

Consolidated Financial Results
for the Fiscal Year Ended March 31, 2024
<Japanese GAAP>

Listed company: SANKI ENGINEERING CO., LTD.
Listed stock exchange: Tokyo
Securities code: 1961
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Scheduled date of annual general meeting of shareholders: June 21, 2024

Scheduled date to commence dividend payments: June 24, 2024

Scheduled date to file annual securities report: June 21, 2024

Preparation of explanatory materials for financial results: Yes

Holding of a briefing on financial results: Yes (for securities analysts and institutional investors)

(Amounts of less than 1 million yen are truncated)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024
(April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

(% figures show year-on-year change)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	221,920	16.3	11,586	114.2	12,750	104.1	8,951	88.4
March 31, 2023	190,865	(1.2)	5,409	(40.6)	6,247	(36.4)	4,750	(26.8)

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥20,242 million [458.2%]

Fiscal year ended March 31, 2023: ¥3,626 million [(57.3%)]

Fiscal year ended	Profit per share	Profit per share – diluted	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2024	165.58	165.02	9.2	6.8	5.2
March 31, 2023	85.80	85.50	5.1	3.5	2.8

(2) Consolidated financial position

As of	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	202,161	104,621	51.7	1,967.03
March 31, 2023	172,305	90,913	52.6	1,666.36

(Reference) Shareholders' equity: As of March 31, 2024: ¥104,431 million As of March 31, 2023: ¥90,714 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	1,285	3,174	(6,069)	23,500
March 31, 2023	(10,584)	(969)	(8,327)	24,949

2. Dividends

	Annual dividends					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2023	—	35.00	—	40.00	75.00	4,132	87.4	4.5
March 31, 2024	—	35.00	—	50.00	85.00	4,560	51.3	4.7
Fiscal year ending March 31, 2025 (Forecast)	—	42.50	—	42.50	85.00		51.3	

(Note) Breakdown of end-FY3/23 dividend: Ordinary dividend ¥35; Extraordinary dividend ¥5

Breakdown of end-FY3/24 dividend: Ordinary dividend ¥35; Extraordinary dividend ¥15

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% 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	225,000	1.4	12,500	7.9	13,000	2.0	8,800	(1.7)	165.75

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

New: - (Company name:) Excluded: - (Company name:)

(2) 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

(3) Number of shares issued (common stock)

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

As of March 31, 2024	56,661,156 shares
As of March 31, 2023	58,161,156 shares

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

As of March 31, 2024	3,570,395 shares
As of March 31, 2023	3,722,458 shares

(iii) Average number of shares during period

Fiscal year ended March 31, 2024	54,061,299 shares
Fiscal year ended March 31, 2023	55,366,998 shares

(Reference) Summary of non-consolidated financial results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2024

(April 1, 2023 to March 31, 2024)

(1) Non-consolidated operating results

(% figures show year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2024	197,084	16.5	8,767	149.7	11,266	100.3	8,430	74.5
March 31, 2023	169,116	(2.6)	3,510	(51.8)	5,624	(41.8)	4,830	(30.5)

	Profit per share	Profit per share – diluted
Fiscal year ended	Yen	Yen
March 31, 2024	155.94	155.42
March 31, 2023	87.25	86.95

(2) Non-consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	187,491	92,559	49.3	1,739.84
March 31, 2023	157,705	81,579	51.6	1,494.89

(Reference) Shareholders' equity: As of March 31, 2024: ¥92,369 million

As of March 31, 2023: ¥81,380 million

2. Forecast of Non-Consolidated Financial Results for the Fiscal Year Ending March 31, 2025
(April 1, 2024 to March 31, 2025)

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

	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	205,000	4.0	10,000	14.1	12,500	11.0	9,300	10.3	175.17

* The summary of financial results is not subject to inspection by a certified public accountant or an audit corporation.

* Proper use of earnings forecasts, and other special matters

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. For matters related to the above earnings forecasts, please see the accompanying materials on p. 5 “1. Overview of operating results and others, (4) Outlook.”

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.

[Attached Materials]

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1. Overview of operating results and others

(1) Overview of operating results in the fiscal year under review

During the consolidated fiscal year under review, the economic situation in Japan has remained unpredictable given continued global tensions, rising prices due to ongoing depreciation of the yen, and other factors, although exit from the COVID-19 pandemic has progressed, bringing about normalization of socioeconomic activity.

Construction investment increased significantly due notably to reshoring of manufacturing, demand in digital transformation, and large-scale redevelopment projects at major metropolises, maintaining a firm trend that was supported by rise in unit construction cost and robust corporate demand for capital investment.

In anticipation of the application of regulations on maximum working hour limit to the construction industry from FY2024, efforts are called for to further improve efficiency in order to respond to strong domestic demand for capital investment while facing challenges such as rising labor costs and shortage of engineers.

In this environment, the Group strived to remain the enduring company of choice and achieve the aspiration of its long-term vision “Century 2025” as it commemorates its 100th anniversary in April 2025. To this end, the Group continued to work on Phase 1 initiatives focused on improving quality and Phase 2 efforts to enhance reliability, while also implementing new measures, including Phase 3 initiatives to contribute to the sustainability of society, accelerate work-style reforms, and invest toward the next era.

As a result, the Group’s business performance in the consolidated fiscal year under review was as follows.

(Millions of yen)

	FY2022	FY2023	YoY change	YoY change (%)	Main factors behind YoY change
Orders received	228,554	232,396	3,842	1.7%	As stated in the next section, “Operating results of major segments”
Balance carried forward	188,426	198,902	10,476	5.6%	
Net sales	190,865	221,920	31,054	16.3%	
Gross profit	27,012	34,642	7,629	28.2%	
Margin (%)	14.2%	15.6%	1.4%		
Operating profit	5,409	11,586	6,177	114.2%	
Margin (%)	2.8%	5.2%	2.4%		
Ordinary profit	6,247	12,750	6,503	104.1%	
Margin (%)	3.3%	5.7%	2.4%		
Profit attributable to owners of parent	4,750	8,951	4,200	88.4%	
Margin (%)	2.5%	4.0%	1.5%		

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

<Operating results of major segments>

○Facilities 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.

