

2.non-consolidated financial statements

(1)Balance Sheet

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	8,914	8,778
Notes receivable - trade	548	1,324
Electronically recorded monetary claims - operating	2,774	2,982
Accounts receivable from completed construction contracts	52,525	54,669
Real estate for sale	30	30
Costs on construction contracts in progress	1,204	1,476
Raw materials and supplies	29	39
Prepaid expenses	41	119
Accounts receivable - other	1,774	3,117
Other	371	684
Allowance for doubtful accounts	△11	△102
Total current assets	68,204	73,119
Non-current assets		
Property, plant and equipment		
Buildings	6,515	6,282
Accumulated depreciation	△3,529	△3,465
Buildings, net	2,986	2,816
Structures	339	187
Accumulated depreciation	△239	△130
Structures, net	100	56
Machinery and equipment	192	65
Accumulated depreciation	△178	△56
Machinery and equipment, net	14	9
Vehicles	55	35
Accumulated depreciation	△48	△31
Vehicles, net	6	4
Tools, furniture and fixtures	1,653	1,555
Accumulated depreciation	△1,284	△1,214
Tools, furniture and fixtures, net	369	341
Land	1,607	1,461
Leased assets	12	17
Accumulated depreciation	△2	△5
Leased assets, net	10	12
Total property, plant and equipment	5,094	4,702
Intangible assets		
Patent right	0	0
Leasehold interests in land	43	43
Trademark right	2	2
Software	482	374
Software in progress	256	435
Other	54	2
Total intangible assets	839	858

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Investments and other assets		
Investment securities	4,604	6,443
Shares of subsidiaries and associates	3,640	3,668
Long-term non-operating accounts receivable	845	1,007
Long-term loans receivable from subsidiaries and associates	123	110
Long-term prepaid expenses	11	32
Prepaid pension costs	1,575	1,704
Deferred tax assets	879	708
Membership and admission charge	133	127
Other	481	493
Allowance for doubtful accounts	△515	△515
Total investments and other assets	11,778	13,781
Total non-current assets	17,713	19,343
Total assets	85,917	92,463
Liabilities		
Current liabilities		
Accounts payable for construction contracts	13,708	15,765
Short-term borrowings	1,460	6,460
Current portion of long-term borrowings	—	4,300
Current portion of bonds payable	—	1,040
Accounts payable - other	133	81
Accrued expenses	434	1,092
Income taxes payable	1,350	2,009
Accrued consumption taxes	3,953	660
Advances received on construction contracts in progress	3,924	3,951
Deposits received	1,778	1,405
Suspense receipt of consumption taxes	4,456	4,229
Provision for warranties for completed construction	573	614
Provision for loss on construction contracts	38	319
Other	1	2
Total current liabilities	31,813	41,932
Non-current liabilities		
Bonds payable	1,640	600
Long-term borrowings	5,000	700
Provision for retirement benefits	4,306	4,214
Other	110	89
Total non-current liabilities	11,057	5,604
Total liabilities	42,871	47,537

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Net assets		
Shareholders' equity		
Share capital	9,614	9,614
Capital surplus		
Legal capital surplus	2,165	2,165
Other capital surplus	20	37
Total capital surplus	2,186	2,202
Retained earnings		
Legal retained earnings	568	568
Other retained earnings		
Reserve for tax purpose reduction entry of non-current assets	279	274
Retained earnings brought forward	29,367	29,932
Total retained earnings	30,215	30,775
Treasury shares	△73	△64
Total shareholders' equity	41,942	42,528
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,103	2,398
Total valuation and translation adjustments	1,103	2,398
Total net assets	43,046	44,926
Total liabilities and net assets	85,917	92,463

(2)Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales		
Net sales of completed construction contracts	132,247	141,737
Sales in other businesses	553	419
Total net sales	132,800	142,156
Cost of sales		
Cost of sales of completed construction contracts	119,286	130,490
Cost of sales in other businesses	319	291
Total cost of sales	119,606	130,782
Gross profit		
Gross profit on completed construction contracts	12,961	11,246
Gross profit - other business	233	128
Total gross profit	13,194	11,374
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	210	196
Employees' salaries and allowances	3,570	4,105
Retirement benefit expenses	162	139
Legal welfare expenses	559	640
Welfare expenses	83	76
Repair and maintenance expenses	145	153
Stationery expenses	441	365
Communication and transportation expenses	280	303
Power utilities expenses	47	43
Research study expenses	126	116
Advertising expenses	27	33
Provision of allowance for doubtful accounts	△10	1
Entertainment expenses	144	163
Donations	122	118
Rent expenses	1,187	1,237
Depreciation	265	241
Taxes and dues	328	448
Insurance expenses	21	23
Miscellaneous expenses	773	661
Total selling, general and administrative expenses	8,490	9,068
Operating profit	4,704	2,305

