Consolidated Financial Results for the Nine Months Ended December 31, 2022 <Japanese GAAP>

Listed company:	SANKI ENGINEERING CO., LTD.
Listed stock exchange:	Tokyo
Securities code:	1961
URL:	https://www.sanki.co.jp/
Representative:	Hirokazu Ishida, President and Representative Director
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	Division
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Scheduled date to file quarterly securities report: February 10, 2023 Scheduled date to commence dividend payments: – Preparation of explanatory materials for quarterly financial results: Yes Holding of a briefing on quarterly financial results: None

(Amounts of less than 1 million yen are truncated) **1. Consolidated Financial Results for the Nine Months Ended December 31, 2022**

(April 1, 2022 to December 31, 2022)

(1) Consolidated operating results (Cumulative)

(% figures show year-on-year change)

	Net sales		Operating p	orofit	Ordinary pr	Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	
December 31, 2022	125,713	(7.4)	1,092	(77.9)	1,937	(65.1)	983	(73.3)	
December 31, 2021	135,723	5.0	4,949	73.3	5,544	64.5	3,684	49.2	

(Note) Comprehensive income:

Nine months ended December 31, 2022: ¥121 million [(97.3%)] Nine months ended December 31, 2021: ¥4,458 million [(20.6%)]

	Profit per share	Profit per share – diluted
Nine months ended	Yen	Yen
December 31, 2022	17.68	17.62
December 31, 2021	65.16	64.83

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
As of	Millions of yen	Millions of yen	%
December 31, 2022	169,770	87,792	51.6
March 31, 2022	183,609	94,278	51.2

(Reference) Shareholders' equity: As of December 31, 2022: ¥87,593 million As of March 31, 2022: ¥93,967 million

2. Dividends

		Annual dividends							
	First quarter-end	irst quarter-end Second quarter-end Third quarter-end Fiscal year-end Tot							
	Yen	Yen	Yen	Yen	Yen				
Fiscal year ended March 31, 2022	-	35.00	-	50.00	85.00				
Fiscal year ending March 31, 2023	-	35.00	_						
Fiscal year ending March 31, 2023 (Forecast)				35.00	70.00				

(Note) Amendment to forecasts of dividends recently announced: None

Breakdown of end-FY3/22 dividend: Ordinary dividend ¥35; Extraordinary dividend ¥15

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(% figures show year-on-year change for the full year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	193,000	(0.1)	6,200	(32.0)	7,000	(28.7)	4,800	(26.0)	86.60

(Note) Amendment to forecasts of consolidated financial results recently announced: Yes

* Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2022 (changes in specified subsidiaries resulting in the change in scope of consolidation): None
New: - (Company name:) Excluded: - (Company name:)

(2) Application of specific accounting for preparing quarterly consolidated financial statements: None

(3) Changes in accounting policies and estimates, and retrospective restatements

- (i) Changes in accounting policies in accordance with revision of accounting standards: None
- (ii) Changes in accounting policies other than item (i) above: None
- (iii) Changes in accounting estimates: None
- (iv) Retrospective restatements: None

(4) Number of shares issued (common stock)

(i) Number of shares outstanding at the end of the period (including treasury shares)

As of December 31, 2022	58,161,156 shares
As of March 31, 2022	59,661,156 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2022	3,469,158 shares
As of March 31, 2022	3,900,458 shares

(iii) Average number of shares during period

For the nine months ended December 31, 2022	55,645,488 shares
For the nine months ended December 31, 2021	56,543,900 shares

* Quarterly financial results are not subject to quarterly review by a certified public accountant or audit corporation.

* Proper use of earnings forecasts, and other special matters

We have amended the consolidated and non-consolidated earnings forecasts announced on May 13, 2022. For details, please refer to 1. (3) "Qualitative information on consolidated earnings forecasts" on page 4 of the Attached Materials. The forward-looking statements such as earnings forecasts contained in these materials are based on the information available at the time they were prepared, and the actual results could differ from forecasts depending on a variety of factors.

Disclaimer: This is a Japanese–English translation of the summary of financial statements of the Company produced for your convenience. Officially, only the Japanese version is assumed to be the summary of financial statements of the Company. This summary does not constitute any guarantee and the Company will not compensate any losses and/or damage stemming from actions taken based on these statements. In the case that there is any discrepancy between the Japanese and English versions, the Japanese version is assumed to be correct.

(Reference) Forecast of Non-consolidated Financial Results for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

	Net sales		Operating profit		Ordinary profit		Profit		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	172,000	(0.9)	4,700	(35.5)	6,900	(28.5)	5,000	(28.1)	90.21

(% figures show year-on-year change for the full year)

(Note) Amendment to forecasts of non-consolidated financial results during the quarter under review: Yes

[Attached Materials]

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1. Qualitative Information on the Quarter under Review

The Group aims to be the "Company of Choice" for even more stakeholders by further enhancing quality and reliability through our long-term vision "Century 2025." This fiscal year is the first year of the four-year medium-term management plan Century 2025 Phase 3, which is the final phase of the long-term vision Century 2025. During this phase, we aim to remain the enduring company of choice by continuing Phase 1 initiatives focused on improving quality and Phase 2 efforts to enhance reliability, while also implementing new measures, including initiatives to contribute to the sustainability of society, accelerate work-style reforms, and invest toward the next era. In addition, we will continue building a corporate structure that can flexibly respond to changes in the environment, while developing new technologies, strengthening corporate governance, and achieving sustainable growth and increased corporate value over the medium to long term based on thorough compliance.

The Group's operating results and financial position for the nine months ended December 31, 2022, are as follows.

					(Millions of yen)
	Q3 FY2021	Q3 FY2022	YoY change	YoY change (%)	Main factors behind YoY change
Orders received	145,794	181,663	35,868	24.6%	As stated in the next section, "Operating
Balance carried forward	151,747	206,687	54,940	36.2%	results of major
Net sales	135,723	125,713	(10,009)	(7.4%)	segments"
Gross profit	19,959	16,708	(3,251)	(16.3%)	
Margin (%)	14.7%	13.3%	(1.4%)		
Operating profit	4,949	1,092	(3,857)	(77.9%)	
Margin (%)	3.6%	0.9%	(2.7%)		
Ordinary profit	5,544	1,937	(3,607)	(65.1%)	
Margin (%)	4.1%	1.5%	(2.6%)		
Profit attributable to owners of parent	3,684	983	(2,700)	(73.3%)	
Margin (%)	2.7%	0.8%	(1.9%)		

(1) Qualitative information on consolidated operating results

(Note) Profit margins are the rate of return on net sales.

<Operating results of major segments>

OFacilities Construction Business

This business includes HVAC and Plumbing for Buildings, Industrial HVAC (centered on air-conditioning systems for factories), Electrical Systems and Facility Systems businesses, etc.

Orders received increased on the back of orders for large projects in HVAC and Plumbing for Buildings and Industrial HVAC, but an increase in project scale and longer project time frames prevented substantial progress on large projects, and this was mainly responsible for a decline in both sales and profit.

				(Millions of yen)
	Q3 FY2021	Q3 FY2022	YoY change	YoY change (%)
Orders received	110,828	158,316	47,487	42.8%
Net sales	108,777	101,841	(6,936)	(6.4%)
Segment profit	4,474	912	(3,561)	(79.6%)

OMachinery Systems Business

This business mainly includes conveyance systems and manufacturing and sales business related to transportation equipment. Orders received grew strongly, but sales decreased due mainly to a decline in work carried forward from FY2021, as well as less large-scale conveyance equipment work in FY2022, and segment profit (loss) deteriorated.

