	3,110	5,108
Non-recourse borrowings	26,003	22,333
Lease liabilities	5	15
Deferred tax liabilities	11,998	18,740
Provision for share awards	—	150
Asset retirement obligations	300	393
Other	46	67
Total non-current liabilities	41,463	46,809
Total liabilities	170,511	193,176
Net assets		
Shareholders' equity :		
Share capital	19,838	19,838
Capital surplus	26,240	26,466
Retained earnings	103,827	107,684
Treasury shares	(5,185)	(5,316)
Total shareholders' equity	144,720	148,673
Accumulated other comprehensive income :		
Valuation difference on available-for-sale securities	24,801	34,976
Deferred gains or losses on hedges	1,829	3,840
Remeasurements of defined benefit plans	662	1,201
Total accumulated other comprehensive income	27,293	40,017
Non-controlling interests	1,201	2,882
Total net assets	173,215	191,573
Total liabilities and net assets	343,727	384,750

Consolidated Statements of Income

(Millions of Yen)

	FY2023 April 1, 2022 through March 31, 2023	FY2024 April 1, 2023 through March 31, 2024
Net sales:		
Net sales of completed construction contracts	236,649	268,340
Net sales of real estate investment, development business and other	12,793	19,805
Total net sales	249,442	288,146
Cost of sales:		
Cost of sales of completed construction contracts	208,900	238,012
Cost of real estate investment, development business and other	8,541	14,942
Total cost of sales	217,441	252,954
Gross profit:		
Gross profit on completed construction contracts	27,748	30,328
Gross profit on real estate investment, development business and other	4,252	4,863
Total gross profit	32,001	35,191
Selling, general and administrative expenses	20,153	21,483
Operating profit	11,847	13,708
Non-operating income:		
Interest income	28	73
Dividend income	1,161	1,226
Foreign exchange gains	159	351
Other	323	243
Total non-operating income	1,672	1,894
Non-operating expenses:		
Interest expenses	550	606
Other	60	118
Total non-operating expenses	611	724
Ordinary profit	12,908	14,878
Extraordinary income:		
Gain on sale of investment securities	3,056	3,205
Other	18	710
Total extraordinary income	3,074	3,915
Extraordinary losses:		
Loss on retirement of non-current assets	595	513
Loss on tax purpose reduction entry of non-current assets	—	108
Other	51	—
Total extraordinary losses	647	622
Profit before income taxes	15,335	18,171
Income taxes - current	4,693	5,770
Income taxes - deferred	99	237
Total income taxes	4,792	6,008
Profit	10,542	12,163
Loss attributable to non-controlling interests	(718)	(329)
Profit attributable to owners of parent	11,261	12,493

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	FY2023 April 1, 2022 through March 31, 2023	FY2024 April 1, 2023 through March 31, 2024
Profit	10,542	12,163
Other comprehensive income :		
Valuation difference on available-for-sale securities	135	10,175
Deferred gains or losses on hedges	1,461	4,020
Remeasurements of defined benefit plans, net of tax	(802)	538
Total other comprehensive income	794	14,734
Comprehensive income	11,337	26,897
Comprehensive income attributable to :		
Comprehensive income attributable to owners of parent	11,325	25,217
Comprehensive income attributable to non-controlling interests	11	1,680

Consolidated Statements of Cash Flows

(Millions of Yen)

	FY2023	FY2024
	April 1, 2022 through March 31, 2023	April 1, 2023 through March 31, 2024
Cash flows from operating activities:		
Profit before income taxes	15,335	18,171
Depreciation	2,301	4,340
Amortization of goodwill	29	29
Loss on retirement of non-current assets	595	513
Loss on tax purpose reduction entry of non-current assets	—	108
Increase (decrease) in allowance for doubtful accounts	(21)	34
Decrease (increase) in retirement benefit asset	(515)	(313)
Increase (decrease) in provision for warranties for completed construction	(35)	122
Increase (decrease) in provision for bonuses	(308)	178
Increase (decrease) in provision for bonuses for directors (and other officers)	(5)	1
Increase (decrease) in provision for loss on construction contracts	592	(706)
Increase (decrease) in provision for share awards	—	150
Interest and dividend income	(1,189)	(1,300)
Interest expenses	550	606
Loss (gain) on sale of short-term and long-term investment securities	(3,023)	(3,205)
Decrease (increase) in trade receivables	9,841	(39,868)
Decrease (increase) in costs on construction contracts in progress	(568)	(514)
Decrease (increase) in other inventories	(878)	(672)
Increase (decrease) in trade payables	3,094	1,920
Increase (decrease) in advances received on construction contracts in progress	1,057	6,566
Increase (decrease) in deposits received	(5,548)	(542)
Other, net	(830)	1,782
Subtotal	20,474	(12,595)
Interest and dividends received	1,189	1,300
Interest paid	(375)	(445)
Income taxes refund (paid)	(3,387)	(5,398)
Net cash provided by (used in) operating activities	17,900	(17,139)

(Millions of Yen)

