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1 Trends in Key Management Indicators

(1) [Consolidated] Key Management Indicators

	(Unit)	2015	2016	2017	2018	2019
Net sales	(Millions of yen)	369,702	379,258	407,994	377,020	359,971
Operating profit	(Millions of yen)	18,518	25,456	37,018	35,714	23,692
Ordinary profit (loss)	(Millions of yen)	18,120	23,301	36,239	34,767	22,495
Profit (loss) attributable to owners of parent	(Millions of yen)	7,240	14,983	26,277	23,862	8,862
Total assets	(Millions of yen)	269,720	300,368	318,387	329,780	349,656
Net assets	(Millions of yen)	64,622	76,978	100,744	122,400	133,682
Interest-bearing debt	(Millions of yen)	33,687	41,375	41,234	39,923	29,273
Capital expenditure	(Millions of yen)	784	2,690	3,068	2,531	2,062
Depreciation	(Millions of yen)	1,081	1,073	1,198	1,799	1,794
Current ratio	(%)	141.4	152.8	159.3	168.4	190.8
Equity ratio	(%)	23.7	25.4	31.4	36.9	38.0
Return on assets (ROA)	(%)	6.8	8.2	11.7	10.7	6.6
Return on equity (ROE)	(%)	12.3	21.4	29.9	21.5	7.0
Debt/Equity (D/E) ratio	(Times)	0.5	0.5	0.4	0.3	0.2
Price earnings ratio	(Times)	17.54	6.76	5.26	6.21	16.39
Net assets per share	(Yen)	345.56	411.76	541.43	651.77	664.78
Basic earnings (loss) per share	(Yen)	39.17	81.03	142.30	128.97	45.21
Diluted earnings per share	(Yen)	39.12	80.96	131.60	119.41	44.20

(2) [Non-consolidated] Key Management Indicators

	(Unit)	2015	2016	2017	2018	2019
Net sales	(Millions of yen)	351,393	360,510	382,553	349,944	332,699
Operating profit (loss)	(Millions of yen)	17,105	23,793	35,387	34,266	22,565
Ordinary profit (loss)	(Millions of yen)	16,932	21,987	35,007	33,842	21,724
Profit (loss)	(Millions of yen)	6,566	14,468	25,588	23,419	8,477
Total assets	(Millions of yen)	255,532	285,539	302,820	313,368	333,132
Net assets	(Millions of yen)	59,067	71,420	93,902	115,500	126,798
Share capital	(Millions of yen)	12,000	12,000	12,000	12,651	17,006
Number of common shares issued	(Thousands of shares)	185,209	185,209	185,209	187,160	200,343
Treasury shares	(Millions of yen)	68	56	303	295	255
Interest-bearing debt	(Millions of yen)	32,617	40,390	40,335	39,109	28,545
Research and development expenses	(Millions of yen)	1,829	2,177	2,732	3,611	2,518
Current ratio	(%)	138.1	149.6	155.8	165.4	187.5
Equity ratio	(%)	23.1	25.0	31.0	36.9	38.1
Return on assets (ROA)	(%)	6.7	8.1	11.9	11	6.7
Return on equity (ROE)	(%)	11.9	22.2	31.0	22.4	7.0
Debt/Equity (D/E) ratio	(Times)	0.6	0.6	0.4	0.3	0.2
Price earnings ratio	(Times)	19.34	7.00	5.41	6.33	17.14
Net assets per share	(Yen)	319.40	386.11	508.84	619.27	634.68
Basic earnings (loss) per share	(Yen)	35.52	78.24	138.56	126.57	43.24
Diluted earnings per share	(Yen)	35.48	78.18	128.15	117.19	42.28

2 Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: millions of yen)

