

Financial statements
1.Consolidated financial statements
(1)Consolidated Balance Sheet

	(Millions of Yen)	
	As of March 31,2021	As of March 31,2022
Assets		
Current assets		
Cash and deposits	15,760	13,193
Notes receivable, accounts receivable from completed construction contracts and other	51,360	54,833
Costs on construction contracts in progress	2,046	2,202
Other inventories	48	77
Accounts receivable - other	7,113	2,660
Other	253	560
Allowance for doubtful accounts	△22	△27
Total current assets	76,560	73,500
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,187	7,188
Accumulated depreciation	△3,676	△3,800
Buildings and structures, net	2,510	3,387
Land	1,608	1,608
Other	2,450	2,449
Accumulated depreciation	△1,550	△1,792
Other, net	899	657
Total property, plant and equipment	5,018	5,653
Intangible assets		
Goodwill	136	1,869
Other	1,216	1,139
Total intangible assets	1,352	3,009
Investments and other assets		
Investment securities	6,395	4,610
Long-term loans receivable	104	—
Retirement benefit asset	1,022	1,277
Deferred tax assets	965	1,001
Other	1,445	1,633
Allowance for doubtful accounts	△691	△553
Total investments and other assets	9,243	7,968
Total non-current assets	15,615	16,631
Total assets	92,176	90,132
Liabilities		
Current liabilities		
Accounts payable for construction contracts	15,422	17,174
Short-term borrowings	1,806	2,506
Accounts payable - other	634	786
Income taxes payable	1,859	1,401
Advances received on construction contracts in progress	7,783	4,404
Provision for warranties for completed construction	543	535
Provision for loss on construction contracts	118	98
Suspense receipt of consumption taxes	5,115	5,613
Other	3,360	2,126
Total current liabilities	36,644	34,647
Non-current liabilities		
Bonds payable	1,640	1,640
Long-term borrowings	7,579	6,532
Deferred tax liabilities	1	5
Retirement benefit liability	4,505	4,442
Other	94	191
Total non-current liabilities	13,821	12,811
Total liabilities	50,465	47,458
Net assets		
Shareholders' equity		
Share capital	9,614	9,614
Capital surplus	2,165	2,178
Retained earnings	27,974	29,648
Treasury shares	△66	△27
Total shareholders' equity	39,688	41,415
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,959	996
Foreign currency translation adjustment	△26	△24
Remeasurements of defined benefit plans	△112	△187
Total accumulated other comprehensive income	1,820	784
Non-controlling interests	202	473
Total net assets	41,710	42,673
Total liabilities and net assets	92,176	90,132

(2) Consolidated Statement of Income

(Millions of Yen)

	Previous Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
Net sales		
Net sales of completed construction contracts	137,846	134,407
Sales in other businesses	1,087	1,070
Total net sales	138,934	135,478
Cost of sales		
Cost of sales of completed construction contracts	124,266	121,271
Cost of sales in other businesses	723	762
Total cost of sales	124,989	122,033
Gross profit		
Gross profit on completed construction contracts	13,580	13,136
Gross profit - other business	364	308
Total gross profit	13,945	13,444
Selling, general and administrative expenses		
Selling expenses	3	1
General and administrative expenses	8,650	8,608
Total selling, general and administrative expenses	8,653	8,609
Operating profit	5,291	4,835
Non-operating income		
Interest income	33	23
Dividend income	121	92
Share of profit of entities accounted for using equity method	6	1
Foreign exchange gains	25	130
Outsourcing service income	58	—
Subsidy income	74	44
Other	20	42
Total non-operating income	340	335
Non-operating expenses		
Interest expenses	106	104
Guarantee commission	45	46
Commission expenses	106	106
Other	8	8
Total non-operating expenses	266	265
Ordinary profit	5,364	4,904
Extraordinary income		
Gain on sale of non-current assets	4	0
Gain on sale of investment securities	998	540
Gain on withdrawal of membership	0	0
Other	0	0
Total extraordinary income	1,003	541
Extraordinary losses		
Loss on sale of non-current assets	9	2
Loss on retirement of non-current assets	93	13
Impairment losses	87	—
Loss on sale of investment securities	20	—
Loss on valuation of investment securities	57	—
Total extraordinary losses	269	15
Profit before income taxes	6,099	5,431
Income taxes - current	1,880	1,239
Income taxes - deferred	63	421
Total income taxes	1,944	1,660
Profit	4,155	3,770
Profit attributable to non-controlling interests	16	21
Profit attributable to owners of parent	4,138	3,748

(3) Consolidated Statement of Comprehensive Income

(Millions of Yen)

	Previous Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
Profit	4,155	3,770
Other comprehensive income		
Valuation difference on available-for-sale securities	△237	△963
Foreign currency translation adjustment	△19	2
Remeasurements of defined benefit plans, net of tax	248	△74
Total other comprehensive income	△7	△1,035
Comprehensive income	4,147	2,734
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,133	2,706
Comprehensive income attributable to non-controlling interests	13	28

