

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

(Millions of Yen)

	As of March 31,2019	As of March 31,2020
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	22,747	28,944
Notes receivable - trade	2,636	472
Electronically recorded monetary claims - operating	1,847	2,656
Accounts receivable from completed construction contracts	44,909	44,871
Real estate for sale	34	54
Costs on construction contracts in progress	1,942	2,066
Raw materials and supplies	14	14
Prepaid expenses	33	35
Accounts receivable - other	4,858	3,102
Other	257	225
Allowance for doubtful accounts	△21	△55
<b>Total current assets</b>	<b>79,259</b>	<b>82,389</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings	6,348	5,960
Accumulated depreciation	△3,649	△3,471
Buildings, net	2,698	2,489
Structures	349	349
Accumulated depreciation	△203	△214
Structures, net	146	135
Machinery and equipment	376	385
Accumulated depreciation	△325	△355
Machinery and equipment, net	51	30
Vehicles	61	66
Accumulated depreciation	△54	△51
Vehicles, net	7	15
Tools, furniture and fixtures	1,416	1,454
Accumulated depreciation	△897	△1,010
Tools, furniture and fixtures, net	518	444
Land	1,808	1,694
Leased assets	3	3
Accumulated depreciation	△1	△2
Leased assets, net	2	1
<b>Total property, plant and equipment</b>	<b>5,232</b>	<b>4,809</b>
<b>Intangible assets</b>		
Patent right	6	4
Leasehold interests in land	43	43
Software	317	303
Software in progress	265	598
Other	55	54
<b>Total intangible assets</b>	<b>687</b>	<b>1,004</b>
<b>Investments and other assets</b>		
Investment securities	9,282	7,601
Shares of subsidiaries and associates	706	695
Long-term loans receivable	5	—
Long-term non-operating accounts receivable	684	653
Long-term loans receivable from subsidiaries and associates	291	265
Long-term prepaid expenses	0	11
Deferred tax assets	422	905
Membership and admission charge	200	200
Other	484	499
Allowance for doubtful accounts	△681	△652
<b>Total investments and other assets</b>	<b>11,396</b>	<b>10,179</b>
<b>Total non-current assets</b>	<b>17,316</b>	<b>15,993</b>
<b>Total assets</b>	<b>96,575</b>	<b>98,382</b>

**(1)Non-consolidated Balance Sheet**

(Millions of Yen)

	As of March 31,2019	As of March 31,2020
<b>Liabilities</b>		
Current liabilities		
Notes payable - trade	893	195
Accounts payable for construction contracts	28,204	26,154
Short-term borrowings	2,460	1,470
Accounts payable - other	2,016	547
Accrued expenses	1,711	1,505
Income taxes payable	1,778	1,505
Accrued consumption taxes	177	1,979
Advances received on construction contracts in progress	6,901	9,137
Deposits received	1,236	1,970
Suspense receipt of consumption taxes	3,784	3,588
Provision for warranties for completed construction	501	590
Provision for loss on construction contracts	4	214
Total current liabilities	<u>49,670</u>	<u>48,859</u>
Non-current liabilities		
Bonds payable	650	1,640
Long-term borrowings	5,000	5,000
Provision for retirement benefits	3,920	3,606
Long-term accounts payable - other	0	—
Other	95	79
Total non-current liabilities	<u>9,666</u>	<u>10,325</u>
Total liabilities	<u>59,337</u>	<u>59,184</u>
<b>Net assets</b>		
Shareholders' equity		
Share capital	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>2,165</u>
Retained earnings		
Legal retained earnings	271	394
Other retained earnings		
Reserve for tax purpose reduction entry of non-current assets	398	295
Retained earnings brought forward	22,607	24,594
Total retained earnings	<u>23,277</u>	<u>25,284</u>
Treasury shares	<u>Δ1,149</u>	<u>Δ60</u>
Total shareholders' equity	<u>33,909</u>	<u>37,004</u>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,328	2,193
Total valuation and translation adjustments	<u>3,328</u>	<u>2,193</u>
Total net assets	<u>37,238</u>	<u>39,198</u>
Total liabilities and net assets	<u>96,575</u>	<u>98,382</u>

**(2)Non-consolidated Statement of Income**

(Millions of Yen)