	2015	2016	2017	2018	2019
(ASSETS)					
Current assets					
Cash and deposits	79,660	100,617	88,699	110,768	120,302
Notes receivable, accounts receivable from completed construction contracts and other	108,987	102,692	122,933	105,434	118,753
Securities	0	15,999	19,999	29,999	15,999
Costs on construction contracts in progress	6,527	6,280	4,800	5,320	7,755
Other inventories	4,390	5,565	5,404	3,932	5,030
Deferred tax assets	1,695	2,105	3,591	3,135	—
Other	14,613	12,252	17,448	14,694	18,297
Allowance for doubtful accounts	(10)	(10)	(12)	(12)	(12)
Total current assets	215,864	245,502	262,864	273,272	286,127
Non-current assets					
Property, plant and equipment					
Buildings and structures	17,486	17,814	19,146	20,424	20,602
Machinery, vehicles, tools, furniture and fixtures	8,437	8,822	9,089	10,193	10,746
Land	18,898	17,933	16,309	15,212	15,057
Other	300	857	1,185	302	1,104
Accumulated depreciation	(17,994)	(18,525)	(19,222)	(19,512)	(20,583)
Total property, plant and equipment	27,128	26,902	26,508	26,619	26,928
Intangible assets	1,314	1,900	2,440	2,166	2,013
Investments and other assets					
Investment securities	20,463	20,734	20,537	21,807	22,442
Long-term loans receivable	638	558	500	458	439
Deferred tax assets	1,502	2,040	2,195	2,095	8,427
Other	4,819	4,976	3,364	3,382	3,278
Allowance for doubtful accounts	(2,010)	(2,246)	(23)	(21)	(0)
Total investments and other assets	25,413	26,063	26,574	27,721	34,587
Total non-current assets	53,855	54,865	55,522	56,507	63,528
Total assets	269,720	300,368	318,387	329,780	349,656

(Unit: millions of yen)

	2015	2016	2017	2018	2019
(LIABILITIES)					
Current liabilities					
Notes payable, accounts payable for construction contracts and other	96,747	100,728	102,504	88,461	72,623
Short-term borrowings	19,751	17,323	21,825	21,879	19,139
Current portion of bonds	351	451	391	362	357
Current portion of convertible bond-type bonds with share acquisition rights	—	—	—	8,714	—
Income taxes payable	3,855	5,996	7,464	4,715	2,437
Advances received on construction contracts in progress	30,667	30,354	23,953	25,404	46,014
Provisions for warranties for completed construction	1,765	2,472	3,624	2,262	1,886
Provisions for bonuses	1,864	2,308	2,318	2,635	2,386
Provisions for loss on construction contracts	4,408	3,622	606	351	1,733
Provisions for loss on damage due to fire	—	—	—	—	7,743
Other	19,266	23,647	23,221	29,753	37,582
Total current liabilities	178,677	186,903	185,909	184,541	191,904
Non-current liabilities					
Bonds payable	832	831	440	569	711
Convertible bond-type bonds with share acquisition rights	—	10,050	10,033	—	—
Long-term borrowings	12,752	12,719	8,543	8,397	9,064
Deferred tax liabilities	72	55	56	53	46
Retirement benefit liability	11,949	12,181	11,918	12,497	12,959
Provisions for environmental measures	295	155	153	152	151
Provisions for management board incentive plan trust	—	—	78	139	107
Other	517	492	509	1,029	1,027
Total non-current liabilities	26,419	36,486	31,733	22,839	24,069
Total liabilities	205,097	223,390	217,642	207,380	215,973
(NET ASSETS)					
Shareholders' equity					
Share capital	12,000	12,000	12,000	12,651	17,006
Capital surplus	15,001	14,994	14,993	15,643	19,927
Retained earnings	33,365	46,500	69,838	89,828	92,945
Treasury shares	(68)	(56)	(303)	(295)	(255)
Total shareholders' equity	60,299	73,439	96,528	117,827	129,622
Accumulated other comprehensive income					
Valuation difference on available-for-sale securities	4,016	3,749	3,852	4,607	4,482
Deferred gains or losses on hedges	(6)	(17)	(11)	(19)	(3)
Foreign currency translation adjustment	270	170	145	134	62
Remeasurements of defined benefit plans	(691)	(1,187)	(608)	(996)	(1,356)
Total accumulated other comprehensive income	3,588	2,714	3,377	3,726	3,184
Share acquisition rights	15	10	10	8	4
Non-controlling interests	718	813	828	837	869
Total net assets	64,622	76,978	100,744	122,400	133,682
Total liabilities and net assets	269,720	300,368	318,387	329,780	349,656

