

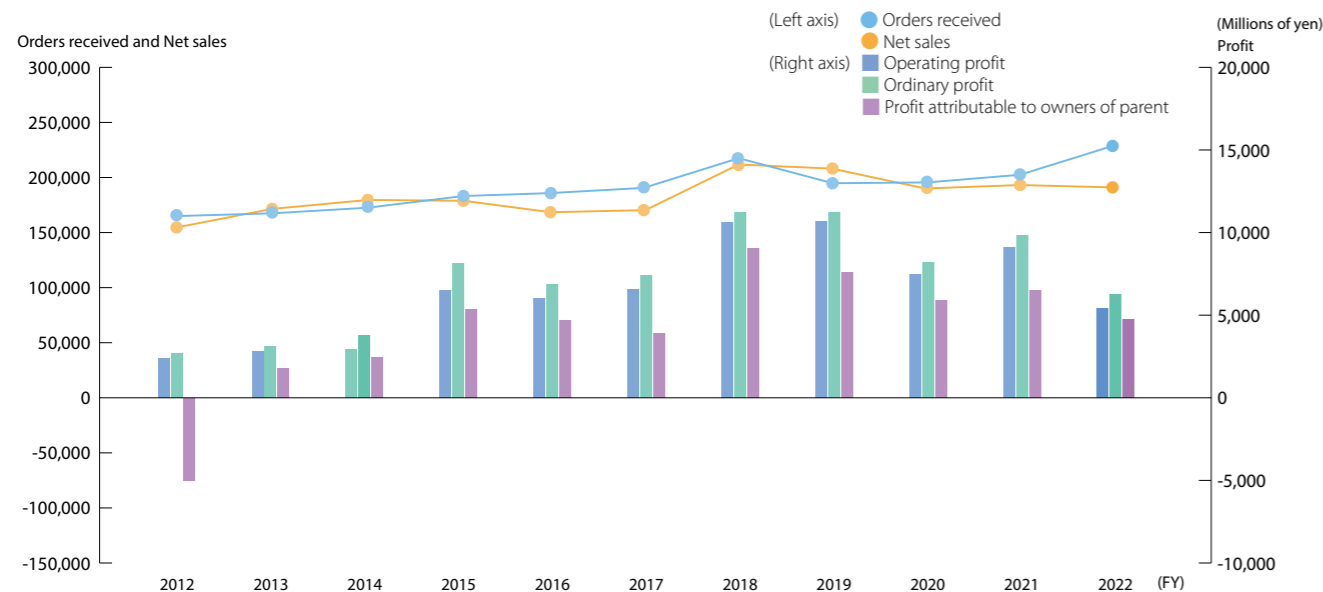
# Financial Report

## 11-Year Consolidated Financial Summary

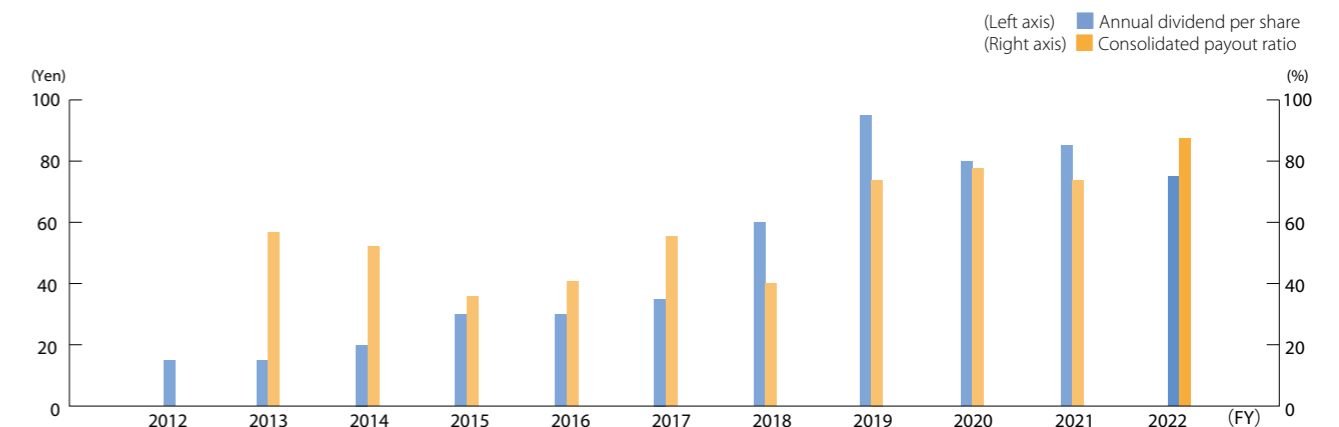
(Millions of yen)