While orders received decreased, net sales increased due largely to steady progress on projects that were carried forward from FY2022. Segment profit increased as a result largely of higher net sales and overall improvement in construction profitability.

(Millions of yen)

	FY2022	FY2023	YoY change	YoY change (%)
Orders received	194,809	183,606	(11,203)	(5.8%)
Net sales	155,778	182,545	26,766	17.2%
Segment profit	5,497	11,876	6,378	116.0%

○Machinery Systems Business

This business mainly includes conveyance systems and manufacturing and sales business related to transportation equipment.

Net sales increased due largely to progress on the projects that were carried forward from FY2022. Segment loss improved due to the increase in net sales, but profitability was low.

(Millions of yen)

	FY2022	FY2023	YoY change	YoY change (%)
Orders received	11,654	11,242	(411)	(3.5%)
Net sales	7,661	10,591	2,930	38.3%
Segment loss	(1,055)	(946)	108	—

○Environmental Systems Business

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

Orders received increased with orders received for large-scale waste treatment facilities. Net sales and segment profit both increased.

(Millions of yen)

	FY2022	FY2023	YoY change	YoY change (%)
Orders received	19,929	35,383	15,454	77.5%
Net sales	25,200	26,415	1,214	4.8%
Segment profit	805	979	173	21.6%

○Real Estate Business

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

Net sales and segment profit both increased due largely to increase in tenant rental income and decrease in repair work.

(Millions of yen)

	FY2022	FY2023	YoY change	YoY change (%)
Orders received	2,471	2,482	11	0.5%
Net sales	2,471	2,482	11	0.5%
Segment profit	724	866	142	19.6%

(2) Overview of financial position in the fiscal year under review

(Millions of yen)

	End-FY2022	End-FY2023	YoY change	YoY change (%)	Main factors behind YoY change
Current assets	115,512	131,564	16,051	13.9%	Accounts receivable from completed construction contracts and other as well as contract assets increased due to growth in construction volume
Non-current assets	56,793	70,596	13,803	24.3%	
Total assets	172,305	202,161	29,855	17.3%	
Current liabilities	69,649	81,597	11,947	17.2%	Accounts payable for construction contracts increased due to growth in construction volume, while deferred tax liabilities increased due to rise in market value of investment securities
Non-current liabilities	11,742	15,941	4,199	35.8%	
Total liabilities	81,392	97,539	16,147	19.8%	
Total net assets	90,913	104,621	13,707	15.1%	Retained earnings increased due to posting of profit attributable to owners of parent, while valuation difference on available-for-sale securities increased due to rise in market value

(3) Overview of cash flows in the fiscal year under review

(Millions of yen)

	FY2022	FY2023	Reasons for cash flow changes in FY2023
Cash and cash equivalents at beginning of period	44,779	24,949	
Cash flows from operating activities	(10,584)	1,285	Due to posting of profit before income taxes and an increase in trade payables that exceeded an increase in trade receivables, among other items.
Cash flows from investing activities	(969)	3,174	Mainly due to redemption of securities.
Cash flows from financing activities	(8,327)	(6,069)	Mainly due to dividend payments and purchase of treasury shares based on financial and capital policies.
Effect of exchange rate changes on cash and cash equivalents, etc.	51	159	
Cash and cash equivalents at end of period	24,949	23,500	

Trends in the Group's cash flow indicators are shown below.

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Shareholders' equity ratio	53.4%	51.2%	52.6%	51.7%
Marked-to-market equity ratio	50.6%	45.4%	49.4%	59.9%
Ratio of interest-bearing liabilities to cash flow	—	0.7 year	—	9.6 years
Interest coverage ratio	—	164.4X	—	12.2X

Shareholders' equity ratio: shareholders' equity / total assets

Marked-to-market equity ratio: market capitalization / total assets

Ratio of interest-bearing liabilities to cash flow: interest-bearing liabilities / operating cash flow

Interest coverage ratio: operating cash flow / interest payment

* All indicators have been calculated based on consolidated financial data.

* Market capitalization is calculated by multiplying the closing share price as of the end of the fiscal year by the number of issued shares as of the end of the fiscal year.

* For operating cash flow, cash flow from operating activities in the consolidated cash flow statement has been used. Interest-bearing liabilities include all liabilities declared in the consolidated balance sheet for which interest is paid. For interest payment, the amount of interest paid according to the consolidated cash flow statement is used.

* The ratio of interest-bearing liabilities to cash flow and the interest coverage ratio have been omitted for the fiscal years ended March 31, 2021 and 2023, because operating cash flows were in the negative.

(4) Outlook

In FY2024, the Group will steadily execute the plan to be the “Company of Choice” and work toward achieving the financial performance targets under the “Century 2025” Phase 3 medium-term management plan. Consolidated earnings forecasts are as follows.

	FY2024 consolidated earnings forecasts	(Reference) FY2023 consolidated results
Orders received	¥210 billion	¥232.3 billion
Net sales	¥225 billion	¥221.9 billion
Operating profit	¥12.5 billion	¥11.5 billion
Ordinary profit	¥13.0 billion	¥12.7 billion
Profit attributable to owners of parent	¥8.8 billion	¥8.9 billion

Note: Figures rounded down to the nearest hundred million yen.

2. Management policy, operating environment, and issues to be addressed

(1) Management policy

The Group has formulated “Century 2025,” a long-term vision extending for 10 years until FY2025, which marks the 100th anniversary of the Group’s foundation, consisting of the following three phases of the medium-term management plan through which the Group seeks to become “the Company of Choice” for all stakeholders.