* Application of "Partial Amendments to Accounting Standard for Tax Effect Accounting"

From the fiscal year ended March 2019, the Company has applied "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018) which requires deferred tax assets to be classified as part of "Investments and other assets," and deferred tax liabilities to be classified as part of "Long-term liabilities."

(2) Consolidated Statements of Income

(Unit: millions of yen)

	2015	2016	2017	2018	2019
Net sales					
Net sales of completed construction contracts	355,068	360,869	378,982	348,878	334,244
Sales in other businesses	14,634	18,388	29,011	28,141	25,726
Total net sales	369,702	379,258	407,994	377,020	359,971
Cost of sales					
Cost of sales of completed construction contracts	321,465	318,367	322,617	294,147	290,867
Cost of sales in other businesses	12,225	16,156	26,218	25,518	23,312
Total cost of sales	333,691	334,523	348,836	319,665	314,179
Gross profit					
Gross profit on completed construction contracts	33,602	42,501	56,365	54,731	43,377
Gross profit - other business	2,408	2,232	2,793	2,623	2,414
Total gross profit	36,011	44,734	59,158	57,354	45,791
Selling, general and administrative expenses	17,493	19,277	22,140	21,640	22,099
Operating profit	18,518	25,456	37,018	35,714	23,692
Non-operating income					
Interest income	73	104	171	130	131
Dividend income	212	243	272	300	382
Foreign exchange gains	658	—	—	—	—
Reversal of allowance for doubtful accounts	—	—	207	—	—
Other	171	240	178	120	295
Total non-operating income	1,116	589	829	551	808
Non-operating expenses					
Interest expenses	884	754	343	501	481
Commission income	159	—	—	174	—
Partners' share of profit from overseas business	215	—	—	—	—
Foreign exchange losses	—	1,240	796	288	415
Provisions of allowance for doubtful accounts	0	278	—	—	—
Compensation for damage	—	—	—	—	454
Other	254	470	468	534	653
Total non-operating expenses	1,513	2,744	1,608	1,498	2,005
Ordinary profit	18,120	23,301	36,239	34,767	22,495
Extraordinary income					
Gain on sales of non-current assets	18	287	143	82	48
Gain on sales of investment securities	—	116	81	155	—
Other	3	5	—	—	—
Total extraordinary income	21	409	224	238	48
Extraordinary losses					
Impairment loss	—	431	1,097	752	45
Loss on sales of non-current assets	489	—	—	47	—
Loss on retirement of non-current assets	319	—	—	—	—
Provisions of allowance for doubtful accounts	1,750	—	—	—	—
Loss on litigation	—	—	—	53	148
Loss on damage due to fire	—	—	—	—	9,333
Loss on liquidation of overseas subsidiaries	—	226	—	—	—
Other	65	415	113	—	—
Total extraordinary losses	2,623	1,072	1,210	853	9,527
Profit before income taxes	15,518	22,638	35,253	34,152	13,016
Income taxes - current	5,471	8,213	10,916	9,769	7,153
Income taxes - deferred	2,783	(568)	(1,974)	508	(3,002)
Total income taxes	8,255	7,644	8,941	10,278	4,150
Profit	7,262	14,993	26,311	23,874	8,865
Profit attributable to non-controlling interests	22	9	33	12	3
Profit attributable to owners of parent	7,240	14,983	26,277	23,862	8,862

(3) Consolidated Statement of Cash Flows

(Unit: millions of yen)