	Year ended March 31, 2013	Year ended March 31, 2014	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2023
<b>Fiscal year</b>											
Orders received	165,800	168,295	173,398	183,270	185,880	191,113	217,096	194,018	195,580	202,250	228,554
Balance carried forward	111,414	108,219	102,019	106,388	123,756	144,712	149,495	136,163	141,676	150,737	188,426
Net sales	154,658	171,496	179,598	178,901	168,512	170,157	212,314	207,684	190,067	193,189	190,865
Selling, general and administrative expenses	15,199	15,604	15,015	16,419	16,526	18,466	21,046	21,436	21,255	21,110	21,603
Operating profit	2,391	2,818	2,951	6,509	6,012	6,593	10,637	10,674	7,498	9,112	5,409
Ordinary profit	2,680	3,146	3,809	8,135	6,880	7,434	11,204	11,224	8,196	9,817	6,247
Profit (loss) attributable to owners of parent*	(4,992)	1,763	2,461	5,327	4,698	3,906	9,046	7,576	5,901	6,489	4,750
Cash flows from operating activities	9,729	(9,403)	(139)	5,220	10,845	6,306	6,786	11,940	(483)	18,529	(10,584)
Cash flows from investing activities	(9,481)	(3,506)	3,440	5,520	(1,644)	(2,510)	(3,775)	(303)	(1,423)	(3,384)	(969)
Cash flows from financing activities	(1,028)	(4,152)	(2,901)	(1,826)	(2,458)	1,814	(5,215)	(8,955)	(6,974)	(7,518)	(8,327)
Cash and cash equivalents at end of period	40,367	23,510	23,667	32,501	39,187	44,866	42,612	45,946	37,087	44,779	24,949
<b>As of end of fiscal year under review</b>											
Total assets	166,477	170,181	176,382	169,423	166,612	177,014	195,321	180,805	171,313	183,609	172,305
Net assets	76,932	74,917	84,869	84,557	85,961	86,191	89,772	87,364	91,699	94,278	90,913
Number of employees	2,246	2,283	2,282	2,309	2,339	2,384	2,394	2,501	2,548	2,607	2,627
<b>Per share information</b>											
Earnings per share (yen)	(71.04)	26.46	38.30	83.84	73.91	63.02	150.02	128.51	103.12	115.13	85.80
Book-value per share (yen)	1,106.32	1,142.74	1,334.65	1,328.60	1,350.08	1,419.77	1,502.53	1,510.59	1,611.76	1,685.20	1,666.36
Cash dividends (yen)	15.00	15.00	20.00	30.00	30.00	35.00	60.00	95.00	80.00	85.00	75.00
<b>Other information</b>											
Equity ratio (%)	46.2	44.0	48.1	49.8	51.5	48.6	45.8	48.2	53.4	51.2	52.6
Return on assets (%)	1.6	1.9	2.2	4.7	4.1	4.3	6.0	6.0	4.7	5.5	3.5
Return on equity (%)	(6.4)	2.3	3.0	6.3	5.5	4.5	10.3	8.6	6.6	7.0	5.1

\*The revised Accounting Standard for Business Combination and other standards have been applied since fiscal 2015. Accordingly, "Profit attributable to owners of parent," as listed in fiscal 2015 and after, is equivalent to "Net income" listed for the consolidated fiscal years between fiscal 2012 and fiscal 2014.