- “Century 2025” Phase 1 (FY2016–FY2018): 3-year period to enhance quality
- “Century 2025” Phase 2 (FY2019–FY2021): 3-year period to enhance reliability
- “Century 2025” Phase 3 (FY2022–FY2025): 4-year period to become “the Company of Choice”

The consolidated fiscal year under review is the second year of the medium-term management plan “Century 2025” Phase 3, the culmination of the Group’s long-term vision of becoming a “Company of Choice.” The outline of Phase 3 is as follows.

(i) Basic Policies

Realize our ambition of becoming a corporate group of choice and prepare the groundwork for the next era by implementing new initiatives while continuing to work on the measures taken to achieve Phase 1 priority theme of “enhancing the quality of its technology and human resources” and Phase 2 priority theme of “enhancing reliability,” for these to mature or evolve further.

(ii) Priority measures

- Continuation of Phase 1
 - Strengthen Core Businesses
 - Promote Growth Strategy
 - Enhance the Sanki Brand
- Continuation of Phase 2
 - Disclose Financial and Capital Policies
 - Strengthen Information Dissemination Capabilities
- New initiatives
 - Contribute to the Sustainability of Society
 - Accelerate Work-Style Reforms
 - Invest toward the Next Era

(iii) Management targets

- Financial performance targets of the final fiscal year of Phase 3

	FY2025
Net sales	¥220.0 billion
Gross profit margin	16.5%
Ordinary profit	¥12.0 billion

• Targets for the Phase 3 period

	FY2022–FY2025
Ordinary profit margin	5.0% or higher
Payout ratio	50% or higher
Dividend	¥70 or more per share annually
Acquisition of treasury shares	About 5 million shares*
ROE	8.0% or higher
Growth investment	About ¥20 billion*

* Cumulative total for the planned period

(2) Operating environment and issues to be addressed

With respect to operating environment, the Group recognizes that the environment is changing significantly in such aspects as decarbonization, declining birth rate and aging population, work-style reform, and rapid progress of DX. To respond to these changes in the environment, the Group will promote energy conservation and energy creation business, automation and labor-saving business, and the “Smile Project,” which is the Group’s unique work-style reform aimed at creating a friendly work environment including elimination of long working hours.

With respect to requests issued by the Tokyo Stock Exchange under “Action to Implement Management that is Conscious of Cost of Capital and Stock Price,” the Board of Directors of the Company has analyzed and evaluated the current situation regarding balance sheet profitability and market valuation.

While the target for ROE (return on equity) as set forth in “Century 2025” Phase 3 medium-term management plan is 8% or higher, this target was achieved in FY2023 with ROE of 9.2%, which is higher than what we perceive to be the cost of shareholder equity (6% to 7%).

PBR (Price-to-Book Ratio) was greater than 1.0 in FY2023.

Going forward, the Company will promote initiatives that are conscious of appropriate allocation of management resources based on the Board of Directors’ analysis and evaluation of the current situation.

Main initiatives in the consolidated fiscal year under review and future challenges are as follows.

(i) Group-wide initiatives

(E) Resolving global environmental issues through business activities

- Technological development and expanded sales of products that contribute to energy conservation to achieve a carbon-free society
- Enhancement of our unique donations system “SANKI YOU ECO CONTRIBUTION”
- Continued participation in the Ministry of Environment’s 30by30 Alliance for Biodiversity
- Named to CDP’s Climate Change A List company (highest rating) for the second consecutive year
- Start of operation of solar PPA business for self-wheeling of electricity generated at own facilities
- Recycling of used work uniforms into towels
- Start of application process for obtaining SBT* accreditation

* Science Based Targets (SBT) are targets certified by the Science Based Targets initiative (SBTi), an international initiative, for reducing greenhouse gas emissions in line with the Paris Agreement goals to limit the global average temperature increase to 1.5 °C above pre-industrial levels.

(S) Proactive measures to promote work-style reforms, enhance communication, and support culture and sports

- Continuation of unique work-style reforms under the “Smile Project”
- Increase in starting salary for new graduates and employees’ salary levels
- Establishment of Digital Reform Promotion Division and formulation of SANKI DX Vision – Transforming to an organization where all Group employees are “connected”
- Certified by the Ministry of Economy, Trade and Industry as a DX-certified operator

- Certified as a “Health & Productivity Management Outstanding Organization 2024 (Large Enterprise Category)” for the second consecutive year
 - Visits to elementary schools to conduct classes on subjects such as everyday chemistry topics and environmental conservation as an initiative for supporting the development of the next generation and contributing to local communities
 - Promotion of safety and health education for the diverse human resources by producing a safety and health handbook in six languages
- (G) Continuing initiatives based on the Sanki Engineering Corporate Governance Guidelines
- Achieve and maintain the higher level of governance required by the Tokyo Stock Exchange Prime Market
 - Start of operation of BCMS* in the 5 domestic subsidiaries
- * BCMS: Business Continuity Management System

(ii) Initiatives in each business

• Facilities Construction Business

Amid vigorous private-sector investment in large-scale urban redevelopment projects at major metropolises, in industrial HVAC for facilities such as semiconductor and electric vehicle battery plants, and in data centers, the robust market helped us secure a backlog of orders that exceeded the previous year’s level. At the same time, although lengthy equipment delivery times have been improving, prices of materials and equipment and labor costs continue to rise, and shortage of engineers persists. Moreover, as the trend toward larger projects continues, the longer project horizon of large-scale construction work entails difficulty in securing personnel in the event of process change and risks such as surges in labor costs and prices of materials and equipment. How to control the impact of these factors is an issue that we need to address.