	2015	2016	2017	2018	2019
Cash flows from operating activities					
Profit before income taxes	15,518	22,638	35,253	34,152	13,016
Depreciation	1,081	1,073	1,198	1,799	1,794
Impairment loss	—	431	1,097	752	45
Loss on damage due to fire	—	—	—	—	9,333
Increase (decrease) in allowance for doubtful accounts	1,710	234	(2,220)	(1)	(21)
Increase (decrease) in provisions for warranties for completed construction	—	707	1,151	(1,361)	(375)
Increase (decrease) in provisions for loss on construction contracts	—	(786)	(3,016)	(254)	1,382
Increase (decrease) in retirement benefit liability	(2,000)	235	(178)	576	(56)
Interest and dividend income	(286)	(348)	(444)	(430)	(513)
Interest expenses	884	754	343	501	481
Foreign exchange losses (gains)	(1,254)	1,149	353	65	(128)
Loss (gain) on sales of investment securities	—	—	—	(155)	(7)
Loss (gain) on valuation of investment securities	0	335	0	—	—
Loss (gain) on sales of property, plant and equipment	471	(268)	(126)	(35)	(51)
Decrease (increase) in trade receivables	2,386	6,335	(20,186)	17,497	(13,309)
Decrease (increase) in costs on construction contracts in progress	(1,336)	247	1,480	(520)	(2,450)
Decrease (increase) in other inventories	337	(1,174)	168	1,471	(1,097)
Decrease (increase) in advance paid	(160)	(2,216)	(2,892)	4,085	(389)
Increase (decrease) in trade payables	(3,575)	4,076	1,753	(14,055)	(15,849)
Increase (decrease) in advances received on construction contracts in progress	4,907	(313)	(6,405)	1,454	20,611
Increase (decrease) in deposits received	2,244	1,248	808	(2,631)	13,898
Increase (decrease) in accrued consumption taxes	(2,844)	1,234	(1,416)	8,448	(8,574)
Other, net	2,690	5,559	1,663	(928)	(1,997)
Subtotal	20,774	41,154	8,386	50,430	15,739
Interest and dividends received	271	328	411	414	472
Interest paid	(797)	(670)	(796)	(491)	(442)
Compensation for damage paid	—	—	—	—	(494)
Income taxes paid	(4,531)	(6,090)	(9,803)	(12,225)	(9,374)
Net cash provided by (used in) operating activities	15,716	34,722	(1,802)	38,127	5,900
Cash flows from investing activities					
Payments into time deposits	—	(9,681)	(982)	(1,787)	(11,123)
Proceeds from withdrawal of time deposits	—	101	9,681	1,294	11,458
Purchase of short-term and long-term investment securities	(1,034)	(1,296)	(5,141)	(42)	(1,202)
Proceeds from sales and redemption of short-term and long-term investment securities	21	195	5,560	187	108
Purchase of property, plant and equipment	(514)	(1,964)	(2,391)	(2,136)	(1,754)
Proceeds from sales of property, plant and equipment	334	1,139	815	588	200
Loan advances	(5)	(7)	(2)	(8)	—
Collection of loans receivable	111	87	58	50	—
Earnings arising from dissolution of silent partnerships	401	125	—	—	—
Other, net	550	(715)	(1,281)	(406)	(42)
Net cash provided by (used in) investing activities	(134)	(12,015)	6,316	(2,260)	(2,356)
Cash flows from financing activities					
Net increase (decrease) in short-term borrowings	(4,825)	(976)	4,996	—	(4,410)
Proceeds from long-term borrowings	8,831	6,191	1,001	5,562	8,637
Repayments of long-term borrowings	(9,749)	(7,676)	(5,670)	(5,654)	(6,299)
Proceeds from issuance of bonds	375	500	—	546	555
Redemption of bonds	(363)	(401)	(451)	(445)	(417)
Convertible bond-type bonds with share acquisition rights	—	10,050	—	—	—
Dividends paid	(1,478)	(1,848)	(2,959)	(3,884)	(5,795)
Distributions paid to non-controlling interests	—	—	—	(40)	(4)
Other, net	(279)	101	(292)	(45)	(44)
Net cash provided by (used in) financing activities	(7,489)	5,940	(3,375)	(3,962)	(7,779)
Effect of exchange rate change on cash and cash equivalents	1,441	(1,269)	(455)	(52)	104
Net increase (decrease) in cash and cash equivalents	9,533	27,377	682	31,851	(4,132)
Cash and cash equivalents at beginning of period	70,024	79,558	106,935	107,667	139,190
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	—	—	48	—	35
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	—	—	—	(328)	—
Cash and cash equivalents at end of period	79,558	106,935	107,667	139,190	135,093

