

Financial statements
(1) Consolidated Balance Sheet

(Millions of Yen)

	As of March 31,2021	As of September 30,2021
Assets		
Current assets		
Cash and deposits	15,760	22,789
Notes receivable, accounts receivable from completed construction contracts and other	51,360	—
Notes receivable,accounts receivable from completed construction contracts and other,contract assets	—	40,229
Costs on construction contracts in progress	2,046	2,352
Other inventories	48	51
Accounts receivable - other	7,113	2,854
Other	253	684
Allowance for doubtful accounts	△22	△21
Total current assets	<u>76,560</u>	<u>68,939</u>
Non-current assets		
Property, plant and equipment	5,018	5,768
Intangible assets	1,352	1,281
Investments and other assets		
Investment securities	6,395	6,123
Retirement benefit asset	1,022	1,185
Other	2,516	2,015
Allowance for doubtful accounts	△691	△691
Total investments and other assets	<u>9,243</u>	<u>8,633</u>
Total non-current assets	<u>15,615</u>	<u>15,683</u>
Total assets	<u>92,176</u>	<u>84,622</u>
Liabilities		
Current liabilities		
Accounts payable for construction contracts	15,422	12,661
Short-term borrowings	1,806	1,798
Accounts payable - other	634	909
Income taxes payable	1,859	167
Advances received on construction contracts in progress	7,783	—
Contract liabilities	—	6,662
Provision for warranties for completed construction	543	521
Provision for loss on construction contracts	118	45
Other	8,475	7,744
Total current liabilities	<u>36,644</u>	<u>30,510</u>
Non-current liabilities		
Bonds payable	1,640	1,640
Long-term borrowings	7,579	7,405
Retirement benefit liability	4,505	4,472
Other	96	147
Total non-current liabilities	<u>13,821</u>	<u>13,665</u>
Total liabilities	<u>50,465</u>	<u>44,175</u>
Net assets		
Shareholders' equity		
Share capital	9,614	9,614
Capital surplus	2,165	2,165
Retained earnings	27,974	26,854
Treasury shares	△66	△22
Total shareholders' equity	<u>39,688</u>	<u>38,612</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,959	1,756
Foreign currency translation adjustment	△26	△2
Remeasurements of defined benefit plans	△112	△139
Total accumulated other comprehensive income	<u>1,820</u>	<u>1,614</u>
Non-controlling interests	202	220
Total net assets	<u>41,710</u>	<u>40,447</u>
Total liabilities and net assets	<u>92,176</u>	<u>84,622</u>

(2) Consolidated Statement of Income

(Millions of Yen)

	Previous Second Quarter (From April 1,2020 to September 30,2020)	Current Second Quarter (From April 1,2021 to September 30,2021)
Net sales		
Net sales of completed construction contracts	62,839	59,194
Sales in other businesses	550	494
Total net sales	<u>63,389</u>	<u>59,689</u>
Cost of sales		
Cost of sales of completed construction contracts	56,839	53,609
Cost of sales in other businesses	341	358
Total cost of sales	<u>57,181</u>	<u>53,968</u>
Gross profit		
Gross profit on completed construction contracts	5,999	5,584
Gross profit - other business	208	136
Total gross profit	<u>6,207</u>	<u>5,720</u>
Selling, general and administrative expenses	<u>4,047</u>	<u>4,209</u>
Operating profit	<u>2,160</u>	<u>1,511</u>
Non-operating income		
Interest income	16	12
Dividend income	70	47
Foreign exchange gains	—	10
Share of profit of entities accounted for using equity method	3	0
Subsidy income	33	25
Other	7	22
Total non-operating income	<u>131</u>	<u>118</u>
Non-operating expenses		
Interest expenses	53	52
Foreign exchange losses	27	—
Commission expenses	79	79
Guarantee commission	25	26
Other	1	2
Total non-operating expenses	<u>186</u>	<u>160</u>
Ordinary profit	<u>2,104</u>	<u>1,470</u>
Extraordinary income		
Gain on sale of non-current assets	—	0
Gain on withdrawal of membership	0	—
Other	0	0
Total extraordinary income	<u>0</u>	<u>0</u>
Extraordinary losses		
Loss on sale of non-current assets	1	2
Impairment losses	87	—
Loss on retirement of non-current assets	40	1
Loss on sale of investment securities	0	—
Loss on valuation of investment securities	78	—
Total extraordinary losses	<u>208</u>	<u>3</u>
Profit before income taxes	<u>1,896</u>	<u>1,467</u>
Income taxes - current	<u>225</u>	<u>64</u>
Income taxes - deferred	<u>417</u>	<u>432</u>
Total income taxes	<u>642</u>	<u>496</u>
Profit	<u>1,254</u>	<u>970</u>
Profit attributable to non-controlling interests	<u>4</u>	<u>13</u>
Profit attributable to owners of parent	<u>1,249</u>	<u>956</u>