• Machinery Systems Business

The need for automation and labor-saving solutions arising from the labor shortage that is partly attributable to the so-called “2024 problem” remains strong in both manufacturing and non-manufacturing industries. To capture this opportunity, we focused on secondary battery, healthcare, pharmaceutical, and logistics fields where we see future growth potential. We will continue to work on expanding sales of new products targeting the logistics field that were launched last year by showcasing them at trade exhibitions and other occasions.

• Environmental Systems Business

Public-sector investment in public infrastructure including water processing facilities and waste processing facilities has been on a par with the previous year, but amid elevated need for energy conservation as we move toward a carbon-free society, we have been working on expanding sales of products with advanced energy-saving features and making business proposals primarily focused on reducing greenhouse gas emissions based on the DBO* method. Some products have been performing favorably in overseas markets as well, and we will seek to expand the business by making capital investment both in Japan and abroad. Furthermore, we have proceeded to restructure the Group’s businesses and changed the trade name of Sanki Chemical Engineering & Construction Co., Ltd. to Sanki Greentech Co., Ltd., and Sanki Kankyo Service Co., Ltd. to Sanki Acquatch Co., Ltd. These Group companies will enhance their respective expertise and grow as companies having a competitive advantage and operating more efficiently.

* DBO (Design Build Operate): a method of engaging a single private contractor to undertake the entire task of designing, construction, operation, and maintenance.

In order to realize its long-term vision and become “the Company of Choice,” the Group will proceed with development of new technologies and further strengthening of corporate governance, and strive to achieve its sustainable growth and enhancement of corporate value over the medium to long term based on full commitment to compliance, while continuing its efforts to build a corporate structure that can respond flexibly to changes in the environment.

3. Basic view on selection of accounting standards

The Group prepares its consolidated financial statements in line with Japanese standards to enable a comparison of the statements across fiscal periods and between companies. We plan to respond appropriately to the adoption of IFRS (International Financial Reporting Standards), taking into account conditions in Japan and overseas.

4. Consolidated financial statements and related notes

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	24,949	23,500
Notes receivable - trade	407	307
Electronically recorded monetary claims - operating	4,603	5,427
Accounts receivable from completed construction contracts and other	48,286	55,803
Contract assets	23,843	36,011
Securities	4,000	1,000
Costs on construction contracts in progress	2,801	2,541
Raw materials and supplies	711	841
Other	5,908	6,133
Allowance for doubtful accounts	—	(1)
Total current assets	115,512	131,564
Non-current assets		
Property, plant and equipment		
Buildings and structures	43,955	44,432
Accumulated depreciation	(34,672)	(35,299)
Buildings and structures, net	9,283	9,133
Machinery, vehicles, tools, furniture and fixtures	2,111	2,258
Accumulated depreciation	(1,687)	(1,771)
Machinery, vehicles, tools, furniture and fixtures, net	424	486
Land	3,035	3,035
Lease assets	538	540
Accumulated depreciation	(266)	(264)
Leased assets, net	271	275
Construction in progress	22	36
Total property, plant and equipment	13,037	12,966
Intangible assets		
Other	2,302	2,045
Total intangible assets	2,302	2,045
Investments and other assets		
Investment securities	28,010	40,539
Long-term loans receivable	64	55
Retirement benefit asset	7,190	8,978
Leasehold and guarantee deposits	1,636	1,654
Insurance funds	1,011	636
Deferred tax assets	849	1,042
Other	3,026	3,019
Allowance for doubtful accounts	(337)	(341)
Total investments and other assets	41,453	55,584
Total non-current assets	56,793	70,596
Total assets	172,305	202,161

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	1,667	3,447
Accounts payable for construction contracts	35,074	40,992
Short-term borrowings	6,674	6,386
Lease liabilities	97	97
Income taxes payable	839	4,344
Contract liabilities	15,027	14,058
Provision for bonuses	4,101	6,016
Provision for directors' bonuses	224	283
Provision for warranties for completed construction	1,405	436
Provision for loss on construction contracts	32	1,077
Other	4,505	4,456
Total current liabilities	69,649	81,597
Non-current liabilities		
Long-term borrowings	1,400	2,374
Lease liabilities	300	299
Retirement benefit liability	3,861	3,357
Provision for loss on business of subsidiaries and associates	440	—
Deferred tax liabilities	64	4,097
Other	5,675	5,813
Total non-current liabilities	11,742	15,941
Total liabilities	81,392	97,539
Net assets		
Shareholders' equity		
Share capital	8,105	8,105
Capital surplus	4,189	4,192
Retained earnings	73,051	75,769
Treasury shares	(5,335)	(5,630)
Total shareholders' equity	80,011	82,436
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,583	19,646
Foreign currency translation adjustment	101	295
Remeasurements of defined benefit plans	17	2,051
Total accumulated other comprehensive income	10,702	21,994
Share acquisition rights	199	190
Total net assets	90,913	104,621
Total liabilities and net assets	172,305	202,161

(2) Consolidated statements of income and comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales		
Net sales of completed construction contracts	188,258	219,308
Net sales in real estate business and other	2,607	2,611
Total net sales	190,865	221,920
Cost of sales		
Cost of sales of completed construction contracts	162,217	185,758
Cost of sales in real estate business and other	1,635	1,519
Total cost of sales	163,853	187,278
Gross profit		
Gross profit on completed construction contracts	26,040	33,550
Gross profit on real estate business and other	971	1,092
Total gross profit	27,012	34,642
Selling, general and administrative expenses		
Employees' salaries and allowances	7,915	7,761
Provision for bonuses	1,744	2,530
Provision for bonuses for directors (and other officers)	217	283
Retirement benefit expenses	467	454
Provision of allowance for doubtful accounts	—	3
Depreciation	879	1,150
Other	10,377	10,871
Total selling, general and administrative expenses	21,603	23,055
Operating profit	5,409	11,586
Non-operating income		
Interest income	17	35
Dividend income	628	720
Insurance claim income	66	220
Surrender value of insurance policies	109	209
Waste disposal income	194	161
Other	189	262
Total non-operating income	1,205	1,610
Non-operating expenses		
Interest expenses	98	106
Construction repair expenses	13	86
Environmental expenses	—	70
Other	255	183
Total non-operating expenses	367	446
Ordinary profit	6,247	12,750

