

2.Non-consolidated financial statements
(1)Non-consolidated Balance Sheet

(Millions of Yen)

	As of March 31,2018	As of March 31,2019
Assets		
Current assets		
Cash and deposits	※1 37,999	※1 22,747
Notes receivable - trade	2,357	2,636
Electronically recorded monetary claims - operating	142	1,847
Accounts receivable from completed construction contracts	35,572	44,909
Real estate for sale	34	34
Costs on uncompleted construction contracts	924	1,942
Raw materials and supplies	14	14
Prepaid expenses	28	33
Accounts receivable - other	3,421	4,858
Other	403	257
Allowance for doubtful accounts	△38	△21
Total current assets	80,859	79,259
Non-current assets		
Property, plant and equipment		
Buildings	5,825	6,348
Accumulated depreciation	△3,495	△3,649
Buildings, net	※1 2,330	※1 2,698
Structures	304	349
Accumulated depreciation	△208	△203
Structures, net	95	146
Machinery and equipment	328	376
Accumulated depreciation	△302	△325
Machinery and equipment, net	26	51
Vehicles	58	61
Accumulated depreciation	△47	△54
Vehicles, net	10	7
Tools, furniture and fixtures	1,200	1,416
Accumulated depreciation	△786	△897
Tools, furniture and fixtures, net	413	518
Land	※1 1,830	※1 1,808
Leased assets	3	3
Accumulated depreciation	△1	△1
Leased assets, net	2	2
Construction in progress	77	—
Total property, plant and equipment	4,788	5,232
Intangible assets		
Patent right	12	6
Leasehold right	43	43
Software	261	317
Software in progress	100	265
Other	52	55
Total intangible assets	471	687
Investments and other assets		
Investment securities	※1 9,019	※1 9,282
Shares of subsidiaries and associates	※1 124	※1 706
Long-term loans receivable	5	5
Long-term non-operating accounts receivable	684	684
Long-term loans receivable from subsidiaries and associates	※1 334	※1 291
Long-term prepaid expenses	0	0
Membership and admission charge	196	200
Other	1,159	906
Allowance for doubtful accounts	△681	△681
Total investments and other assets	10,843	11,396
Total non-current assets	16,102	17,316
Total assets	96,962	96,575

(1)Non-consolidated Balance Sheet

(Millions of Yen)

	As of March 31,2018	As of March 31,2019
Liabilities		
Current liabilities		
Notes payable - trade	4,088	893
Accounts payable for construction contracts	25,296	28,204
Short-term loans payable	※1 4,328 ※1	2,460
Accounts payable - other	3,014	2,016
Accrued expenses	999	1,711
Income taxes payable	1,137	1,778
Accrued consumption taxes	1,539	177
Advances received on uncompleted construction contracts	8,461	6,901
Deposits received	1,187	1,236
Suspense receipt of consumption taxes	2,946	3,784
Provision for warranties for completed construction	532	501
Provision for loss on construction contracts	56	4
Total current liabilities	<u>53,589</u>	<u>49,670</u>
Non-current liabilities		
Bonds payable	—	650
Long-term loans payable	※1 4,300 ※1	5,000
Provision for retirement benefits	3,779	3,920
Long-term accounts payable - other	97	0
Other	95	95
Total non-current liabilities	<u>8,272</u>	<u>9,666</u>
Total liabilities	<u>61,861</u>	<u>59,337</u>
Net assets		
Shareholders' equity		
Capital stock	9,614	9,614
Capital surplus		
Legal capital surplus	2,165	2,165
Other capital surplus	0	0
Total capital surpluses	<u>2,166</u>	<u>2,166</u>
Retained earnings		
Legal retained earnings	137	271
Other retained earnings		
Reserve for advanced depreciation of non-current assets	406	398
Retained earnings brought forward	19,857	22,607
Total retained earnings	<u>20,401</u>	<u>23,277</u>
Treasury shares	<u>Δ145</u>	<u>Δ1,149</u>
Total shareholders' equity	<u>32,037</u>	<u>33,909</u>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,063	3,328
Total valuation and translation adjustments	<u>3,063</u>	<u>3,328</u>
Total net assets	<u>35,100</u>	<u>37,238</u>
Total liabilities and net assets	<u>96,962</u>	<u>96,575</u>

(2)Non-consolidated Statement of Income

(Millions of Yen)