(4) Consolidated Statements of Changes in Net Assets

Previous fiscal year (From April 1, 2020 to March 31, 2021)

(Millions of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,614	2,165	25,576	△60	37,297
Cumulative effects of changes in accounting policies					—
Restated balance	9,614	2,165	25,576	△60	37,297
Changes during period					
Profit attributable to owners of parent			4,138		4,138
Dividends of surplus			△1,740		△1,740
Purchase of treasury shares				△6	△6
Restricted stock payment					—
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	2,397	△6	2,390
Balance at end of period	9,614	2,165	27,974	△66	39,688

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,196	△7	△361	1,828	188	39,313
Cumulative effects of changes in accounting policies				—		—
Restated balance	2,196	△7	△361	1,828	188	39,313
Changes during period						
Profit attributable to owners of parent				—		4,138
Dividends of surplus				—		△1,740
Purchase of treasury shares				—		△6
Restricted stock payment				—		—
Net changes in items other than shareholders' equity	△237	△19	248	△7	13	6
Total changes during period	△237	△19	248	△7	13	2,397
Balance at end of period	1,959	△26	△112	1,820	202	41,710

(4) Consolidated Statements of Changes in Net Assets
Previous fiscal year (From April 1, 2021 to March 31, 2022)

(Millions of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,614	2,165	27,974	△66	39,688
Cumulative effects of changes in accounting policies			△3		△3
Restated balance	9,614	2,165	27,970	△66	39,684
Changes during period					
Profit attributable to owners of parent			3,748		3,748
Dividends of surplus			△2,070		△2,070
Purchase of treasury shares				△5	△5
Restricted stock payment		13		45	58
Net changes in items other than shareholders' equity					—
Total changes during period	—	13	1,678	39	1,730
Balance at end of period	9,614	2,178	29,648	△27	41,415

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,959	△26	△112	1,820	202	41,710
Cumulative effects of changes in accounting policies				—	△1	△4
Restated balance	1,959	△26	△112	1,820	201	41,706
Changes during period						
Profit attributable to owners of parent				—		3,748
Dividends of surplus				—		△2,070
Purchase of treasury shares				—		△5
Restricted stock payment				—		58
Net changes in items other than shareholders' equity	△963	2	△74	△1,035	272	△763
Total changes during period	△963	2	△74	△1,035	272	967
Balance at end of period	996	△24	△187	784	473	42,673

(5) Consolidated Statement of Cash Flows

(Millions of Yen)

	Previous fiscal year (From April 1,2020 to March 31,2021)	Current fiscal year (From April 1,2021 to March 31,2022)
Cash flows from operating activities		
Profit before income taxes	6,099	5,431
Depreciation	598	646
Impairment losses	87	—
Increase (decrease) in allowance for doubtful accounts	1	△132
Increase (decrease) in provision for loss on construction contracts	△95	△20
Increase (decrease) in net defined benefit asset and liability	△284	△424
Interest and dividend income	△154	△115
Interest expenses	106	104
Foreign exchange losses (gains)	△25	△94
Loss (gain) on sale of non-current assets	4	1
Decrease (increase) in trade receivables	705	△1,964
Decrease (increase) in costs on construction contracts in progress	20	△155
Decrease (increase) in inventories	20	△28
Decrease (increase) in accounts receivable - other	△4,040	4,151
Increase (decrease) in trade payables	△11,546	1,361
Loss (gain) on sale of investment securities	△977	△540
Loss (gain) on valuation of investment securities	57	—
Increase (decrease) in accounts payable - other	2	41
Increase (decrease) in advances received on construction contracts in progress	△1,355	△3,773
Other, net	△637	△1,061
Subtotal	△11,413	3,426
Interest and dividends received	151	115
Interest paid	△106	△104
Income taxes paid	△1,535	△1,875
Net cash provided by (used in) operating activities	△12,902	1,563
Cash flows from investing activities		
Payments into time deposits	—	△40
Purchase of property, plant and equipment	△626	△1,002
Proceeds from sale of property, plant and equipment	0	8
Purchase of intangible assets	△462	△195
Purchase of investment securities	△9	△24
Proceeds from sale and redemption of investment securities	1,964	969
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	△2,168
Proceeds from collection of loans receivable	2	104
Payments of guarantee deposits	△71	△97
Proceeds from refund of guarantee deposits	60	109
Other, net	△43	72
Net cash provided by (used in) investing activities	815	△2,264
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	—	△17
Repayments of long-term borrowings	△337	△336
Net decrease (increase) in treasury shares	△6	△5
Dividends paid	△1,604	△1,908
Net cash provided by (used in) financing activities	△1,948	△2,267
Effect of exchange rate change on cash and cash equivalents	19	106
Net increase (decrease) in cash and cash equivalents	△14,016	△2,862
Cash and cash equivalents at beginning of period	29,777	15,760
Cash and cash equivalents at end of period	15,760	12,898