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Extraordinary income		
Gain on sale of non-current assets	22	—
Gain on sale of investment securities	1,027	550
Gain on liquidation of subsidiaries and associates	—	25
Total extraordinary income	1,049	575
Extraordinary losses		
Loss on retirement of non-current assets	189	116
Loss on valuation of investment securities	31	52
Settlement payments	139	—
Total extraordinary losses	360	168
Profit before income taxes	6,935	13,157
Income taxes - current	2,282	5,263
Income taxes - deferred	(96)	(1,057)
Total income taxes	2,185	4,206
Profit	4,750	8,951
(Breakdown)		
Profit attributable to owners of parent	4,750	8,951
Profit attributable to non-controlling interests	—	—
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,532)	9,063
Deferred gains or losses on hedges	5	—
Foreign currency translation adjustment	120	193
Remeasurements of defined benefit plans	282	2,034
Total other comprehensive income	(1,124)	11,291
Comprehensive income	3,626	20,242
(Breakdown)		
Comprehensive income attributable to owners of parent	3,626	20,242
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,105	4,181	75,097	(5,243)	82,140
Changes during period					
Dividends of surplus			(4,743)		(4,743)
Profit attributable to owners of parent			4,750		4,750
Purchase of treasury shares				(2,347)	(2,347)
Disposal of treasury shares		(28)		239	211
Transfer of loss on disposal of treasury shares		36	(36)		—
Cancellation of treasury shares			(2,016)	2,016	—
Net changes in items other than shareholders' equity					
Total changes during period	—	8	(2,045)	(91)	(2,128)
Balance at end of period	8,105	4,189	73,051	(5,335)	80,011

	Accumulated other comprehensive income					Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	12,116	(5)	(19)	(265)	11,827	310	94,278
Changes during period							
Dividends of surplus							(4,743)
Profit attributable to owners of parent							4,750
Purchase of treasury shares							(2,347)
Disposal of treasury shares							211
Transfer of loss on disposal of treasury shares							—
Cancellation of treasury shares							—
Net changes in items other than shareholders' equity	(1,532)	5	120	282	(1,124)	(111)	(1,235)
Total changes during period	(1,532)	5	120	282	(1,124)	(111)	(3,364)
Balance at end of period	10,583	—	101	17	10,702	199	90,913

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,105	4,189	73,051	(5,335)	80,011
Changes during period					
Dividends of surplus			(4,083)		(4,083)
Profit attributable to owners of parent			8,951		8,951
Purchase of treasury shares				(2,549)	(2,549)
Disposal of treasury shares		2		104	107
Transfer of loss on disposal of treasury shares					—
Cancellation of treasury shares			(2,149)	2,149	—
Net changes in items other than shareholders' equity					
Total changes during period	—	2	2,717	(295)	2,425
Balance at end of period	8,105	4,192	75,769	(5,630)	82,436

	Accumulated other comprehensive income					Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	10,583	—	101	17	10,702	199	90,913
Changes during period							
Dividends of surplus							(4,083)
Profit attributable to owners of parent							8,951
Purchase of treasury shares							(2,549)
Disposal of treasury shares							107
Transfer of loss on disposal of treasury shares							—
Cancellation of treasury shares							—
Net changes in items other than shareholders' equity	9,063	—	193	2,034	11,291	(8)	11,282
Total changes during period	9,063	—	193	2,034	11,291	(8)	13,707
Balance at end of period	19,646	—	295	2,051	21,994	190	104,621

(4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	6,935	13,157
Depreciation	1,511	1,919
Loss on retirement of non-current assets	189	116
Office relocation expenses	65	24
Increase (decrease) in provision for loss on business of subsidiaries and associates	—	(440)
Increase (decrease) in allowance for doubtful accounts	(26)	3
Increase (decrease) in provision for bonuses	(42)	1,915
Increase (decrease) in net defined benefit liability	799	636
Increase (decrease) in provision for loss on construction contracts	23	1,044
Interest and dividend income	(645)	(755)
Interest expenses	98	106
Loss (gain) on sale of property, plant and equipment	(22)	0
Loss (gain) on sale of investment securities	(1,027)	(541)
Loss on valuation of investment securities	31	52
Gain on liquidation of subsidiaries and associates	—	(25)
Decrease (increase) in trade receivables and contract assets	(10,328)	(20,326)
Decrease (increase) in costs on construction contracts in progress	125	274
Increase (decrease) in trade payables	(3,793)	7,671
Increase (decrease) in contract liabilities	263	(983)
Increase (decrease) in other current liabilities	(2,160)	43
Settlement payments	139	—
Other	1,142	(1,522)
Subtotal	(6,720)	2,373
Interest and dividends received	645	755
Interest paid	(98)	(105)
Income taxes paid	(4,213)	(1,897)
Income taxes refund	7	188
Office relocation costs paid	(65)	(28)
Settlement paid	(139)	—
Cash flows from operating activities	(10,584)	1,285
Cash flows from investing activities		
Purchase of securities	(21,000)	(14,000)
Proceeds from redemption of securities	21,000	17,000
Purchase of property, plant and equipment	(1,007)	(1,337)
Proceeds from sale of property, plant and equipment	76	0
Payments for retirement of property, plant and equipment	(178)	(101)
Purchase of investment securities	(273)	(8)
Proceeds from sale of investment securities	1,503	872
Proceeds from liquidation of subsidiaries and associates	—	178
Proceeds from collection of loans receivable	12	24
Purchase of intangible assets	(1,185)	(222)
Subsidies received	20	20
Proceeds from maturity of insurance funds	555	735
Other	(491)	13
Cash flows from investing activities	(969)	3,174
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	258	(656)
Proceeds from long-term borrowings	1,750	2,000
Repayments of long-term borrowings	(3,140)	(670)
Purchase of treasury shares	(2,347)	(2,549)
Proceeds from exercise of share options	0	0
Repayments of lease liabilities	(105)	(109)
Dividends paid	(4,743)	(4,083)
Cash flows from financing activities	(8,327)	(6,069)
Effect of exchange rate changes on cash and cash equivalents	51	159
Net increase (decrease) in cash and cash equivalents	(19,829)	(1,449)
Cash and cash equivalents at beginning of period	44,779	24,949
Cash and cash equivalents at end of period	24,949	23,500