	Curent fiscal year (From April 1,2017 to March 31,2018)	Curent fiscal year (From April 1,2018 to March 31,2019)
Net sales		
Net sales of completed construction contracts	142,181	134,194
Sales on other business	516	415
Total net sales	<u>142,698</u>	<u>134,610</u>
Cost of sales		
Cost of sales of completed construction contracts	127,334	121,089
Cost of sales on other business	380	296
Total cost of sales	<u>127,714</u>	<u>121,386</u>
Gross profit		
Gross profit on completed construction contracts	14,847	13,105
Gross profit - other business	136	118
Total gross profit	<u>14,983</u>	<u>13,223</u>
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	170	184
Employees' salaries and allowances	3,181	3,125
Retirement benefit expenses	346	272
Legal welfare expenses	500	500
Welfare expenses	87	104
Repair and maintenance	139	179
Stationery expenses	228	238
Correspondence and transportation expenses	254	295
Power utilities expenses	43	40
Research study expenses	85	93
Advertising expenses	24	35
Provision of allowance for doubtful accounts	6	△16
Entertainment expenses	153	186
Contribution	15	22
Rent expenses	796	912
Depreciation	173	233
Taxes and dues	329	342
Insurance expenses	13	14
Miscellaneous expenses	604	752
Total selling, general and administrative expenses	<u>7,154</u>	<u>7,518</u>
Operating profit	<u>7,828</u>	<u>5,704</u>
Non-operating income		
Interest income	34	21
Interest on securities	0	0
Dividend income	※2 153	※2 165
Foreign exchange gains	—	29
Other	52	43
Total non-operating income	<u>241</u>	<u>259</u>
Non-operating expenses		
Interest expenses	163	131
Guarantee commission	38	41
Commission expenses	279	127
Foreign exchange losses	57	—
Other	7	7
Total non-operating expenses	<u>546</u>	<u>308</u>
Ordinary profit	<u>7,523</u>	<u>5,656</u>
Extraordinary income		
Gain on sales of non-current assets	※3 0	※3 0
Gain on sales of investment securities	—	468
Gain on withdrawal of membership	0	—
Other	0	0
Total extraordinary income	<u>1</u>	<u>469</u>
Extraordinary losses		
Loss on sales of non-current assets	※4 0	※4 —
Loss on retirement of non-current assets	0	0
Impairment loss	23	56
Other	—	3
Total extraordinary losses	<u>24</u>	<u>60</u>
Profit before income taxes	<u>7,500</u>	<u>6,065</u>
Income taxes - current	1,436	1,774
Income taxes - deferred	898	73
Total income taxes	<u>2,334</u>	<u>1,847</u>
Profit	<u>5,166</u>	<u>4,217</u>

(3) Non-consolidated Statement of Changes in Net Assets
 Current fiscal year (From April 1, 2017 to March 31, 2018)

(Millions of Yen)

	Shareholders' equity							
	Capital stock	Capital surplus			retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
						Reserve for advanced depreciation of non-current assets	Retained earnings brought forward	
Balance at beginning of current period	9,614	2,165	0	2,165	53	414	15,604	16,072
Changes of items during period								
Reversal of reserve for advanced depreciation of non-current assets						△8	8	—
Provision of legal retained earnings					83		△83	—
Dividends of surplus							△837	△837
Profit							5,166	5,166
Purchase of treasury shares								
Disposal of treasury shares			0	0				
Net changes of items other than shareholders' equity								
Total changes of items during period	—	—	0	0	83	△8	4,253	4,328
Balance at end of current period	9,614	2,165	0	2,166	137	406	19,857	20,401

	Treasury shares	Total shareholders' equity	Valuation and translation adjustments		Total net assets
			Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of current period	△142	27,710	2,709	2,709	30,419
Changes of items during period					
Reversal of reserve for advanced depreciation of non-current assets		—			—
Provision of legal retained earnings		—			—
Dividends of surplus		△837			△837
Profit		5,166			5,166
Purchase of treasury shares	△3	△3			△3
Disposal of treasury shares	0	0			0
Net changes of items other than shareholders' equity			354	354	354
Total changes of items during period	△2	4,326	354	354	4,680
Balance at end of current period	△145	32,037	3,063	3,063	35,100

(3)Non-consolidated Statement of Changes in Net Assets
 Current fiscal year (From April 1,2018 to March 31,2019)

(Millions of Yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Legal retained earnings	retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus		Other retained earnings		Total retained earnings
						Reserve for advanced depreciation of non-current assets	Retained earnings brought forward	
Balance at beginning of current period	9,614	2,165	0	2,166	137	406	19,857	20,401
Changes of items during period								
Reversal of reserve for advanced depreciation of non-current assets						△7	7	—
Provision of legal retained earnings					134		△134	—
Dividends of surplus							△1,340	△1,340
Profit							4,217	4,217
Purchase of treasury shares								
Disposal of treasury shares			0	0				
Net changes of items other than shareholders' equity								
Total changes of items during period	—	—	0	0	134	△7	2,749	2,876
Balance at end of current period	9,614	2,165	0	2,166	271	398	22,607	23,277

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of current period	△145	32,037	3,063	3,063	35,100
Changes of items during period					
Reversal of reserve for advanced depreciation of non-current assets		—			—
Provision of legal retained earnings		—			—
Dividends of surplus		△1,340			△1,340
Profit		4,217			4,217
Purchase of treasury shares	△1,004	△1,004			△1,004
Disposal of treasury shares	0	0			0
Net changes of items other than shareholders' equity			264	264	264
Total changes of items during period	△1,003	1,872	264	264	2,137
Balance at end of current period	△1,149	33,909	3,328	3,328	37,238