				(Millions of yen)
	Q3 FY2021	Q3 FY2022	YoY change	YoY change (%)
Orders received	7,134	7,320	185	2.6%
Net sales	7,528	5,228	(2,299)	(30.5%)
Segment profit (loss)	64	(943)	(1,007)	_

OEnvironmental Systems Business

This business mainly includes operations related to water and sewage facilities and waste treatment facilities ordered by government agencies.

Orders received declined, mainly due to a fallback from orders for large-scale maintenance work and waste treatment facilities in Q3 FY2021. Net sales declined, but segment profit (loss) improved, partly due to an overall improvement in the profitability of projects.

				(Millions of yen)
	Q3 FY2021	Q3 FY2022	YoY change	YoY change (%)
Orders received	26,259	14,489	(11,770)	(44.8%)
Net sales	17,812	16,943	(869)	(4.9%)
Segment profit (loss)	(561)	141	703	—

OReal Estate Business

This business mainly includes leasing operations for real estate holdings and building management.

Tenant rental income increased, resulting in higher sales, but profit fell, partly due to renovation work at some properties for lease.

				(Millions of yen)
	Q3 FY2021	Q3 FY2022	YoY change	YoY change (%)
Orders received	1,800	1,852	51	2.9%
Net sales	1,800	1,852	51	2.9%
Segment profit	706	605	(101)	(14.3%)

(2) Qualitative information on consolidated financial position

			•		(Millions of yen)
	End-FY2021	End-Q3 FY2022	YoY change	YoY change (%)	Main factors behind YoY change
Current assets	125,742	113,073	(12,669)	(10.1%)	Cash and deposits decreased from the end of FY2021 due to the purchase of
Non-current assets	57,866	56,696	(1,169)	(2.0%)	treasury shares and dividends paid, and accounts receivable from completed
Total assets	183,609	169,770	(13,839)	(7.5%)	construction contracts and other declined due to seasonal factors.
Current liabilities	79,210	71,449	(7,761)	(9.8%)	Liabilities decreased due to the repayment of borrowings and the
Non-current liabilities	10,121	10,528	407	4.0%	payment of income taxes.
Total liabilities	89,331	81,977	(7,354)	(8.2%)	
Total net assets	94,278	87,792	(6,485)	(6.9%)	Decreased due to dividend of surplus.

(3) Qualitative information on consolidated earnings forecasts

We have amended the full year consolidated and non-consolidated earnings forecasts announced on May 13, 2022, based on recent performance trends. For details, please see the "Notice Regarding Amendment of Earnings Forecasts" (Japanese only), released today (February 10, 2023).

2. Consolidated Financial Statements and Related Notes

(1) Quarterly consolidated balance sheets

		(Millions of ye
	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	42,779	32,19
Notes receivable – trade	595	38
Electronically recorded monetary claims - operating	7,124	3,81
Accounts receivable from completed construction contracts and other	39,412	28,29
Contract assets	19,629	27,58
Securities	5,999	4,99
Costs on construction contracts in progress	2,921	4,92
Raw materials and supplies	756	82
Other	6,541	10,07
Allowance for doubtful accounts	(17)	(1
Total current assets	125,742	113,07
Non-current assets		
Property, plant and equipment		
Buildings and structures	43,830	43,93
Accumulated depreciation	(34,123)	(34,74
Buildings and structures, net	9,707	9,19
Machinery, vehicles, tools, furniture and fixtures	2,028	2,08
Accumulated depreciation	(1,630)	(1,66
Machinery, vehicles, tools, furniture and fixtures, net	398	42
Land	3,085	3,03
Leased assets	542	54
Accumulated depreciation	(230)	(25
Leased assets, net	311	29
Construction in progress	1	2
Total property, plant and equipment	13,504	12,98
Intangible assets		
Other	1,255	2,24
Total intangible assets	1,255	2,24
Investments and other assets		
Investment securities	30,447	28,9
Long-term loans receivable	73	(
Retirement benefit asset	6,303	6,49
Leasehold and guarantee deposits	1,466	1,51
Insurance funds	1,252	1,01
Deferred tax assets	821	72
Other	3,160	3,15
Allowance for doubtful accounts	(419)	(41
Total investments and other assets	43,106	41,47
Total non-current assets	57,866	56,69
Total assets	183,609	169,77

