

Consolidated Financial Statements
(For the Third Quarter of FY2022)

Consolidated Balance Sheets

(Millions of Yen)

	FY2021	Current Third Quarter
	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets:		
Cash and deposits	21,613	28,331
Notes receivable, accounts receivable from completed construction contracts and other	143,421	119,540
Securities	122	14,123
Real estate for sale	714	330
Costs on construction contracts in progress	4,873	2,182
Costs on real estate business	3,376	1,721
Work in process	895	1,362
Raw materials and supplies	81	109
Other	12,148	9,910
Allowance for doubtful accounts	(153)	(126)
Total current assets	187,095	177,485
Non-current assets:		
Property, plant and equipment:		
Land	34,405	34,405
Other, net	33,408	35,454
Total property, plant and equipment	67,814	69,860
Intangible assets:		
Goodwill	437	415
Other	722	717
Total intangible assets	1,160	1,133
Investments and other assets:		
Investment securities	67,342	58,884
Retirement benefit asset	4,973	4,943
Other	2,587	5,162
Allowance for doubtful accounts	(1,968)	(1,959)
Total investments and other assets	72,934	67,031
Total non-current assets	141,910	138,025
Total assets	329,005	315,510

(Millions of Yen)

	FY2021	Current Third Quarter
	As of March 31, 2021	As of December 31, 2021
Liabilities		
Current liabilities:		
Notes payable, accounts payable for construction contracts and other	47,038	43,937
Short-term borrowings	7,459	9,560
Income taxes payable	4,522	775
Advances received on construction contracts in progress	15,713	12,294
Provisions	3,815	1,540
Provision for loss on construction contracts	863	1,008
Asset retirement obligations	83	83
Other	44,685	44,887
Total current liabilities	124,181	114,088
Non-current liabilities:		
Long-term borrowings	7,113	5,113
Non-recourse borrowings	16,228	19,079
Asset retirement obligations	88	89
Other	13,428	12,143
Total non-current liabilities	36,859	36,426
Total liabilities	161,041	150,514
Net assets		
Shareholders' equity:		
Share capital	19,838	19,838
Capital surplus	26,240	26,240
Retained earnings	95,460	98,308
Treasury shares	(4,636)	(6,845)
Total shareholders' equity	136,902	137,543
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	30,957	25,520
Deferred gains or losses on hedges	(475)	719
Remeasurements of defined benefit plans	1,752	1,461
Total accumulated other comprehensive income	32,234	27,701
Non-controlling interests	(1,173)	(248)
Total net assets	167,963	164,996
Total liabilities and net assets	329,005	315,510

Consolidated Statements of Income

(Nine-month Period Ended December 31)

(Millions of Yen)

	3Q / FY2021 April 1, 2020 through December 31, 2020	3Q / FY2022 April 1, 2021 through December 31, 2021
Net sales:		
Net sales of completed construction contracts	149,747	165,218
Net sales in real estate business and other	7,477	9,071
Total net sales	157,224	174,290
Cost of sales:		
Cost of sales of completed construction contracts	132,736	144,280
Cost of sales in real estate business and other	4,450	5,884
Total cost of sales	137,186	150,165
Gross profit:		
Gross profit on completed construction contracts	17,011	20,938
Gross profit on real estate business and other	3,026	3,186
Total gross profit	20,038	24,124
Selling, general and administrative expenses	13,152	13,534
Operating profit	6,885	10,590
Non-operating income:		
Interest income	26	24
Dividend income	1,168	1,167
Other	502	475
Total non-operating income	1,698	1,666
Non-operating expenses:		
Interest expenses	244	288
Other	39	27
Total non-operating expenses	283	315
Ordinary profit	8,299	11,941
Extraordinary income:		
Gain on sale of investment securities	225	1,183
Other	1	0
Total extraordinary income	226	1,184
Extraordinary losses:		
Loss on valuation of investment securities	159	6
Loss on retirement of non-current assets	22	3
Other	0	—
Total extraordinary losses	181	9
Profit before income taxes	8,344	13,116
Income taxes - current	2,270	3,449
Income taxes - deferred	882	941
Total income taxes	3,153	4,390
Profit	5,190	8,725
Loss attributable to non-controlling interests	(568)	(414)
Profit attributable to owners of parent	5,758	9,140

Consolidated Statements of Comprehensive Income

(Nine-month Period Ended December 31)