Change in Dividend Per Share and Consolidated Payout Ratio\*



\*The payout ratio was not calculated for fiscal 2012 since the Company reported a net loss.

## Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
<b>Current assets:</b>		
Cash and deposits	¥42,779	¥24,949
Notes receivable-trade	595	407
Electronically recorded monetary claims-operating	7,124	4,603
Accounts receivable from completed construction contracts and other	39,412	48,286
Contract assets	19,629	23,843
Securities	5,999	4,000
Costs on construction contracts in progress	2,921	2,801
Raw materials and supplies	756	711
Other	6,541	5,908
Allowance for doubtful accounts	(17)	-
<b>Total current assets</b>	<b>125,742</b>	<b>115,512</b>
<b>Non-current assets:</b>		
Property, plant, and equipment:		
Buildings and structures	43,830	43,955
Accumulated depreciation	(34,123)	(34,672)
Buildings and structures, net	9,707	9,283
Machinery, vehicles, tools, furniture and fixtures	2,028	2,111
Accumulated depreciation	(1,630)	(1,687)
Machinery, vehicles, tools, furniture and fixtures, net	398	424
Land	3,085	3,035
Lease assets	542	538
Accumulated depreciation	(230)	(266)
Leased assets, net	311	271
Construction in progress	1	22
<b>Total property, plant, and equipment</b>	<b>13,504</b>	<b>13,037</b>
<b>Intangible assets:</b>		
Other	1,255	2,302
<b>Total intangible assets</b>	<b>1,255</b>	<b>2,302</b>
<b>Investments and other assets:</b>		
Investment securities	30,447	28,010
Long-term loans receivable	73	64
Retirement benefit asset	6,303	7,190
Leasehold and guarantee deposits	1,466	1,636
Insurance funds	1,252	1,011
Deferred tax assets	821	849
Other	3,160	3,026
Allowance for doubtful accounts	(419)	(337)
<b>Total investments and other assets</b>	<b>43,106</b>	<b>41,453</b>
<b>Total non-current assets</b>	<b>57,866</b>	<b>56,793</b>
<b>Total assets</b>	<b>¥183,609</b>	<b>¥172,305</b>

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Electronically recorded obligations-operating	¥2,588	¥1,667
Accounts payable for construction contracts	37,932	35,074
Short-term borrowings	8,885	6,674
Lease obligations	94	97
Income taxes payable	2,659	839
Contract liabilities	14,754	15,027
Provision for bonuses	4,143	4,101
Provision for directors' bonuses	234	224
Provision for warranties for completed construction	1,289	1,405
Provision for loss on construction contracts	9	32
Other	6,617	4,505
<b>Total current liabilities</b>	<b>79,210</b>	<b>69,649</b>
<b>Non-current liabilities:</b>		
Long-term borrowings	320	1,400
Lease obligations	325	300
Retirement benefit liability	2,581	3,861
Provision for loss on business of subsidiaries and associates	440	440
Deferred tax liabilities	670	64
Other	5,784	5,675
<b>Total non-current liabilities</b>	<b>10,121</b>	<b>11,742</b>
<b>Total liabilities</b>	<b>89,331</b>	<b>81,392</b>
<b>Net assets:</b>		
<b>Shareholders' equity:</b>		
Share capital	8,105	8,105
Capital surplus	4,181	4,189
Retained earnings	75,097	73,051
Treasury shares	(5,243)	(5,335)
<b>Total shareholders' equity</b>	<b>82,140</b>	<b>80,011</b>
<b>Accumulated other comprehensive income:</b>		
Valuation difference on available-for-sale securities	12,116	10,583
Deferred gains or losses on hedges	(5)	-
Foreign currency translation adjustment	(19)	101
Remeasurements of defined benefit plans	(265)	17
<b>Total accumulated other comprehensive income</b>	<b>11,827</b>	<b>10,702</b>
Share acquisition rights	310	199
<b>Total net assets</b>	<b>94,278</b>	<b>90,913</b>
<b>Total liabilities and net assets</b>	<b>¥183,609</b>	<b>¥172,305</b>