Current liabilities 2,588 3,144 Accounts payable for construction contracts 37,932 37,617 Short-term borrowings 8,885 7,135 Lease obligations 94 100 Income taxes payable 2,659 177 Contract liabilities 14,754 16,642 Provision for bonuses 4,143 1,988 Provision for directors' bonuses 234 177 Provision for warranties for completed construction 1,289 1,245 Provision for loss on construction contracts 9 77.210 Other 6,617 3,363 Total current liabilities 79,210 71,445 Non-current liabilities 320 65 Long-term borrowings 320 65 Lease obligations 325 324 Deferred tax liabilities 670 558 Other 5,784 5,904 Total non-current liabilities 8,105 8,107 Share capital 8,105 8,107 Share capital		As of March 31, 2022	As of December 31, 2022
Electronically recorded obligations - operating 2,588 3,143 Accounts payable for construction contracts 37,932 37,617 Short-term borrowings 8,885 7,137 Lease obligations 94 100 Income taxes payable 2,659 178 Contract liabilities 14,754 16,642 Provision for bonuses 2,34 177 Provision for directors' bonuses 2,34 177 Provision for directors' bonuses 2,34 173 Provision for directors' bonuses 2,34 173 Other 6,617 3,363 Total current liabilities 79,210 71,445 Non-current liabilities 320 66 Lease obligations 3225 322 Retirement benefit liability 2,581 3,233 Provision for loss on business of subsidiaries and associates 89,331 81,976 Other 5,784 5,904 704 Total liabilities 670 555 707 6528 Other <td< th=""><th>Liabilities</th><th></th><th></th></td<>	Liabilities		
Accounts payable for construction contracts 37,932 37,617 Short-term borrowings 8,885 7,137 Lease obligations 94 102 Income taxes payable 2,659 177 Contract liabilities 14,754 16,424 Provision for bonuses 4,143 1988 Provision for directors' bonuses 2,34 173 Provision for or warrantics for completed construction 1,289 1,243 Orber 6,617 3,363 Total current liabilities 79,210 71,445 Non-current liabilities 79,210 71,445 Non-current liabilities 320 65 Lease obligations 325 322 Retirement benefit liability 2,581 3,233 Provision for loss on business of subsidiaries and associates 440 440 Deferred tax liabilities 670 555 Other 5,784 5,904 Total non-current liabilities 8,105 8,105 Share capital 4,181 4,185 <t< td=""><td>Current liabilities</td><td></td><td></td></t<>	Current liabilities		
Accounts payable for construction contracts 37,932 37,617 Short-term borrowings 8,885 7,137 Lease obligations 94 102 Income taxes payable 2,659 177 Contract liabilities 14,754 16,424 Provision for bonuses 4,143 1988 Provision for directors' bonuses 2,34 173 Provision for or warrantics for completed construction 1,289 1,243 Orber 6,617 3,363 Total current liabilities 79,210 71,445 Non-current liabilities 79,210 71,445 Non-current liabilities 320 65 Lease obligations 325 322 Retirement benefit liability 2,581 3,233 Provision for loss on business of subsidiaries and associates 440 440 Deferred tax liabilities 670 555 Other 5,784 5,904 Total non-current liabilities 8,105 8,105 Share capital 4,181 4,185 <t< td=""><td>Electronically recorded obligations - operating</td><td>2,588</td><td>3,145</td></t<>	Electronically recorded obligations - operating	2,588	3,145
Lease obligations 94 102 Income taxes payable 2,659 177 Contract liabilities 14,754 16,428 Provision for bouses 2,34 173 Provision for directors' bouses 2,34 173 Provision for directors' bouses 2,34 173 Provision for loss on construction contracts 9 72 Other 6,617 3,363 Total current liabilities 79,210 71,445 Non-current liabilities 79,210 71,445 Lease obligations 322 324 Retirement benefit liability 2,581 3,235 Provision for loss on business of subsidiaries and associates 670 555 Other 5,784 5,904 Total non-current liabilities 10,121 10,525 Total laon-current liabilities 89,331 81,977 Share capital 8,105 8,105 Shareholders' equity 4,181 4,185 Retained earnings 75,097 69,288 Treasury		37,932	37,617
Income taxes payable 2,659 175 Contract liabilities 14,754 16,424 Provision for bonuses 4,143 1988 Provision for directors' bonuses 234 173 Provision for warranties for completed construction 1,289 1,245 Provision for loss on construction contracts 9 77 Other 6,617 3,363 Total current liabilities 79,210 71,445 Non-current liabilities 79,210 71,445 Long-term borrowings 320 66 Lease obligations 325 322 Provision for loss on business of subsidiaries and associates 440 440 Deferred tax liabilities 670 555 Other 5,784 5,904 Total non-current liabilities 10,121 10,522 Total liabilities 670 555 Other 5,784 5,904 Total non-current liabilities 10,121 10,522 Total abilities 6,513 4,143 Retianed	Short-term borrowings	8,885	7,137
Contract liabilities14,75416,424Provision for bonuses4,1431,988Provision for directors' bonuses2,341,73Provision for directors' bonuses2,341,73Provision for loss on construction contracts97,24Provision for loss on construction contracts97,210Other6,6173,363Total current liabilities79,21071,445Long-term borrowings32066Lease obligations3253,24Retirement benefit liability2,5813,233Provision for loss on business of subsidiaries and associates670555Other5,7845,904Total non-current liabilities670555Other5,7845,904Total abilities670555Share capital8,1058,107Net assets55Share capital8,1058,107Net assets5,243(4,952)Total shareholders' equity82,14076,622Accumulated other comprehensive income(1,2,11610,958Valuation difference on available-for-sale securities(5)-Prosing or losses on hedges(5)-Foreign currency translation adjustment(19)144Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,956Share acquistion rights310109	Lease obligations	94	102
Provision for bonuses4,1431,988Provision for directors' bonuses234173Provision for warranties for completed construction1,2891,245Provision for loss on construction contracts977Other $6,617$ 3,366Total current liabilities79,21071,449Non-current liabilities12066Long-term borrowings32066Lease obligations325324Retirement benefit liability2,5813,235Provision for loss on business of subsidiaries and associates440444Deferred tax liabilities670555Other5,7845,904Total non-current liabilities10,12110,528Total iabilities89,33181,977Net assets5,243)(4,952Total surplus4,1814,188Retained earnings75,09769,288Treasury shares(5,243)(4,952Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,958Valuation difference on available-for-sale securities12,11610,958Deferred gains or losses on hedges(5)-Foreig currency translation adjustment(19)144Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total accumulated other comprehensive income <td>Income taxes payable</td> <td>2,659</td> <td>178</td>	Income taxes payable	2,659	178
Provision for directors' bonuses234173Provision for warranties for completed construction1,2891,243Provision for loss on construction contracts977Other6,6173,363Total current liabilities79,21071,444Non-current liabilities32065Long-term borrowings32065Lease obligations325324Retirement benefit liability2,5813,235Provision for loss on business of subsidiaries and associates440440Deferred tax liabilities670558Other5,7845,904Total liabilities89,33181,977Net assets89,33181,977Share capital8,1058,105Capital surplus4,1814,182Retained earnings75,09769,283Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,958Valuation difference on available-for-sale securities(5)-Provision or losses on hedges(5)-Foreign currency translation adjustment(19)144Remeasurements of defined benefit plans(265)(139Total acumulated other comprehensive income11,82710,964Share acquisition rights310199Total acumulated other comprehensive income11,82710,964Share acquisition rights310199Total acumulated other comprehensive income	Contract liabilities	14,754	16,424
Provision for warranties for completed construction1,2891,245Provision for loss on construction contracts977Other6,6173,363Total current liabilities79,21071,445Non-current liabilities32066Lease obligations3225324Retirement benefit liability2,5813,235Provision for loss on business of subsidiaries and associates440440Deferred tax liabilities670558Other5,7845,904Total non-current liabilities10,12110,526Total liabilities89,33181,977Net assets\$\$Share capital\$,105\$,105Capital surplus4,1814,185Retained earnings75,09769,285Treasury shares(5,243)(4,952Total shareholders' equity82,14076,625Accumulated other comprehensive income12,11610,958Valuation difference on available-for-sale securities(5)-Poreign currency translation adjustment(19)144Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,966Share acquisition rights310109Total net assets310109	Provision for bonuses	4,143	1,989
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Other 6,617 3,363 Total current liabilities 79,210 71,449 Non-current liabilities 320 66 Long-term borrowings 320 66 Lease obligations 325 324 Retirement benefit liability 2,581 3,235 Provision for loss on business of subsidiaries and associates 670 558 Other 5,784 5,904 Total non-current liabilities 670 558 Other 5,784 5,904 Total non-current liabilities 10,121 10,528 Total supplus 89,331 81,977 Net assets 5904 59,041 Share capital 8,105 8,105 Share capital 8,105 8,105 Capital surplus 4,181 4,185 Retained earnings 75,097 69,285 Total shareholders' equity 82,2140 76,625 Accumulated other comprehensive income 12,116 10,958 Valuatin difference on available-for-sale securities	-	1,289	1,245
Total current liabilities 79,210 71,445 Non-current liabilities 320 66 Lease obligations 325 324 Retirement benefit liability 2,581 3,235 Provision for loss on business of subsidiaries and associates 440 440 Deferred tax liabilities 670 558 Other 5,784 5,904 Total non-current liabilities 10,121 10,528 Total habilities 89,331 81,977 Net assets \$ \$ Share capital 8,105 8,105 Capital surplus 4,181 4,182 Retained earnings 75,097 69,285 Total shareholders' equity 82,140 76,622 Accumulated other comprehensive income \$ \$ Valuation difference on available-for-sale securities \$ \$ Deferred gains or losses on hedges \$ \$ \$ Deferred gains or losses on hedges \$ \$ \$ Deferred gains or losses on hedges \$ <td< td=""><td>Provision for loss on construction contracts</td><td>9</td><td>72</td></td<>	Provision for loss on construction contracts	9	72