	FY2023	FY2024
	April 1, 2022 through March 31, 2023	April 1, 2023 through March 31, 2024
Cash flows from investing activities :		
Net decrease (increase) in time deposits	139	205
Purchase of short-term and long-term investment securities	(761)	(208)
Proceeds from sale and redemption of short-term and long-term investment securities	5,592	4,209
Purchase of property, plant and equipment and intangible assets	(4,114)	(2,992)
Proceeds from sale of property, plant and equipment and intangible assets	18	354
Loan advances	—	(3)
Proceeds from collection of loans receivable	13	13
Other, net	(114)	(119)
Net cash provided by (used in) investing activities	772	1,458
Cash flows from financing activities :		
Net increase (decrease) in short-term borrowings	(832)	9,993
Proceeds from long-term borrowings	2,000	2,000
Repayments of long-term borrowings	(2,001)	(4,001)
Proceeds from non-recourse borrowings	5,947	—
Repayments of non-recourse borrowings	(1,006)	(3,669)
Purchase of treasury shares	(30)	(13)
Proceeds from sale of treasury shares	0	0
Dividends paid	(6,368)	(8,610)
Proceeds from share issuance to non-controlling shareholders	722	—
Other, net	(1)	(2)
Net cash provided by (used in) financing activities	(1,571)	(4,304)
Effect of exchange rate change on cash and cash equivalents	68	110
Net increase (decrease) in cash and cash equivalents	17,170	(19,875)
Cash and cash equivalents at beginning of period	31,622	48,792
Cash and cash equivalents at end of period	48,792	28,917

Breakdown of Orders (Nonconsolidated)

(Millions of Yen)

			FY2023 April 1, 2022 through March 31, 2023			FY2024 April 1, 2023 through March 31, 2024			Change Increase (Decrease)	% Change Increase (Decrease)	
				%	%		%		%		
Construction orders awarded	Civil engineering	Domestic public sector	48,301	55.0	31.4	64,012	60.5	31.4	15,710	32.5	
		Domestic private sector	26,764	30.4		27,263	25.7		498	1.9	
		Overseas	12,802	14.6		14,575	13.8		1,772	13.8	
		Subtotal	87,869	100		105,850	100		17,980	20.5	
	Architectural construction	Domestic public sector	22,961	12.0	68.6	52,651	22.8	68.6	29,690	129.3	
		Domestic private sector	170,159	88.6		178,381	77.2		8,222	4.8	
		Overseas	(1,072)	(0.6)		—	—		1,072	—	
		Subtotal	192,047	100		231,032	100		38,985	20.3	
	Total	Domestic public sector	71,262	25.5	100	116,663	34.6	100	45,400	63.7	
		Domestic private sector	196,923	70.3		205,644	61.1		8,720	4.4	
		Overseas	11,730	4.2		14,575	4.3		2,845	24.3	
		Total	279,916	100		336,883	100		56,966	20.4	
	Net sales	Civil engineering	Domestic public sector	64,975	66.8	40.2	61,492	59.6	37.6	(3,483)	(5.4)
Domestic private sector			26,587	27.3	32,743		31.7	6,156		23.2	
Overseas			5,723	5.9	8,918		8.7	3,194		55.8	
Subtotal			97,286	100	103,154		100	5,868		6.0	
Architectural construction		Domestic public sector	28,004	20.1	57.5	23,087	14.0	60.2	(4,916)	(17.6)	
		Domestic private sector	111,097	79.7		142,098	86.0		31,001	27.9	
		Overseas	260	0.2		—	—		(260)	—	
		Subtotal	139,362	100		165,185	100		25,823	18.5	
Subtotal		Domestic public sector	92,979	39.3	97.7	84,579	31.5	97.8	(8,399)	(9.0)	
		Domestic private sector	137,684	58.2		174,841	65.2		37,157	27.0	
		Overseas	5,984	2.5		8,918	3.3		2,933	49.0	
		Subtotal	236,649	100		268,340	100		31,691	13.4	
Real estate investment, development business and other			5,617	2.3	6,119	2.2		502	8.9		
Total			242,266	100	274,460	100		32,193	13.3		
Period-end backlog		Civil engineering	Domestic public sector	101,990	53.4	48.0	104,510	53.9	41.5	2,519	2.5
			Domestic private sector	66,469	34.8		60,989	31.5		(5,480)	(8.2)
			Overseas	22,591	11.8		28,247	14.6		5,656	25.0
	Subtotal		191,051	100	193,747		100	2,695		1.4	
	Architectural construction	Domestic public sector	46,003	22.2	52.0	75,567	27.7	58.5	29,563	64.3	
		Domestic private sector	161,071	77.8		197,354	72.3		36,282	22.5	
		Overseas	—	—		—	—		—	—	
		Subtotal	207,075	100		272,922	100		65,846	31.8	
	Total	Domestic public sector	147,993	37.2	100	180,077	38.6	100	32,083	21.7	
		Domestic private sector	227,541	57.1		258,344	55.4		30,802	13.5	
		Overseas	22,591	5.7		28,247	6.0		5,656	25.0	
		Total	398,127	100		466,669	100		68,542	17.2	