(3) Consolidated Statement of Comprehensive Income

(Millions of Yen)

	Previous Second Quarter (From April 1,2020 to September 30,2020)	Current Second Quarter (From April 1,2021 to September 30,2021)
Profit	1,254	970
Other comprehensive income		
Valuation difference on available-for-sale securities	△173	△202
Foreign currency translation adjustment	△23	23
Remeasurements of defined benefit plans, net of tax	△0	△27
Total other comprehensive income	△197	△205
Comprehensive income	1,056	764
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,056	746
Comprehensive income attributable to non-controlling interests	0	18

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Previous Second Quarter (From April 1,2020 to September 30,2020)	Current Second Quarter (From April 1,2021 to September 30,2021)
Cash flows from operating activities		
Profit before income taxes	1,896	1,467
Depreciation	275	300
Impairment losses	87	—
Increase (decrease) in allowance for doubtful accounts	△0	△0
Increase (decrease) in provision for loss on construction contracts	△134	△73
Increase (decrease) in net defined benefit asset and liability	△270	△234
Interest and dividend income	△86	△60
Interest expenses	53	52
Foreign exchange losses (gains)	27	△10
Loss (gain) on sale of non-current assets	1	1
Decrease (increase) in trade receivables	1,576	—
Decrease (increase) in trade receivables and contract assets	—	11,346
Decrease (increase) in costs on construction contracts in progress	△105	△305
Decrease (increase) in inventories	17	△2
Decrease (increase) in accounts receivable - other	590	4,259
Increase (decrease) in trade payables	△13,167	△2,775
Loss (gain) on sale of investment securities	0	—
Loss (gain) on valuation of investment securities	78	—
Increase (decrease) in accounts payable - other	△91	△60
Increase (decrease) in advances received on construction contracts in progress	897	—
Increase (decrease) in contract liabilities	—	△1,120
Other, net	△3,503	△1,330
Subtotal	<u>△11,856</u>	<u>11,452</u>
Interest and dividends received	83	60
Interest paid	△53	△52
Income taxes paid	△1,247	△1,699
Net cash provided by (used in) operating activities	<u>△13,073</u>	<u>9,760</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	△239	△721
Proceeds from sale of property, plant and equipment	0	8
Purchase of intangible assets	△394	△74
Purchase of investment securities	△4	△19
Proceeds from sale of investment securities	0	—
Proceeds from collection of loans receivable	2	104
Payments into time deposits	—	△40
Payments of guarantee deposits	△46	△84
Proceeds from refund of guarantee deposits	18	55
Other, net	1	70
Net cash provided by (used in) investing activities	<u>△660</u>	<u>△701</u>
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	—	△14
Repayments of long-term borrowings	△170	△172
Net decrease (increase) in treasury shares	△1	△1
Dividends paid	△1,602	△1,898
Net cash provided by (used in) financing activities	<u>△1,774</u>	<u>△2,086</u>
Effect of exchange rate change on cash and cash equivalents	△34	17
Net increase (decrease) in cash and cash equivalents	<u>△15,543</u>	<u>6,988</u>
Cash and cash equivalents at beginning of period	29,777	15,760
Cash and cash equivalents at end of period	<u>14,233</u>	<u>22,749</u>