Non-current liabilitiesLong-term borrowings32065Lease obligations325324Retirement benefit liability2,5813,235Provision for loss on business of subsidiaries and associates440440Deferred tax liabilities670558Other5,7845,904Total non-current liabilities10,12110,528Total non-current liabilities10,12110,528Total non-current liabilities89,33181,977Net assets\$3104,1814,185Share capital8,1058,105Capital surplus4,1814,186Retained earnings75,09769,285Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,955Valuation difference on available-for-sale securities(5)-Perorign currency translation adjustment(19)145Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,964Share acquisition rights310195Total net assets94,27887,792	Other	6,617	3,363
Long-term borrowings 320 66 Lease obligations 325 324 Retirement benefit liability 2,581 3,235 Provision for loss on business of subsidiaries and associates 440 440 Deferred tax liabilities 670 558 Other 5,784 5,904 Total non-current liabilities 10,121 10,525 Total non-current liabilities 89,331 81,977 Net assets Share capital 8,105 8,107 Share capital 8,105 8,107 69,285 Treasury shares (5,243) (4,952 Total shareholders' equity 82,140 76,628 Accumulated other comprehensive income 12,116 10,958 Valuation difference on available-for-sale securities (5) - Poreign currency translation adjustment (19) 144 Remeasurements of defined benefit plans (265) (139 Total accumulated other comprehensive income 11,827 10,964 Share acquisition rights 310 195	Total current liabilities	79,210	71,449
Lease obligations325324Retirement benefit liability2,5813,235Provision for loss on business of subsidiaries and associates440440Deferred tax liabilities670558Other5,7845,904Total non-current liabilities10,12110,522Total non-current liabilities89,33181,977Net assets8,1058,105Share capital8,1058,105Capital surplus4,1814,185Retained carnings75,09769,285Treasury shares(5,243)(4,952Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,958Valuation difference on available-for-sale securities(5)-Foreign currency translation adjustment(19)144Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,964Share acquisition rights310195Total net assets94,27887,792	Non-current liabilities		
Retirement benefit liability2,5813,235Provision for loss on business of subsidiaries and associates440440Deferred tax liabilities670558Other5,7845,904Total non-current liabilities10,12110,528Total non-current liabilities89,33181,977Net assets8,1058,105Share capital8,1058,105Capital surplus4,1814,189Retained earnings75,09769,285Treasury shares(5,243)(4,952)Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,958Valuation difference on available-for-sale securities(5)-Foreign currency translation adjustment(19)144Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792	Long-term borrowings	320	65
Provision for loss on business of subsidiaries and associates440440Deferred tax liabilities670558Other5,7845,904Total non-current liabilities10,12110,528Total non-current liabilities89,33181,977Net assets89,33181,977Share capital8,1058,105Capital surplus4,1814,189Retained earnings75,09769,285Treasury shares(5,243)(4,952)Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,958Valuation difference on available-for-sale securities(5)-Pertred gains or losses on hedges(5)-Foreign currency translation adjustment(19)144Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792	Lease obligations	325	324
associates440440Deferred tax liabilities670558Other5,7845,904Total non-current liabilities10,12110,528Total non-current liabilities89,33181,977Net assets89,33181,977Share capital8,1058,105Capital surplus4,1814,189Retained earnings75,09769,285Treasury shares(5,243)(4,952Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,958Valuation difference on available-for-sale securities(5)-Foreign currency translation adjustment(19)143Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792	-	2,581	3,235
Other5,7845,994Total non-current liabilities10,12110,528Total liabilities89,33181,977Net assets88Share capital8,1058,105Capital surplus4,1814,189Retained earnings75,09769,285Treasury shares(5,243)(4,952)Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,958Valuation difference on available-for-sale securities(5)-Deferred gains or losses on hedges(5)-Foreign currency translation adjustment(19)145Remeasurements of defined benefit plans(265)(139)Total accumulated other comprehensive income11,82710,964Share acquisition rights310195Total net assets94,27887,792		440	440
Total non-current liabilities10,12110,528Total liabilities89,33181,977Net assets89,33181,977Share capital8,1058,105Capital surplus4,1814,189Retained earnings75,09769,285Treasury shares(5,243)(4,952)Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,958Deferred gains or losses on hedges(5)-Foreign currency translation adjustment(19)145Remeasurements of defined benefit plans(265)(139)Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792	Deferred tax liabilities	670	558
Total liabilities89,33181,977Net assets888	Other	5,784	5,904
Net assetsShareholders' equityShare capitalCapital surplusRetained earningsTreasury shares(5,243)Total shareholders' equity82,14076,628Accumulated other comprehensive incomeValuation difference on available-for-sale securitiesDeferred gains or losses on hedges(5)Foreign currency translation adjustment(19)144Remeasurements of defined benefit plans(265)Total accumulated other comprehensive income11,82710,964Share acquisition rights31010,9575094,27887,792	Total non-current liabilities	10,121	10,528
Shareholders' equityShare capital8,1058,105Capital surplus4,1814,189Retained earnings75,09769,285Treasury shares(5,243)(4,952Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,958Valuation difference on available-for-sale securities(5)-Deferred gains or losses on hedges(5)-Foreign currency translation adjustment(19)145Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792	Total liabilities	89,331	81,977
Share capital8,1058,105Capital surplus4,1814,189Retained earnings75,09769,285Treasury shares(5,243)(4,952Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,958Valuation difference on available-for-sale securities(5)Deferred gains or losses on hedges(5)Foreign currency translation adjustment(19)145Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792	Net assets		
Capital surplus4,1814,189Retained earnings75,09769,285Treasury shares(5,243)(4,952Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,958Valuation difference on available-for-sale securities12,11610,958Deferred gains or losses on hedges(5)-Foreign currency translation adjustment(19)145Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792	Shareholders' equity		
Retained earnings75,09769,285Treasury shares(5,243)(4,952)Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,958Valuation difference on available-for-sale securities12,11610,958Deferred gains or losses on hedges(5)-Foreign currency translation adjustment(19)1445Remeasurements of defined benefit plans(265)(139)Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792	Share capital	8,105	8,105
Treasury shares(5,243)(4,952)Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,958Valuation difference on available-for-sale securities12,11610,958Deferred gains or losses on hedges(5)-Foreign currency translation adjustment(19)145Remeasurements of defined benefit plans(265)(139)Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792	Capital surplus	4,181	4,189
Total shareholders' equity82,14076,628Accumulated other comprehensive income12,11610,958Valuation difference on available-for-sale securities12,11610,958Deferred gains or losses on hedges(5)-Foreign currency translation adjustment(19)145Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792	Retained earnings	75,097	69,285
Accumulated other comprehensive incomeValuation difference on available-for-sale securities12,116Deferred gains or losses on hedges(5)Foreign currency translation adjustment(19)Remeasurements of defined benefit plans(265)Total accumulated other comprehensive income11,827Share acquisition rights310Total net assets94,278	Treasury shares	(5,243)	(4,952)
Valuation difference on available-for-sale securities12,11610,958Deferred gains or losses on hedges(5)-Foreign currency translation adjustment(19)145Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792	Total shareholders' equity	82,140	76,628
securities12,11610,958Deferred gains or losses on hedges(5)-Foreign currency translation adjustment(19)145Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792	-		
Foreign currency translation adjustment(19)145Remeasurements of defined benefit plans(265)(139Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792		12,116	10,958
Remeasurements of defined benefit plans(265)(139)Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792	Deferred gains or losses on hedges	(5)	-
Total accumulated other comprehensive income11,82710,964Share acquisition rights310199Total net assets94,27887,792	Foreign currency translation adjustment	(19)	145
Share acquisition rights310199Total net assets94,27887,792	Remeasurements of defined benefit plans	(265)	(139)
Total net assets 94,278 87,792	-	11,827	10,964
	Share acquisition rights	310	199
Total liabilities and net assets183,609169,770	Total net assets	94,278	87,792
	Total liabilities and net assets	183,609	169,770