## Consolidated Statement of Income and Comprehensive Income

	(Millions of yen)	
	As of March 31, 2022	As of March 31, 2023
<b>Net sales:</b>		
Net sales of completed construction contracts	¥190,646	¥188,258
Net sales in real estate business and other	2,542	2,607
Total net sales	193,189	190,865
<b>Cost of sales:</b>		
Cost of sales of completed construction contracts	161,430	162,217
Cost of sales in real estate business and other	1,535	1,635
Total cost of sales	162,965	163,853
<b>Gross profit:</b>		
Gross profit on completed construction contracts	29,216	26,040
Gross profit on real estate business and other	1,007	971
Total gross profit	30,223	27,012
<b>Selling, general, and administrative expenses:</b>		
Employees' salaries and allowances	7,750	7,915
Provision for bonuses	1,771	1,744
Provision for bonuses for directors (and other officers)	234	217
Retirement benefit expenses	495	467
Provision of allowance for doubtful accounts	3	-
Depreciation	969	879
Other	9,886	10,377
Total selling, general, and administrative expenses	21,110	21,603
<b>Operating profit</b>	9,112	5,409
<b>Non-operating income:</b>		
Interest income	15	17
Dividend income	560	628
Waste disposal income	175	194
Other	296	365
Total non-operating income	1,047	1,205
<b>Non-operating expenses:</b>		
Interest expense	112	98
Office relocation expenses	6	65
Other	223	203
Total non-operating expenses	342	367
<b>Ordinary profit</b>	9,817	6,247
<b>Extraordinary income:</b>		
Gain on sale of non-current assets	-	22
Gain on sale of investment securities	50	1,027
Total extraordinary income	50	1,049
<b>Extraordinary losses:</b>		
Impairment losses	22	-
Loss on retirement of non-current assets	114	189
Loss on valuation of investment securities	77	31
Provision for loss on business of subsidiaries and associates	140	-
Settlement payments	-	139
Total extraordinary losses	354	360
Profit before income taxes	9,514	6,935
Income taxes—current	3,512	2,282
Income taxes—deferred	(487)	(96)
Total income taxes	3,024	2,185
Profit	¥6,489	¥4,750
(Breakdown)		
Profit attributable to owners of parent	6,489	4,750
Profit attributable to non-controlling interests	-	-
<b>Other comprehensive income:</b>		
Valuation difference on available-for-sale securities	1,263	(1,532)
Deferred gains or losses on hedges	(7)	5
Foreign currency translation adjustment	97	120
Remeasurements of defined benefit plans	643	282
Total other comprehensive income	1,995	(1,124)
<b>Comprehensive income</b>	¥8,485	¥3,626
(Breakdown)		
Comprehensive income attributable owners of parent	¥8,485	¥3,626
Comprehensive income attributable non-controlling interests	¥-	¥-

## Consolidated Statement of Changes in Equity

		Shareholders' equity					(Millions of yen)	
		Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity		
Balance at beginning of period		¥8,105	¥4,181	¥73,158	¥ (3,859)	¥81,585		
Changes during period								
Dividends of surplus				(4,537)		(4,537)		
Profit attributable to owners of parent				6,489		6,489		
Purchase of treasury shares					(1,438)	(1,438)		
Disposal of treasury shares			(13)		55	41		
Transfer of loss on disposal of treasury shares			13	(13)		-		
Net changes in items other than shareholders' equity								
Total changes during period		-	-	1,938	(1,383)	555		
Balance at end of period		¥8,105	¥4,181	¥75,097	¥ (5,243)	¥82,140		
		Accumulated other comprehensive income						
		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	Share acquisition rights	Total net assets
Balance at beginning of period		¥10,853	2	¥ (116)	¥ (908)	¥9,831	¥282	¥91,699
Changes during period								
Dividends of surplus								(4,537)
Profit attributable to owners of parent								6,489
Purchase of treasury shares								(1,438)
Disposal of treasury shares								41
Transfer of loss on disposal of treasury shares								-
Net changes in items other than shareholders' equity		1,263	(7)	97	643	1,995	27	2,023
Total changes during period		1,263	(7)	97	643	1,995	27	2,578
Balance at end of period		¥12,116	(5)	¥ (19)	¥ (265)	¥11,827	¥310	¥94,278
		Shareholders' equity					(Millions of yen)	
		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						
		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	Share acquisition rights	Total net assets
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