(Millions of Yen)

	3Q / FY2021 April 1, 2020 through December 31, 2020	3Q / FY2022 April 1, 2021 through December 31, 2021
Profit	5,190	8,725
Other comprehensive income:		
Valuation difference on available-for-sale securities	4,315	(5,436)
Deferred gains or losses on hedges	(1,953)	2,389
Remeasurements of defined benefit plans, net of tax	(209)	(291)
Total other comprehensive income	2,152	(3,338)
Comprehensive income	7,343	5,387
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	8,888	4,606
Comprehensive income attributable to non-controlling interests	(1,544)	780

Breakdown of Orders (Nonconsolidated)

(Millions of Yen)

			3Q / FY2021 April 1, 2020 through December 31, 2020			3Q / FY2022 April 1, 2021 through December 31, 2021			Change Increase (Decrease)	% Change Increase (Decrease)	
				%	%		%	%	%		
Construction orders awarded	Civil engineering	Domestic public sector	30,005	68.5	39.9	45,480	66.1	45.0	15,474	51.6	
		Domestic private sector	13,728	31.4		19,018	27.6		5,289	38.5	
		Overseas	33	0.1		4,365	6.3		4,332	—	
		Subtotal	43,767	100		68,864	100		25,096	57.3	
	Architectural construction	Domestic public sector	27,656	41.9	60.1	15,106	17.9	55.0	(12,549)	(45.4)	
		Domestic private sector	38,354	58.1		67,765	80.5		29,410	76.7	
		Overseas	—	—		1,333	1.6		1,333	—	
		Subtotal	66,011	100		84,205	100		18,194	27.6	
	Total	Domestic public sector	57,662	52.5	100	60,586	39.6	100	2,924	5.1	
		Domestic private sector	52,083	47.5		86,783	56.7		34,700	66.6	
		Overseas	33	0.0		5,699	3.7		5,666	—	
		Total	109,778	100		153,069	100		43,291	39.4	
Net sales	Projects completed	Civil engineering	Domestic public sector	47,276	63.1	[50.0]	44,285	65.6	[40.9]	(2,990)	(6.3)
			Domestic private sector	26,694	35.7	48.7	20,794	30.8	39.5	(5,899)	(22.1)
			Overseas	897	1.2		2,458	3.6		1,560	174.0
			Subtotal	74,867	100		67,538	100		(7,329)	(9.8)
	Architectural construction	Domestic public sector	15,853	21.2	[50.0]		24,194	24.8		[59.1]	8,341
		Domestic private sector	59,026	78.8	48.7	73,487	75.2	57.1	14,460	24.5	
		Overseas	—	—		—	—		—	—	
		Subtotal	74,879	100		97,681	100		22,801	30.5	
	Subtotal	Domestic public sector	63,129	42.2		[100]	68,480		41.4	[100]	5,350
		Domestic private sector	85,720	57.2	97.4	94,281	57.1	96.6	8,561	10.0	
		Overseas	897	0.6		2,458	1.5		1,560	174.0	
		Subtotal	149,747	100		165,220	100		15,472	10.3	
	Real estate business and other	4,032	2.6	5,837		3.4	1,805		44.8		
Total			153,779	100		171,057	100		17,278	11.2	
Period-end backlog	Civil engineering	Domestic public sector	69,240	48.7	45.6	114,419	57.7	56.8	45,178	65.2	
		Domestic private sector	59,922	42.1		68,735	34.7		8,813	14.7	
		Overseas	13,043	9.2		15,009	7.6		1,966	15.1	
		Subtotal	142,205	100		198,164	100		55,958	39.4	
	Architectural construction	Domestic public sector	60,859	35.9	54.4	48,964	32.5	43.2	(11,894)	(19.5)	
		Domestic private sector	108,561	64.1		100,451	66.6		(8,109)	(7.5)	
		Overseas	—	—		1,333	0.9		1,333	—	
		Subtotal	169,420	100		150,750	100		(18,670)	(11.0)	
	Total	Domestic public sector	130,099	41.7	100	163,383	46.8	100	33,283	25.6	
		Domestic private sector	168,483	54.1		169,187	48.5		703	0.4	
		Overseas	13,043	4.2		16,343	4.7		3,300	25.3	
		Total	311,626	100		348,914	100		37,287	12.0	