(2) Quarterly consolidated statements of income and comprehensive income

Third quarter of consolidated fiscal year

Net sales in real estate business and other1,8711Total net sales135,723125Cost of sales1071Cost of sales of completed construction contracts114,686107Cost of sales in real estate business and other1,0761Total cost of sales115,763109Gross profit on completed construction contracts19,16415Gross profit on real estate business and other7941Total cost for neal estate business and other7941Doperating profit4,94911Non-operating income1010Interest income1010Dividend income8881Non-operating expenses2930Other2081Total non-operating expenses2930Other2081Straordinary income131Extraordinary profit131Extraordinary income131Extraordinary losses1011Drofit defrond from on-current assets241Loss on retirement of non-current assets241Loss on retirement of non-current assets1011Profit defrond tarus of investment securities131Income taxes5,54711Income taxes5,54711Income taxes1,77211Profit difference on available-for-sale securities-1Total uncone taxes <t< th=""><th></th><th>December 31, 2021</th><th>For the nine months ended December 31, 2022</th></t<>		December 31, 2021	For the nine months ended December 31, 2022
Net sales in real estate business and other1.8711Total net sales	Net sales		
Total net sales 135,723 125 Cost of sales 0 0 Cost of sales in real estate business and other 1,076 1 Total cost of sales 115,763 109 Gross profit on completed construction contracts 19,164 15 Gross profit on cale state business and other 794 1 Total gross profit on cale state business and other 794 1 Total gross profit on cale state business and other 19,154 15 Gross profit on cale state business and other 19,959 16 Selling, general and administrative expenses 15,009 15 Interest income 10 10 10 Divided income 345 10 10 Total non-operating income 88 1 10 Non-operating expenses 85 00 00 Total non-operating expenses 208 10 125 Interest expenses 5,544 1 125 Coftary income 13 13 13 13 Total extraordinary income 13 13 13 14	Net sales of completed construction contracts	133,851	123,7
Cost of sales 114.686 107 Cost of sales in real estate business and other 1.076 1 Total cost of sales 115,763 109 Gross profit on completed construction contracts 19,164 15 Gross profit on completed construction contracts 19,164 15 Gross profit on call estate business and other 794 794 Total gross profit 19,959 16 Selling, general and administrative expenses 15,009 15 Operating profit 4,949 1 Non-operating income 10 10 Dividend income 32 0 Other 345 0 Total non-operating income 888 1 Interest expenses 85 0 Other 208 13 Total non-operating expenses 13 0 Ordinary mofit 5,544 1 Extraordinary income 13 0 Extraordinary income 13 0 Loss on retirement of non-current assets 24 14 Loss on retirement of non-current assets <t< td=""><td>Net sales in real estate business and other</td><td>1,871</td><td>1,92</td></t<>	Net sales in real estate business and other	1,871	1,92
Cost of sales of completed construction contracts 114,686 107 Cost of sales in real estate business and other 1,076 1 Total cost of sales 115,763 109 Gross profit on completed construction contracts 19,164 15 Gross profit on real estate business and other 794 1 Total cost of nor real estate business and other 19,959 16 Selling, general and administrative expenses 15,009 15 Operating profit 49.49 1 Non-operating income 10 10 Dividend income 388 1 Non-operating income 888 1 Non-operating profit 208 5 Other 208 5 Total non-operating expenses 85 0 Other 208 13 14 Extraordinary income 13 13 14 Gain on sale of non-current assets - - 13 Loss on retinement of non-current assets 24 12 10 Loss on retinement of non-current assets - 10 10 <t< td=""><td>Total net sales</td><td>135,723</td><td>125,7</td></t<>	Total net sales	135,723	125,7
Cost of sales in real estate business and other1.0761Total cost of sales115,763109Gross profit on completed construction contracts19,16415Gross profit on real estate business and other7941Total gross profit19,95916Selling, general and administrative expenses15,00915Operating profit4,9491Non-operating income101Interest income101Dividend income5320Other3451Total grosp orbit2081Non-operating grepenses8881Interest expenses851Interest expenses2081Other2081Total non-operating expenses2931Ordinary profit5,5441Extraordinary income131Gain on sale of non-current assets241Loss on retirement of non-current assets241Loss on valuation of investment securities775Settlement payments	Cost of sales		
Cost of sales in real estate business and other1.0751Total cost of sales115,763109Gross profit on completed construction contracts19,16415Gross profit on real estate business and other7941Total gross profit19,95916Selling, general and administrative expenses15,00915Operating profit4,9491Non-operating income101Interest income101Dividend income5320Other3451Total non-operating income8881Interest expenses851Interest expenses2081Other2081Total non-operating expenses2931Ordinary profit5,5441Extraordinary income131Gain on sale of investment securities131Total extraordinary loses241Loss on retirement of non-current assets241Loss on valuation of investment securities775Settement payments	Cost of sales of completed construction contracts	114,686	107,8
Gross profit 91.164 15 Gross profit on completed construction contracts 19,164 15 Gross profit on real estate business and other 794 Total gross profit 19,959 16 Selling, general and administrative expenses 15,009 15 Operating profit 4,949 1 Non-operating income 10 10 Dividend income 532 0 Other 345 1 Total non-operating expenses 85 0 Interest expenses 85 0 Other 208 203 0 Total non-operating expenses 293 0 0 Ordinary profit 5,544 1 1 Extraordinary income 13 13 13 Total extraordinary losses 24 24 24 24 Loss on relifement of non-current assets 24		1,076	1,1
Gross profit on completed construction contracts 19,164 15 Gross profit on real estate business and other 794 19959 16 Selling, general and administrative expenses 15,009 15 15 19,059 16 Selling, general and administrative expenses 10 11	Total cost of sales	115,763	109,0
Gross profit on completed construction contracts 19,164 15 Gross profit on real estate business and other 794 19,959 16 Selling, general and administrative expenses 15,009 15 15 Operating profit 4,949 1 10 11 <td>Gross profit</td> <td></td> <td></td>	Gross profit		
Gross profit on real estate business and other 794 Total gross profit 19,959 16 Selling, general and administrative expenses 15,009 15 Operating profit 4,949 1 Non-operating income 10 10 Interest income 332 0 Other 345 10 Total non-operating income 888 1 Non-operating expenses 85 0 Interest expenses 85 0 Other 208 10 Total non-operating expenses 293 0 Ordinary profit 5,544 1 Extraordinary income 13 10 Extraordinary income 13 13 Loss on retirement of non-current assets 24 24 Loss on valuation of investment securities 77 10 Total extraordinary losses 101 10 Profit defore income taxes 5,457 1 Income taxes – deferred 406 1046 Total extr	-	19,164	15,9
Total gross profit19,95916Selling, general and administrative expenses15,00915Operating profit4,9491Non-operating income10Dividend income532Other345Total non-operating income8881Non-operating expenses85Other208Total non-operating expenses85Other208Total non-operating expenses85Other208Total non-operating expenses13Interest expenses93Ordinary profit5,5441Extraordinary income13Gain on sale of non-current assets-Gain on sale of non-current assets24Loss on relirement of non-current assets24Loss on relirement of non-current assets24Loss on relirement of non-current assets101Profit before income taxes5,4571Income taxes - current1,366Income taxes - deferred406Total extraordinary losses1Profit attributable to owners of parent3,684Profit attributable to non-controlling interests-Other omprehensive income22Valuation difference on available-for-sale securities552Other omprehensive income24Comprehensive income4,458Other omprehensive income4,458			7
Selling, general and administrative expenses 15,009 15 Operating profit 4,949 1 Non-operating income 10 10 Dividend income 532 0 Other 345 1 Total non-operating expenses 85 0 Interest expenses 85 0 Total non-operating expenses 293 0 Total non-operating vincome 13 1 Extraordinary income 13 1 Extraordinary income 13 1 Extraordinary losses 24 1 Loss on retirement of non-current assets 24 24 Loss on valuation of investment securities 77 5 Stetlement payments 101 Profit before income taxes 5,457 1 Income taxes - deferred 406 104 Total extraordinary losses 0 O		19,959	16,7
Operating profit4,9491Non-operating income10Dividend income532Other345Total non-operating income8881Non-operating expenses85Interest expenses85Other2081Total non-operating expenses293Ordinary profit5,5441Extraordinary income13Gain on sale of investment securities13Total extraordinary income13Extraordinary losses24Loss on retirement of non-current assets24Loss on valuation of investment securities77Settlement paymentsTotal extraordinary losses101Profit before income taxes5,457Income taxes - current1,366Income taxes - deferred406Yofit attributable to owners of parent3,684Profit attributable to owners of parent3,684Profit attributable to owners of parent82Remeasurements of defined benefit plans142Total other comprehensive income774Other comprehensive income4,458Other comprehensive income774Gomprehensive income4,458			15,6
Non-operating income 10 Interest income 10 Dividend income 532 Other 345 Total non-operating expenses 888 Interest expenses 85 Other 208 Total non-operating expenses 293 Ordinary profit 5,544 1 Extraordinary income - Gain on sale of non-current assets - Gain on sale of non-current assets - - Gain on sale of non-current assets 24 Loss on retirement of non-current assets 24 - - - Loss on retirement of non-current assets 24 - - - - Income taxes 5,457 10 - <td< td=""><td></td><td></td><td>1.0</td></td<>			1.0
Interest income10Dividend income532Other345Total non-operating income888Non-operating expenses85Interest expenses85Other208Total non-operating expenses293Ordinary profit5,544Extraordinary income-Gain on sale of non-current assets-Gain on sale of non-current assets-Gain on sale of non-current assets13Total extraordinary income13Extraordinary losses24Loss on retirement of non-current assets24Loss on retirement of non-current assets24Income taxes - deferred101Profit before income taxes5,457Income taxes - deferred406Total income taxes1,772Profit attributable to owners of parent3,684Profit attributable to owners of parent82Remeasurements of defined benefit plans142Comprehensive income774(d) Comprehensive income774(d) Comprehensive income774(d) Comprehensive income774(d) Comprehensive income attributable to owners of parent774(d) Comprehensive income774(d) Comprehensive income attributable to owners of parent774(f) Reakdown)-Comprehensive income774(f) Breakdown)-Comprehensive income774(f) Breakdown)-Comprehensive income774 <td< td=""><td></td><td>1,5 15</td><td></td></td<>		1,5 15	
Dividend income532Other345Total non-operating expenses888Interest expenses85Other208Total non-operating expenses293Ordinary profit5,544Extraordinary income13Gain on sale of non-current assets-Gain on sale of non-current assets-Total extraordinary income13Extraordinary losses24Loss on retirement of non-current assets24Loss on valuation of investment securities77Settlement ayments-Total extraordinary losses101Profit before income taxes5,457Income taxes - deferred406Total income taxes1,772Profit diributable to owners of parent3,684Profit attributable to owners of parent3,684Profit attributable to owners of parent82Remeasurements of defined benefit plans142Comprehensive income774Valuation difference on available-for-sale securities552Total other comprehensive income774Valuation difference on available-for-sale securities552Total other comprehensive income774Comprehensive income774Guine taxes774Total other comprehensive income774Comprehensive income774Guine taxes774Comprehensive income774Guine taxes774Guine taxes774Total other comprehensive income		10	