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Non-operating income		
Interest income	4	19
Interest on securities	0	0
Dividend income	129	215
Foreign exchange gains	163	207
late charges income	—	75
Other	119	109
Total non-operating income	416	628
Non-operating expenses		
Interest expenses	85	114
Guarantee commission	42	38
Commission expenses	106	107
Provision of allowance for doubtful accounts	—	90
Other	7	14
Total non-operating expenses	242	365
Ordinary profit	4,878	2,568
Extraordinary income		
Gain on sale of non-current assets	759	2,818
Other	0	0
Total extraordinary income	759	2,819
Extraordinary losses		
Loss on sale of non-current assets	—	4
Loss on retirement of non-current assets	1	2
Impairment losses	145	84
Loss on valuation of investment securities	13	15
Loss on valuation of other investments	10	—
Loss on valuation of membership	—	6
Total extraordinary losses	171	113
Profit before income taxes	5,466	5,274
Income taxes - current	1,857	2,015
Income taxes - deferred	1	△380
Total income taxes	1,859	1,634
Profit	3,607	3,639

(3)Non-consolidated Statement of Changes in Net Assets

Curent fiscal year (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
						Reserve for tax purpose reduction entry of non-current assets	Retained earnings brought forward	
Balance at beginning of period	9,614	2,165	13	2,178	568	284	28,684	29,537
Changes during period								
Reversal of reserve for tax purpose reduction entry of non-current assets				—		△5	5	—
Provision of legal retained earnings				—				—
Dividends of surplus				—			△2,929	△2,929
Profit				—			3,607	3,607
Purchase of treasury shares				—				—
Restricted stock payment			7	7				—
Net changes in items other than shareholders' equity				—				—
Total changes during period	—	—	7	7	—	△5	683	677
Balance at end of period	9,614	2,165	20	2,186	568	279	29,367	30,215

	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	△27	41,304	996	996	42,300
Changes during period					
Reversal of reserve for tax purpose reduction entry of non-current assets		—		—	—
Provision of legal retained earnings		—		—	—
Dividends of surplus		△2,929		—	△2,929
Profit		3,607		—	3,607
Purchase of treasury shares	△102	△102		—	△102
Restricted stock payment	55	63		—	63
Net changes in items other than shareholders' equity		—	107	107	107
Total changes during period	△46	638	107	107	746
Balance at end of period	△73	41,942	1,103	1,103	43,046

Curent fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
						Reserve for tax purpose reduction entry of non-current assets	Retained earnings brought forward	
Balance at beginning of period	9,614	2,165	20	2,186	568	279	29,367	30,215
Changes during period								
Reversal of reserve for tax purpose reduction entry of non-current assets				—		△5	5	—
Provision of legal retained earnings				—				—
Dividends of surplus				—			△3,080	△3,080
Profit				—			3,639	3,639
Purchase of treasury shares				—				—
Restricted stock payment			16	16				—
Net changes in items other than shareholders' equity				—				—
Total changes during period	—	—	16	16	—	△5	565	559
Balance at end of period	9,614	2,165	37	2,202	568	274	29,932	30,775

	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	△73	41,942	1,103	1,103	43,046
Changes during period					
Reversal of reserve for tax purpose reduction entry of non-current assets		—		—	—
Provision of legal retained earnings		—		—	—
Dividends of surplus		△3,080		—	△3,080
Profit		3,639		—	3,639
Purchase of treasury shares	△162	△162		—	△162
Restricted stock payment	171	188		—	188
Net changes in items other than shareholders' equity		—	1,294	1,294	1,294
Total changes during period	9	585	1,294	1,294	1,880
Balance at end of period	△64	42,528	2,398	2,398	44,926