	Curent fiscal year (From April 1,2018 to March 31,2019)	Curent fiscal year (From April 1,2019 to March 31,2020)
Net sales		
Net sales of completed construction contracts	134,194	138,333
Sales in other businesses	415	705
Total net sales	<u>134,610</u>	<u>139,039</u>
Cost of sales		
Cost of sales of completed construction contracts	121,089	124,300
Cost of sales in other businesses	296	516
Total cost of sales	<u>121,386</u>	<u>124,816</u>
Gross profit		
Gross profit on completed construction contracts	13,105	14,033
Gross profit - other business	118	189
Total gross profit	<u>13,223</u>	<u>14,222</u>
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	184	167
Employees' salaries and allowances	3,125	3,261
Retirement benefit expenses	272	141
Legal welfare expenses	500	517
Welfare expenses	104	90
Repair and maintenance expenses	179	149
Stationery expenses	238	326
Communication and transportation expenses	295	313
Power utilities expenses	40	38
Research study expenses	93	119
Advertising expenses	35	31
Provision of allowance for doubtful accounts	△16	23
Entertainment expenses	186	179
Donations	22	25
Rent expenses	912	1,003
Depreciation	233	263
Taxes and dues	342	343
Insurance expenses	14	18
Miscellaneous expenses	752	686
Total selling, general and administrative expenses	<u>7,518</u>	<u>7,700</u>
Operating profit	<u>5,704</u>	<u>6,521</u>
Non-operating income		
Interest income	21	18
Interest on securities	0	0
Dividend income	165	220
Foreign exchange gains	29	—
Outsourcing service income	20	99
Other	23	39
Total non-operating income	<u>259</u>	<u>378</u>
Non-operating expenses		
Interest expenses	131	96
Guarantee commission	41	60
Commission expenses	127	158
Foreign exchange losses	—	41
Other	7	34
Total non-operating expenses	<u>308</u>	<u>392</u>
Ordinary profit	<u>5,656</u>	<u>6,508</u>
Extraordinary income		
Gain on sales of non-current assets	0	7
Gain on sales of investment securities	468	90
Gain on withdrawal of membership	—	2
Other	0	0
Total extraordinary income	<u>469</u>	<u>101</u>
Extraordinary losses		
Loss on sales of non-current assets	—	5
Loss on retirement of non-current assets	0	4
Impairment loss	56	12
Loss on valuation of investment securities	—	15
Loss on valuation of other investments	—	72
Other	3	—
Total extraordinary losses	<u>60</u>	<u>111</u>
Profit before income taxes	<u>6,065</u>	<u>6,498</u>
Income taxes - current	1,774	2,145
Income taxes - deferred	73	6
Total income taxes	<u>1,847</u>	<u>2,152</u>
Profit	<u>4,217</u>	<u>4,346</u>

(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			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	2,166	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				
Cancellation of treasury shares								
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

	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	△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
Cancellation of treasury shares					—
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

**(3)Non-consolidated Statement of Changes in Net Assets**  
 Current fiscal year (From April 1,2019 to March 31,2020)

(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 period	9,614	2,165	0	2,166	271	398	22,607	23,277
Changes during period								
Reversal of reserve for tax purpose reduction entry of non-current assets						△103	103	—
Provision of legal retained earnings					123		△123	—
Dividends of surplus							△1,233	△1,233
Profit							4,346	4,346
Purchase of treasury shares								
Disposal of treasury shares			0	0				
Cancellation of treasury shares			△0	△0			△1,106	△1,106
Net changes in items other than shareholders' equity								
Total changes during period	—	—	△0	△0	123	△103	1,986	2,006
Balance at end of period	9,614	2,165	0	2,165	394	295	24,594	25,284

	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 period	△1,149	33,909	3,328	3,328	37,238
Changes during period					
Reversal of reserve for tax purpose reduction entry of non-current assets		—			—
Provision of legal retained earnings		—			—
Dividends of surplus		△1,233			△1,233
Profit		4,346			4,346
Purchase of treasury shares	△18	△18			△18
Disposal of treasury shares	0	0			0
Cancellation of treasury shares	1,107	—			—
Net changes in items other than shareholders' equity			△1,135	△1,135	△1,135
Total changes during period	1,088	3,094	△1,135	△1,135	1,959
Balance at end of period	△60	37,004	2,193	2,193	39,198