Other345Total non-operating income8881Non-operating expenses85Interest expenses85Other208Total non-operating expenses293Ordinary profit5,5441Extraordinary profit5,5441Extraordinary income13Gain on sale of non-current assets-Gain on sale of non-current assets-Gain on sale of non-current assets-Coss on retirement of non-current assets24Loss on retirement of non-current assets24Loss on valuation of investment securities77Settlement payments-Total extraordinary losses101Profit before income taxes5,457Income taxes – current1,366Income taxes – deferred406Total income taxes1,772Profit attributable to on-cortrolling interests-Valuation difference on available-for-sale securities552Deferred gains or losses on hedges(2)Foreign currency translation adjustment82Remeasurements of defined benefit plans142Total other comprehensive income4,458(Breakdown)74Comprehensive income4,458			5
Total non-operating income8881Non-operating expenses85Interest expenses85Other208Total non-operating expenses293Ordinary profit5,5441Extraordinary income-Gain on sale of non-current assets-Gain on sale of non-current assets-Cas on sale of non-current assets13Total extraordinary losses24Loss on valuation of investment securities77Settlement payments-Total extraordinary losses101Profit before income taxes5,457Income taxes – current1,366Income taxes – current1,366Income taxes – current1,366Income taxes – current3,684Profit atributable to owners of parent3,684Profit attributable to non-controlling interests-Valuation difference on available-for-sale securities552Deferred gains or losses on hedges(2)Foreign currency translation adjustment82Remeasurements of defined benefit plans142Total other comprehensive income774Comprehensive income774(Breakdown)774Comprehensive income774Comprehensive income774Comprehensive income74Comprehensive income74Comprehensive income74Comprehensive income74Comprehensive income74Comprehensive income74Com			4
Non-operating expenses 85 Interest expenses 85 Other 208 Total non-operating expenses 293 Ordinary profit 5,544 1 Extraordinary income - Gain on sale of non-current assets - Gain on sale of investment securities 13 Total extraordinary income 13 Extraordinary losses 24 Loss on retirement of non-current assets 24 Loss on valuation of investment securities 77 Settlement payments - Total extraordinary losses 101 Profit before income taxes 5,457 1 Income taxes – current 1,366 Income taxes – deferred 406 Total income taxes 1,772 Profit attributable to owners of parent 3,684 Other comprehensive income 20 Valuation difference on available-for-sale securities 552 (1) Deferred gains or losses on hedges 22 (2) Profit attributable to onn-controlling interests - - Other comprehensive income 774			1,0
Interest expenses85Other208Total non-operating expenses293Ordinary profit5,5441Extraordinary income13Gain on sale of non-current assets-Gain on sale of investment securities13Total extraordinary income13Extraordinary losses24Loss on retirement of non-current assets24Loss on retirement of non-current assets77Settlement payments-Total extraordinary losses101Profit before income taxes5,457Income taxes - current1,366Income taxes - deferred406Total income taxes1,772Profit attributable to owners of parent3,684Profit attributable to on-controlling interests-Other comprehensive income774Comprehensive income774Comprehensive income4,458Brackdown)774Comprehensive income4,458		000	1,0
Other208Total non-operating expenses293Ordinary profit5,5441Extraordinary income13Gain on sale of non-current assets-Gain on sale of non-current assets13Total extraordinary losses13Loss on retirement of non-current assets24Loss on retirement of non-current assets24Loss on retirement of non-current assets101Profit before income taxes5,457Total extraordinary losses101Income taxes - current1,366Income taxes - current1,366Income taxes - defreed406Total income taxes1,772Profit3,684Profit attributable to owners of parent3,684Profit attributable to owners of defined benefit plans142Total other comprehensive income774Quartene defined benefit plans142Total other comprehensive income4,458(Breakdown)142Comprehensive income4,458		85	
Total non-operating expenses293Ordinary profit5,5441Extraordinary income-Gain on sale of non-current assets-Gain on sale of investment securities13Total extraordinary income13Extraordinary losses24Loss on retirement of non-current assets24Loss on valuation of investment securities77Settlement payments-Total extraordinary losses101Profit before income taxes5,457Income taxes - current1,366Income taxes - deferred406Total income taxes1,772Profit3,684Profit attributable to owners of parent3,684Profit attributable to owners on hedges(2)Valuation difference on available-for-sale securities552Valuation difference on available-for-sale securities142Total other comprehensive income774Quarternery translation adjustment82Remeasurements of defined benefit plans142Total other comprehensive income774Comprehensive income774Comprehensive income attributable to owners of parent4,458	-		1
Ordinary profit5,5441Extraordinary income-Gain on sale of non-current assets-Gain on sale of investment securities13Total extraordinary income13Extraordinary losses24Loss on retirement of non-current assets24Loss on valuation of investment securities77Settlement payments-Total extraordinary losses101Profit before income taxes5,457Income taxes - current1,366Income taxes - deferred406Total income taxes1,772Profit3,684(Breakdown)-Profit attributable to owners of parent3,684Valuation difference on available-for-sale securities552Valuation difference on available-for-sale securities552Comprehensive income774Comprehensive income774Comprehensive income4,458(Breakdown)-Comprehensive income4,458			2
Extraordinary incomeGain on sale of non-current assets–Gain on sale of non-current assets13Total extraordinary income13Extraordinary losses13Loss on retirement of non-current assets24Loss on valuation of investment securities77Settlement payments–Total extraordinary losses101Profit before income taxes5,457Income taxes - current1,366Income taxes - deferred406Total income taxes1,772Profit3,684Breakdown)–Profit attributable to owners of parent3,684Valuation difference on available-for-sale securities552Valuation difference on available-for-sale securities22Forered gains or losses on hedges(2)Forered gains or losses on hedges(2)Forered gains or losses on hedges142Total other comprehensive income774(Comprehensive income4,458(Breakdown)142Comprehensive income4,458			1,9
Gain on sale of non-current assets-Gain on sale of investment securities13Total extraordinary income13Extraordinary losses24Loss on retirement of non-current assets24Loss on valuation of investment securities77Settlement payments-Total extraordinary losses101Profit before income taxes5,457Income taxes - current1,366Income taxes - current1,366Income taxes - current1,366Income taxes1,772Profit3,684Breakdown)-Profit attributable to owners of parent3,684Valuation difference on available-for-sale securities552Valuation difference on available-for-sale securities552Profit attributable to non-controlling interests-Other comprehensive income22Valuation difference on available-for-sale securities552Deferred gains or losses on hedges(2)Foreign currency translation adjustment82Remeasurements of defined benefit plans142Total other comprehensive income774(Comprehensive income774(Breakdown)-Comprehensive income attributable to owners of parent4,458		5,544	1,9
Gain on sale of investment securities13Total extraordinary income13Extraordinary losses13Loss on retirement of non-current assets24Loss on valuation of investment securities77Settlement payments-Total extraordinary losses101Profit before income taxes5,457Income taxes - current1,366Income taxes - deferred406Total income taxes1,772Profit development3,684Breakdown)-Profit attributable to owners of parent3,684Valuation difference on available-for-sale securities552Valuation difference on available-for-sale securities552Deferred gains or losses on hedges(2)Foreign currency translation adjustment82Remeasurements of defined benefit plans142Total other comprehensive income774Comprehensive income4,458(Breakdown)-Comprehensive income4,458	-		
Total extraordinary income13Extraordinary losses24Loss on retirement of non-current assets24Loss on valuation of investment securities77Settlement paymentsTotal extraordinary losses101Profit before income taxes5,457Income taxes - current1,366Income taxes - deferred400Total income taxes1,772Profit3,684Breakdown)Profit attributable to owners of parent3,684Profit attributable to non-controlling interestsOther comprehensive income(2)Foreign currency translation adjustment82Remeasurements of defined benefit plans142Total other comprehensive income774(Breakdown)Comprehensive income4,458(Breakdown)Total other comprehensive incomeTotal other comprehensive incomeT		12	
Extraordinary losses24Loss on retirement of non-current assets24Loss on valuation of investment securities77Settlement payments-Total extraordinary losses101Profit before income taxes5,457Income taxes – current1,366Income taxes – deferred406Total income taxes1,772Profit3,684(Breakdown)-Profit attributable to owners of parent3,684Valuation difference on available-for-sale securities552Other comprehensive income(2)Foreign currency translation adjustment82Remeasurements of defined benefit plans142Total other comprehensive income774(Breakdown)6Comprehensive income4,458(Breakdown)4,458			
Loss on retirement of non-current assets24Loss on valuation of investment securities77Settlement payments—Total extraordinary losses101Profit before income taxes5,457Income taxes – current1,366Income taxes – deferred406Total income taxes1,772Profit3,684Breakdown)—Profit attributable to owners of parent3,684Profit attributable to non-controlling interests—Valuation difference on available-for-sale securities552Valuation difference on available-for-sale securities552Comprehensive income142Total other comprehensive income774(Breakdown)142Comprehensive income4,458Broken on attributable to owners of parent142Total other comprehensive income4,458		15	
Loss on valuation of investment securities77Settlement payments-Total extraordinary losses101Profit before income taxes5,4571Income taxes - current1,3661Income taxes - deferred4061Total income taxes1,7721Profit3,6841Breakdown)-1Profit attributable to owners of parent3,6841Profit attributable to non-controlling interests-1Other comprehensive income(2)11Valuation difference on available-for-sale securities552(1.Deferred gains or losses on hedges(2)11Total other comprehensive income14211Comprehensive income77401Comprehensive income4,45811Breakdown)11Comprehensive income4,45811Total other comprehensive income77401Comprehensive income4,45811Breakdown)11Comprehensive income attributable to owners of parent4,4581Comprehensive income attributable to owners of parent4,4581	-	24	
Settlement payments-Total extraordinary losses101Profit before income taxes5,4571Income taxes – current1,366Income taxes – deferred406Total income taxes1,772Profit3,684(Breakdown)-Profit attributable to owners of parent3,684Profit attributable to non-controlling interests-Other comprehensive income552(1Valuation difference on available-for-sale securities552(1Deferred gains or losses on hedges(2)Foreign currency translation adjustment82Remeasurements of defined benefit plans142(1)Total other comprehensive income774(1)(Breakdown)774(1)Comprehensive income4,458(Breakdown)4,458			
Total extraordinary losses101Profit before income taxes5,4571Income taxes – current1,366Income taxes – deferred406Total income taxes1,772Profit3,684(Breakdown)7Profit attributable to owners of parent3,684Profit attributable to non-controlling interests-Other comprehensive income(2)Valuation difference on available-for-sale securities552Deferred gains or losses on hedges(2)Foreign currency translation adjustment82Remeasurements of defined benefit plans142Total other comprehensive income774(Omprehensive income4,458(Breakdown)4,458		//	1
Profit before income taxes5,4571Income taxes – current1,366Income taxes – deferred406Total income taxes1,772Profit3,684(Breakdown)7Profit attributable to owners of parent3,684Profit attributable to non-controlling interests-Other comprehensive income552Valuation difference on available-for-sale securities552Deferred gains or losses on hedges(2)Foreign currency translation adjustment82Remeasurements of defined benefit plans142Total other comprehensive income774(Comprehensive income4,458(Breakdown)6Comprehensive income4,458			1
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parent 4,458			
parent		4,458	1:
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(3) Quarterly consolidated statements of cash flows