(5) Notes on consolidated financial statements

(Notes on premise of going concern)

Not applicable

(Changes in presentation method)

(Consolidated statements of income and comprehensive income)

- (1) “Insurance claim income” and “Surrender value of insurance policies”, which were included in “Other” under non-operating income in the previous consolidated fiscal year, are presented separately from the consolidated fiscal year under review because their financial materiality within total non-operating income has increased. The consolidated financial statements for the previous fiscal year have been reclassified to reflect this change in presentation.

As a result, ¥365 million presented as “Other” under non-operating income in the consolidated statements of income and comprehensive income for the previous consolidated fiscal year is reclassified as “Insurance claim income” ¥66 million, “Surrender value of insurance policies” ¥109 million, and “Other” ¥189 million.

- (2) “Office relocation expenses”, which was presented separately under non-operating expenses in the previous consolidated fiscal year, is included in “Other” from the consolidated fiscal year under review because its financial materiality within total non-operating expenses has decreased. “Construction repair expenses,” which was included in “Other” under non-operating expenses in the previous consolidated fiscal year, is separately presented from the consolidated fiscal year under review because its financial materiality within total non-operating expenses has increased. The consolidated financial statements for the previous fiscal year have been reclassified to reflect these changes in presentation.

As a result, ¥65 million presented as “Office relation expenses” and ¥203 million presented as “Other” under non-operating expenses in the consolidated statements of income and comprehensive income for the previous consolidated fiscal year are reclassified as “Construction repair expenses” ¥13 million and “Other” ¥255 million.

(Segment information, etc.)

[Segment information]

1. Overview of reportable segments

The Group's reportable segments are components of the Group for which separate financial information is available, and which are subject to periodic review by the chief management decision-making body to determine the allocation of management resources and evaluate performance.

The Group uses a divisional organizational structure for the company, and each consolidated subsidiary develops its business in cooperation with the company's divisional organizational structure within a reportable segment.

Accordingly, the Group is composed of the following four segments based on the organizational structure of the company: the Facilities Construction Business, which is engaged in a wide-range of business related to facilities construction works; the Machinery Systems Business, which is engaged in business related to industrial equipment such as FA systems, distribution systems, and conveyors; the Environmental Systems Business, which is engaged in business related to environmental facilities such as water and sewage treatment facilities; and the Real Estate Business, which is engaged in real estate leasing and management.

2. Methods of calculating the amounts of sales, profit (loss), and other items by reportable segment

Methods of accounting procedures for reportable business segments are generally the same as those used in the preparation of consolidated financial statements. The profit of each reportable segment is an amount based on ordinary profit. Intersegment sales and transfers are based on prevailing market prices.

Segment assets and liabilities are not listed because they are not taken into consideration when deciding the allocation of management resources and evaluating business performance.

3. Information on net sales, profit (loss), and other items by reportable segment

Fiscal year ended March 31, 2023

(Millions of yen)

	Reportable segments					Other (Notes) 1	Total	Adjustments (Notes) 2	Value on consolidated financial statements (Notes) 3
	Facilities Construction Business	Machinery Systems Business	Environ- mental Systems Business	Real Estate Business	Total				
Net sales									
Net sales to external customers	155,423	7,658	25,176	2,468	190,727	138	190,865	—	190,865
Intersegment sales or transfers	355	2	24	2	384	417	802	(802)	—
Total	155,778	7,661	25,200	2,471	191,111	556	191,667	(802)	190,865
Segment profit (loss)	5,497	(1,055)	805	724	5,972	(11)	5,961	285	6,247
Other items									
Depreciation	805	209	127	424	1,567	0	1,567	(56)	1,511
Interest income	5	0	2	—	8	0	8	8	17
Interest expenses	42	0	0	—	42	—	42	56	98
Extraordinary income	22	—	0	—	22	—	22	1,027	1,049
Extraordinary losses	253	6	8	91	360	—	360	—	360

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

2. Adjustment amount

The adjustment amount of ¥285 million to segment profit/loss includes company-wide loss not allocated to each reportable segment of ¥370 million, the reversal amount of the interest burden allocated to each segment within the company of ¥317 million, and an adjustment amount of ¥338 million due to the recording of loss on retirement of fixed assets and loss on valuation of investment securities, etc. attributable to each segment as an extraordinary profit/loss. Note that general and administrative expenses, etc. that are not attributable to each segment are the main source of company-wide profit/loss.