## Consolidated Statement of Cash Flows

	(Millions of yen)	
	Year ended March 31, 2022	Year ended March 31, 2023
<b>Cash flows from operating activities:</b>		
Profit before income taxes	¥9,514	¥6,935
Depreciation	1,587	1,511
Impairment loss	22	-
Loss on retirement of non-current assets	114	189
Office relocation expenses	6	65
Increase (decrease) in provision for loss on business of subsidiaries and associates	140	-
Increase (decrease) in allowance for doubtful accounts	3	(26)
Increase (decrease) in provision for bonuses	351	(42)
Increase (decrease) in retirement benefit liability	726	799
Increase (decrease) in provision for loss on construction contracts	9	23
Interest and dividend income	(575)	(645)
Interest expense	112	98
Loss (gain) on sale of property, plant, and equipment	(0)	(22)
Loss (gain) on sale of investment securities	(50)	(1,027)
Loss on valuation of investment securities	77	31
Decrease (increase) in trade receivables and contract assets	5,389	(10,328)
Decrease (increase) in costs on construction contracts in progress	(573)	125
Increase (decrease) in trade payables	(1,218)	(3,793)
Increase (decrease) in contract liabilities	6,154	263
Increase (decrease) in other current liabilities	2,080	(2,160)
Settlement payments	-	139
Other	(4,324)	1,142
Subtotal	19,548	(6,720)
Interest and dividends received	575	645
Interest paid	(112)	(98)
Commitment fee payment	(10)	-
Income taxes paid	(1,839)	(4,213)
Income taxes refund	374	7
Office relocation expenses paid	(6)	(65)
Settlement paid	-	(139)
Cash flows from operating activities	18,529	(10,584)
<b>Cash flows from investing activities:</b>		
Purchase of securities	(19,000)	(21,000)
Proceeds from redemption of securities	17,000	21,000
Purchase of property, plant, and equipment	(1,010)	(1,007)
Proceeds from sale of property, plant, and equipment	0	76
Payments for retirement of property, plant, and equipment	(117)	(178)
Purchase of investment securities	(21)	(273)
Proceeds from sale of investment securities	182	1,503
Proceeds from collection of loans receivable	12	12
Purchase of intangible assets	(529)	(1,185)
Subsidies received	20	20
Proceeds from maturity of insurance funds	304	555
Other	(225)	(491)
Cash flows from investing activities	(3,384)	(969)

	(Millions of yen)	
	Year ended March 31, 2022	Year ended March 31, 2023
<b>Cash flows from financing activities:</b>		
Net increase (decrease) in short-term borrowings	0	258
Proceeds from long-term borrowings	-	1,750
Repayments of long-term borrowings	(1,390)	(3,140)
Purchase of treasury shares	(1,438)	(2,347)
Proceeds from exercise of share options	0	0
Repayments of lease obligations	(152)	(105)
Dividends paid	(4,537)	(4,743)
Cash flows from financing activities	(7,518)	(8,327)
Effect of exchange rate changes on cash and cash equivalents	64	51
Net increase (decrease) in cash and cash equivalents	7,692	(19,829)
Cash and cash equivalents at beginning of period	37,087	44,779
Cash and cash equivalents at end of period	¥44,779	¥24,949