	For the nine months ended December 31, 2021	For the nine months ended December 31, 2022
sh flows from operating activities		
Profit before income taxes	5,457	1,77
Depreciation	1,184	1,11
Loss on retirement of non-current assets	24	7
Office relocation expenses	6	-
Increase (decrease) in allowance for doubtful accounts	0	()
Increase (decrease) in provision for bonuses	(1,869)	(2,15)
Increase (decrease) in retirement benefit liability	618	64
Increase (decrease) in provision for loss on construction contracts	29	6
Interest and dividend income	(542)	(61
Interest expenses	85	7
Loss (gain) on sale of property, plant and equipment	(0)	(2
Loss (gain) on sale of investment securities	(13)	(5
Loss on valuation of investment securities	77	3
Decrease (increase) in trade receivables and contract assets	3,321	6,76
Decrease (increase) in costs on construction contracts in progress	(1,493)	(1,99
Increase (decrease) in trade payables	(90)	21
Increase (decrease) in contract liabilities	6,530	1,65
Increase (decrease) in other current liabilities	(1,186)	(3,17
Settlement payments	—	13
Other	(6,599)	(2,25
Subtotal	5,537	2,27
Interest and dividends received	543	61
Interest paid	(88)	(7
Commitment fee payment	(10)	
Income taxes paid	(1,762)	(4,14
Income taxes refund	358	
Office relocation expenses paid	(6)	-
Settlement paid	—	(13
Cash flows from operating activities	4,572	(1,47
sh flows from investing activities		
Purchase of securities	(13,000)	(15,00
Proceeds from redemption of securities	12,000	16,00
Purchase of property, plant and equipment	(745)	(58
Proceeds from sale of property, plant and equipment	0	
Payments for retirement of property, plant and equipment	(27)	(6
Purchase of investment securities	(17)	(27
Proceeds from sale of investment securities	69	15
Proceeds from collection of loans receivable	10	
Purchase of intangible assets	(456)	(1,08
Proceeds from maturity of insurance funds	304	53
Other	(103)	(16
Cash flows from investing activities	(1,965)	(40
sh flows from financing activities		
Net increase (decrease) in short-term borrowings	(860)	(96
Repayments of long-term borrowings	(1,042)	(1,04
Purchase of treasury shares	(1,411)	(1,96
Proceeds from exercise of share options	0	
Repayments of lease obligations	(127)	(7
Dividends paid	(4,537)	(4,74
Cash flows from financing activities	(7,979)	(8,78
ect of exchange rate changes on cash and cash equivalents	45	7
t increase (decrease) in cash and cash equivalents	(5,327)	(10,58
t increase (decrease) in cash and cash edulvalents		
sh and cash equivalents at beginning of period	37,087	44,77