3 Non-consolidated Financial Statements

(1) Balance Sheets

(Unit: millions of yen)

	2015	2016	2017	2018	2019
(ASSETS)					
Current assets					
Cash and deposits	71,444	92,363	80,215	101,700	112,892
Notes receivable - trade	7,598	4,914	246	1,263	1,815
Electronically recorded monetary claims - operating	—	5,066	2,195	5,716	5,776
Accounts receivable from completed construction contracts	98,363	89,760	116,871	95,012	107,190
Accounts receivable - other business	967	877	1,265	1,205	1,072
Securities	0	15,999	19,999	29,999	15,999
Real estate for sale	1,252	848	1,824	511	511
Costs on construction contracts in progress	5,628	5,698	4,199	4,730	8,092
Costs on other business	2,515	3,456	1,549	1,526	1,135
Raw materials and supplies	18	16	2	2	3
Prepaid expenses	118	102	87	83	76
Deferred tax assets	1,662	2,116	3,625	3,121	—
Other	13,654	11,692	17,103	14,200	17,888
Allowance for doubtful accounts	(10)	(10)	(12)	(10)	(11)
Total current assets	203,211	232,903	249,175	259,063	272,443
Non-current assets					
Property, plant and equipment					
Buildings, net	5,702	5,594	6,549	7,509	7,320
Structures, net	249	240	283	365	335
Machinery and equipment, net	20	13	96	1,103	947
Vehicles, net	72	67	77	78	67
Tools, furniture and fixtures, net	424	473	490	542	533
Land	17,598	16,539	14,915	13,818	13,696
Leased assets, net	202	153	155	150	172
Construction in progress	—	638	868	33	195
Total property, plant and equipment	24,270	23,720	23,438	23,602	23,270
Intangible assets					
Patent right	0	0	0	0	—
Leasehold interests in land	541	541	541	396	396
Software	381	431	576	1,441	1,199
Leased assets	1	—	—	—	—
Other	183	734	1,131	122	186
Total intangible assets	1,107	1,706	2,248	1,960	1,781
Investments and other assets					
Investment securities	20,060	20,334	20,180	21,183	22,205
Shares of subsidiaries and associates	2,693	2,991	3,071	3,071	2,796
Investments in capital	25	25	25	25	24
Investments in capital of subsidiaries and associates	100	100	100	111	111
Long-term loans receivable	34	31	27	23	20
Long-term loans receivable from employees	58	44	37	40	38
Long-term loans receivable from subsidiaries and associates	544	481	434	393	381
Claims provable in bankruptcy, claims provable in rehabilitation and other	431	370	23	21	—
Long-term prepaid expenses	38	28	19	12	40
Prepaid pension cost	468	—	—	—	—
Deferred tax assets	622	940	1,316	1,086	7,253
Other	4,027	4,256	2,742	2,792	2,765
Allowance for doubtful accounts	(2,161)	(2,398)	(23)	(20)	(0)
Total investments and other assets	26,942	27,208	27,957	28,741	35,637
Total non-current assets	52,321	52,635	53,644	54,304	60,689
Total assets	255,532	285,539	302,820	313,368	333,132

(Unit: millions of yen)