3. Segment profit or loss is adjusted with ordinary profit in the consolidated financial statements.

Fiscal year ended March 31, 2024

(Millions of yen)

	Reportable segments					Other (Notes) 1	Total	Adjustments (Notes) 2	Value on consolidated financial statements (Notes) 3
	Facilities Construction Business	Machinery Systems Business	Environ- mental Systems Business	Real Estate Business	Total				
Net sales									
Net sales to external customers	182,356	10,586	26,373	2,476	221,793	126	221,920	—	221,920
Intersegment sales or transfers	188	5	41	5	241	506	747	(747)	—
Total	182,545	10,591	26,415	2,482	222,035	632	222,668	(747)	221,920
Segment profit (loss)	11,876	(946)	979	866	12,775	(6)	12,769	(18)	12,750
Other items									
Depreciation	1,144	246	163	428	1,981	0	1,982	(62)	1,919
Interest income	5	0	22	—	27	0	27	7	35
Interest expenses	509	57	0	—	567	—	567	(461)	106
Extraordinary income	—	—	25	—	25	—	25	550	575
Extraordinary losses	61	6	7	39	116	—	116	52	168

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

2. Adjustment amount

The negative ¥18 million adjustment to segment profit/loss includes ¥650 million of company-wide loss not allocated to the reportable segments, ¥519 million of reversal of the interest burden allocated to each segment within the company, and ¥111 million of adjustment due to the recording of loss on retirement of fixed assets and other items attributable to each segment as extraordinary income/loss. Note that general and administrative expenses, etc. that are not attributable to each segment are the main source of company-wide profit/loss.

3. Segment profit or loss is adjusted with ordinary profit in the consolidated financial statements.

[Related information]

FY2022 (April 1, 2022 to March 31, 2023) and FY2023 (April 1, 2023 to March 31, 2024)

1. Information by product and service

Information by product and service is omitted because similar information is provided in “segment information.”

2. Information by region

(1) Net sales

This information is omitted because sales to external customers in Japan account for over 90% of sales on the consolidated statements of income and comprehensive income.

(2) Property, plant and equipment

This information is omitted because the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheet.

3. Information on main customers

This information is omitted because within sales to external customers, no specific customer accounts for over 10% of sales on the consolidated statements of income and comprehensive income.

[Information related to impairment losses on non-current assets by reportable segment]
 FY2022 (April 1, 2022 to March 31, 2023) and FY2023 (April 1, 2023 to March 31, 2024)
 Not applicable

[Information on amortization and unamortized balance of goodwill by reportable segment]
 FY2022 (April 1, 2022 to March 31, 2023) and FY2023 (April 1, 2023 to March 31, 2024)
 Not applicable

[Information on negative goodwill gains by reportable segment]
 FY2022 (April 1, 2022 to March 31, 2023) and FY2023 (April 1, 2023 to March 31, 2024)
 Not applicable

(Per share information)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net assets per share	¥1,666.36	¥1,967.03
Profit per share	¥85.80	¥165.58
Profit per share – diluted	¥85.50	¥165.02

(Note) The basis for calculating profit per share and diluted profit per share is as follows.

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit per share		
Profit attributable to owners of parent (Millions of yen)	4,750	8,951
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent pertaining to common shares (Millions of yen)	4,750	8,951
Average number of common shares outstanding in fiscal year (Thousands of shares)	55,366	54,061
Profit per share – diluted		
Adjustment of profit attributable to owners of parent (Millions of yen)	—	—
Increase in common shares (Thousands of shares)	191	182
(Of which, stock options utilizing stock acquisition rights) (Thousands of shares)	(191)	(182)
Overview of issuable shares not included in the calculation of diluted profit per share because they have no dilutive effect	-----	-----

(Important post balance sheet events)

Not applicable

5. Reference information

Results reference information (YoY comparison)

(1) Summary of consolidated statements of income

(Millions of yen, %)

		April 1, 2022 to March 31, 2023	April 1, 2023 to March 31, 2024	YoY change	YoY change (%)
	Net sales of completed construction contracts	188,258	219,308	31,050	16.5
	Net sales in real estate business and other	2,607	2,611	4	0.2
	Net sales	190,865	221,920	31,054	16.3
	Cost of sales of completed construction contracts	162,217	185,758	23,540	14.5
	Cost of sales in real estate business and other	1,635	1,519	(115)	(7.1)
	Cost of sales	163,853	187,278	23,425	14.3
	Gross profit on completed construction contracts	26,040	33,550	7,509	28.8
	Gross profit on real estate business and other	971	1,092	120	12.4
	Gross profit	27,012	34,642	7,629	28.2
	Selling, general and administrative expenses	21,603	23,055	1,452	6.7
	Operating profit	5,409	11,586	6,177	114.2
	Non-operating income	1,205	1,610	404	33.6
	Non-operating expenses	367	446	78	21.3
	Ordinary profit	6,247	12,750	6,503	104.1
	Extraordinary income	1,049	575	(473)	(45.1)
	Extraordinary losses	360	168	(191)	(53.2)
	Profit before income taxes	6,935	13,157	6,221	89.7
	Profit attributable to owners of parent	4,750	8,951	4,200	88.4

(2) Summary of non-consolidated statements of income

(Millions of yen, %)

		April 1, 2022 to March 31, 2023	April 1, 2023 to March 31, 2024	YoY change	YoY change (%)
	Net sales of completed construction contracts	166,644	194,604	27,959	16.8
	Net sales in real estate business and other	2,471	2,479	8	0.3
	Net sales	169,116	197,084	27,967	16.5
	Cost of sales of completed construction contracts	144,381	166,005	21,624	15.0
	Cost of sales in real estate business and other	1,627	1,507	(119)	(7.3)
	Cost of sales	146,008	167,513	21,504	14.7
	Gross profit on completed construction contracts	22,263	28,599	6,335	28.5
	Gross profit on real estate business and other	844	971	127	15.1
	Gross profit	23,108	29,570	6,462	28.0
	Selling, general and administrative expenses	19,597	20,803	1,205	6.2
	Operating profit	3,510	8,767	5,256	149.7
	Non-operating income	2,497	2,962	465	18.6
	Non-operating expenses	383	464	80	21.1
	Ordinary profit	5,624	11,266	5,641	100.3
	Extraordinary income	1,049	550	(499)	(47.6)
	Extraordinary losses	360	167	(192)	(53.5)
	Profit before income taxes	6,313	11,648	5,335	84.5
	Profit	4,830	8,430	3,599	74.5