(4) Notes on premise of going concern

Not applicable

(5) Segment information, etc.

I. Third quarter of fiscal year 2021 (April 1, 2021 to December 31, 2021)

1. Information on net sales and profit (loss) by reportable segment

								(1	Millions of yen)
		Repo	ortable segn	nents					Quarterly consolidated
	Facilities Construc- tion Busi- ness	Machinery Systems Business	Environ- mental Sys- tems Busi- ness	Real Estate Business	Total	Other (Notes) 1	Total	Adjust- ments (Notes) 2	profit/loss and comprehensive income posted (Notes) 3
Net sales									
Net sales to external customers	108,518	7,522	17,798	1,798	135,638	84	135,723	_	135,723
Intersegment sales or transfers	258	5	14	2	280	308	589	(589)	_
Total	108,777	7,528	17,812	1,800	135,919	392	136,312	(589)	135,723
Segment profit (loss)	4,474	64	(561)	706	4,683	(19)	4,663	880	5,544

(Notes) 1. The "Other" category is a business segment that is not included in reportable segments and includes the leasing business and insurance agency business, etc.

- 2. The adjustment amount of ¥880 million to segment profit/loss includes company-wide profit not allocated to each reportable segment of ¥495 million, the reversal amount of the interest burden allocated to each segment within the company of ¥284 million, and an adjustment amount of ¥101 million due to the recording of loss on retirement of non-current assets and loss on valuation of investment securities attributable to each segment as extraordinary losses. Differences in allocation of company-wide expenses, etc., are the main source of company-wide profit.
- 3. Segment profit or loss is adjusted with ordinary profit in the quarterly consolidated statements of income and comprehensive income.

II. Third quarter of fiscal year 2022 (April 1, 2022 to December 31, 2022)

1. Information on net sales and profit (loss) by reportable segment

									(Millions of yen)
		Reportable segments						Adjust-	Quarterly consolidated
	Facilities Construc- tion Busi- ness	Machinery Systems Business	Environ- mental Sys- tems Busi- ness	Real Estate Business	Total	Other (Notes) 1	Total	ments (Notes) 2	profit/loss and comprehensive income posted (Notes) 3
Net sales									
Net sales to external customers	101,616	5,226	16,931	1,850	125,624	89	125,713	_	125,713
Intersegment sales or transfers	224	2	12	2	241	279	520	(520)	_
Total	101,841	5,228	16,943	1,852	125,866	368	126,234	(520)	125,713
Segment profit (loss)	912	(943)	141	605	716	(32)	683	1,253	1,937

(Notes) 1. The "Other" category is a business segment that is not included in reportable segments and includes the leasing business and insurance agency business, etc.

- 2. The adjustment amount of ¥1,253 million to segment profit/loss includes company-wide profit not allocated to each reportable segment of ¥832 million, the reversal amount of the interest burden allocated to each segment within the company of ¥198 million, and an adjustment amount of ¥222 million due to the recording of loss on retirement of non-current assets, loss on valuation of investment securities, and other items attributable to each segment as extraordinary income and losses. Differences in allocation of company-wide expenses, etc., are the main source of company-wide profit.
- 3. Segment profit or loss is adjusted with ordinary profit in the quarterly consolidated statements of income and comprehensive income.

(6) Notes regarding significant changes in shareholders' equity [if any]

The Company has implemented the purchase and cancellation of treasury shares based on a resolution passed at the meeting of the Board of Directors on August 5, 2022. As a result, during the nine months ended December 31, 2022, treasury shares increased by \$1,964 million due to purchases, while treasury shares and retained earnings decreased by \$2,016 million due to the cancellation of treasury shares. The balance of treasury shares as of December 31, 2022, was \$4,952 million.