	2015	2016	2017	2018	2019
(LIABILITIES)					
Current liabilities					
Notes payable - trade	17,296	13,767	10,283	7,227	2,379
Electronically recorded obligations - operating	—	6,260	26,848	18,530	9,788
Accounts payable for construction contracts	75,945	78,097	63,393	60,373	59,427
Accounts payable - other business	165	225	222	462	304
Short-term borrowings	19,665	17,237	21,740	21,794	19,053
Current portion of bonds	351	451	391	362	357
Current portion of convertible bond-type bonds with share acquisition rights	—	—	—	8,714	—
Lease obligations	82	70	61	57	62
Accounts payable - other	1,692	1,610	2,008	2,192	3,183
Accrued expenses	402	478	7	27	60
Income taxes payable	3,570	5,630	7,218	4,516	2,267
Advances received on construction contracts in progress	29,669	29,552	22,875	24,648	45,048
Advances received on other business	483	616	616	760	418
Deposits received	15,114	17,476	17,914	15,180	29,555
Unearned revenue	7	5	3	5	5
Provisions for warranties for completed construction	1,765	2,472	3,622	2,261	1,888
Provisions for bonuses	1,802	2,210	2,205	2,525	2,260
Provisions for loss on construction contracts	4,387	3,602	581	346	1,724
Provisions for loss on damage due to fire	—	—	—	—	7,743
Other	363	1,646	115	8,396	507
Total current liabilities	172,766	181,412	180,110	178,383	186,038
Non-current liabilities					
Bonds payable	832	831	440	569	711
Convertible bond-type bonds with share acquisition rights	—	10,050	10,033	—	—
Long-term borrowings	11,767	11,820	7,730	7,668	8,422
Lease obligations	128	88	98	98	117
Provisions for retirement benefits	10,373	9,477	9,986	10,048	9,976
Provisions for environmental measures	295	155	153	152	151
Provisions for management board incentive plan trust	—	—	78	139	107
Asset retirement obligations	54	55	50	487	490
Other	246	227	237	318	317
Total non-current liabilities	23,698	32,706	28,807	19,483	20,295
Total liabilities	196,465	214,118	208,917	197,867	206,333
(NET ASSETS)					
Shareholders' equity					
Share capital	12,000	12,000	12,000	12,651	17,006
Capital surplus					
Legal capital surplus	12,117	12,117	12,117	12,768	17,123
Other capital surplus	2,884	2,877	2,876	2,874	2,869
Total capital surpluses	15,001	14,994	14,993	15,643	19,992
Retained earnings					
Other retained earnings					
Retained earnings brought forward	28,107	40,727	63,355	82,891	85,573
Total retained earnings	28,107	40,727	63,355	82,891	85,573
Treasury shares	(68)	(56)	(303)	(295)	(255)
Total shareholders' equity	55,041	67,665	90,046	110,890	122,316
Valuation and translation adjustments					
Valuation difference on available-for-sale securities	4,010	3,744	3,845	4,601	4,478
Total valuation and translation adjustments	4,010	3,744	3,845	4,601	4,478
Share acquisition rights	15	10	10	8	4
Total net assets	59,067	71,420	93,902	115,500	126,798
Total liabilities and net assets	255,532	285,539	302,820	313,368	333,132

* Application of "Partial Amendments to Accounting Standard for Tax Effect Accounting"

From the fiscal year ended March 2019, the Company has applied "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018) which requires deferred tax assets to be classified as part of "Investments and other assets," and deferred tax liabilities to be classified as part of "Long-term liabilities."

(2) Statements of Income

(Unit: millions of yen)