(3) Segment orders, sales, and balance carried forward (consolidated)

(Millions of yen)

Category			FY2022		FY2023		YoY change	YoY change (%)	
			April 1, 2022 to March 31, 2023	Share	April 1, 2023 to March 31, 2024	Share			
Orders received	Equipment construction business	Facilities Construction	194,809	85 %	183,606	79 %	(11,203)	(5.8) %	
		Plant equipment	Machinery Systems	11,654	5	11,242	5	(411)	(3.5)
			Environmental Systems	19,929	9	35,383	15	15,454	77.5
			Subtotal	31,583	14	46,626	20	15,042	47.6
		Total equipment construction business	226,393	99	230,233	99	3,839	1.7	
	Real Estate Business	2,471	1	2,482	1	11	0.5		
	Other	542	0	634	0	92	17.0		
	Adjustments	(853)	(0)	(953)	(0)	(100)	—		
	Total	228,554	100	232,396	100	3,842	1.7		
Net sales	Equipment construction business	Facilities Construction	155,778	82 %	182,545	82 %	26,766	17.2 %	
		Plant equipment	Machinery Systems	7,661	4	10,591	5	2,930	38.3
			Environmental Systems	25,200	13	26,415	12	1,214	4.8
			Subtotal	32,861	17	37,007	17	4,145	12.6
		Total equipment construction business	188,640	99	219,552	99	30,912	16.4	
	Real Estate Business	2,471	1	2,482	1	11	0.5		
	Other	556	0	632	0	76	13.8		
	Adjustments	(802)	(0)	(747)	(0)	54	—		
	Total	190,865	100	221,920	100	31,054	16.3		
Balance carried forward	Equipment construction business	Facilities Construction	143,923	76 %	144,985	73 %	1,061	0.7 %	
		Plant equipment	Machinery Systems	6,872	4	7,523	4	650	9.5
			Environmental Systems	37,710	20	46,678	23	8,968	23.8
			Subtotal	44,582	24	54,201	27	9,619	21.6
		Total equipment construction business	188,506	100	199,186	100	10,680	5.7	
	Real Estate Business	—	—	—	—	—	—		
	Other	56	0	58	0	1	3.5		
	Adjustments	(136)	(0)	(342)	(0)	(206)	—		
	Total	188,426	100	198,902	100	10,476	5.6		
Overseas orders (% of total orders)			3,021	1.3%	3,245	1.4%	223	7.4 %	
Overseas sales (% of total sales)			3,488	1.8%	3,675	1.7%	187	5.4 %	

Note: Internal transactions in each segment are eliminated by the adjustment amount.

(4) Division orders, sales, and balance carried forward (non-consolidated)

(Millions of yen)

Category			FY2022		FY2023		YoY change	YoY change (%)	
			April 1, 2022 to March 31, 2023	Share	April 1, 2023 to March 31, 2024	Share			
Orders received	Equipment construction business	Facilities Construction	HVAC and Plumbing for Buildings	69,987	33 %	46,624	23 %	(23,363)	(33.4) %
			Industrial HVAC	75,548	36	87,605	43	12,057	16.0
			Electrical Systems	28,370	14	25,369	12	(3,001)	(10.6)
			Facility Systems	12,560	6	13,668	7	1,108	8.8
			Subtotal	186,466	89	173,267	85	(13,198)	(7.1)
	Plant equipment	Machinery Systems	10,853	5	10,244	5	(609)	(5.6)	
		Environmental Systems	9,471	5	17,591	9	8,120	85.7	
		Subtotal	20,325	10	27,836	14	7,510	37.0	
	Total equipment construction business			206,791	99	201,104	99	(5,687)	(2.8)
	Real Estate Business			2,471	1	2,479	1	8	0.3
Total			209,263	100	203,583	100	(5,679)	(2.7)	
Net sales	Equipment construction business	Facilities Construction	HVAC and Plumbing for Buildings	54,763	32 %	55,195	28 %	432	0.8 %
			Industrial HVAC	56,159	33	76,264	39	20,105	35.8
			Electrical Systems	25,515	15	27,314	14	1,798	7.0
			Facility Systems	10,986	7	13,911	7	2,925	26.6
			Subtotal	147,423	87	172,685	88	25,262	17.1
	Plant equipment	Machinery Systems	6,979	4	9,803	5	2,823	40.5	
		Environmental Systems	12,241	8	12,115	6	(126)	(1.0)	
		Subtotal	19,221	12	21,918	11	2,697	14.0	
	Total equipment construction business			166,644	99	194,604	99	27,959	16.8
	Real Estate Business			2,471	1	2,479	1	8	0.3
Total			169,116	100	197,084	100	27,967	16.5	
Balance carried forward	Equipment construction business	Facilities Construction	HVAC and Plumbing for Buildings	64,868	38 %	56,296	32 %	(8,571)	(13.2) %
			Industrial HVAC	50,594	30	61,936	35	11,341	22.4
			Electrical Systems	20,849	12	18,904	11	(1,944)	(9.3)
			Facility Systems	4,406	2	4,163	2	(243)	(5.5)
			Subtotal	140,718	82	141,301	80	582	0.4
	Plant equipment	Machinery Systems	6,657	4	7,098	4	440	6.6	
		Environmental Systems	23,377	14	28,854	16	5,476	23.4	
		Subtotal	30,035	18	35,952	20	5,917	19.7	
	Total equipment construction business			170,754	100	177,253	100	6,499	3.8
	Real Estate Business			—	—	—	—	—	—
Total			170,754	100	177,253	100	6,499	3.8	
Overseas orders for construction contracts (% of total orders)			32	0.0%	57	0.0%	25	76.4 %	
Overseas sales of completed construction contracts (% of total sales)			85	0.1%	42	0.0%	(42)	(49.7) %	