	2015	2016	2017	2018	2019
Net sales					
Net sales of completed construction contracts	347,555	355,957	373,098	343,468	327,649
Sales in other businesses	3,838	4,553	9,455	6,476	5,050
Total net sales	351,393	360,510	382,553	349,944	332,699
Cost of sales					
Cost of sales of completed construction contracts	314,840	314,285	317,566	289,571	285,285
Cost of sales in other businesses	3,070	4,239	8,723	5,816	4,345
Total cost of sales	317,910	318,524	326,290	295,388	289,630
Gross profit					
Gross profit on completed construction contracts	32,714	41,672	55,532	53,896	42,363
Gross profit - other business	767	313	731	660	704
Total gross profit	33,482	41,985	56,263	54,556	43,068
Selling, general and administrative expenses					
Remuneration for directors (and other officers)	224	281	333	328	328
Provisions for management board incentive plan trust	—	—	78	68	—
Employees' salaries and allowances	6,089	6,257	6,983	6,626	6,731
Provisions for bonuses	1,209	1,986	2,129	2,238	2,239
Retirement benefit expenses	698	628	833	680	621
Legal welfare expenses	1,104	1,249	1,368	1,314	1,296
Welfare expenses	307	297	315	301	331
Repair and maintenance expenses	245	200	486	388	342
Stationery expenses	329	412	495	404	502
Communication and transportation expenses	1,267	1,359	1,374	1,340	1,349
Power utilities expenses	103	94	91	106	108
Research study expenses	1,877	2,261	2,313	2,254	2,257
Advertising expenses	141	158	223	229	179
Provisions of allowance for doubtful accounts	(46)	(32)	1	(1)	1
Bad debts expenses	—	—	—	—	0
Entertainment expenses	179	203	227	241	279
Donations	25	33	45	35	101
Rent expenses on land and buildings	728	734	787	866	891
Depreciation	524	519	620	833	853
Taxes and dues	501	681	1,198	1,132	1,095
Insurance expenses	116	91	110	67	94
Miscellaneous expenses	746	771	856	830	894
Total selling, general and administrative expenses	16,377	18,192	20,875	20,289	20,502
Operating profit	17,105	23,793	35,387	34,266	22,565

(Unit: millions of yen)

	2015	2016	2017	2018	2019
Non-operating income					
Interest income	58	90	134	87	96
Interest on securities	9	10	7	2	3
Dividend income	424	552	693	825	750
Foreign exchange gains	648	—	—	—	—
Reversal of allowance for doubtful accounts	—	—	208	—	—
Other	175	243	154	102	270
Total non-operating income	1,316	897	1,199	1,018	1,121
Non-operating expenses					
Interest expenses	854	723	307	474	457
Interest expenses on bonds	14	21	17	13	12
Foreign exchange losses	—	1,212	788	283	414
Compensation for damage	—	—	—	—	454
Provisions of allowance for doubtful accounts	—	278	—	—	—
Commission income	159	—	—	174	—
Partners' share of profit from overseas business	215	—	—	—	—
Other	244	467	465	497	624
Total non-operating expenses	1,488	2,703	1,579	1,442	1,962
Ordinary profit	16,932	21,987	35,007	33,842	21,724
Extraordinary income					
Gain on sales of non-current assets	3	261	140	72	—
Gain on sales of investment securities	1	116	80	155	—
Other	—	5	—	—	—
Total extraordinary income	4	384	221	228	—
Extraordinary losses					
Loss on damage due to fire	—	—	—	—	9,333
Loss on sales of non-current assets	489	—	—	47	—
Loss on retirement of non-current assets	316	—	—	—	—
Impairment loss	—	431	1,097	752	45
Loss on litigation	—	—	—	—	148
Provisions of allowance for doubtful accounts	1,750	—	—	—	—
Other	65	417	94	53	—
Total extraordinary losses	2,620	848	1,191	853	9,527
Profit before income taxes	14,316	21,522	34,037	33,217	12,197
Income taxes - current	4,949	7,609	10,409	9,301	6,716
Income taxes - deferred	2,801	(555)	(1,960)	497	(2,997)
Total income taxes	7,750	7,054	8,449	9,798	3,719
Profit	6,566	14,468	25,588	23,419	8,477

4 [Non-consolidated] Orders Received

(1) Orders Received by Government Sector / Private Sector / Overseas (Unit: millions of yen, %)

		2015		2016		2017		2018		2019	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Domestic civil engineering	Government sector	115,438	[71.0]	88,208	[72.5]	126,538	[69.4]	86,281	[72.0]	82,613	[46.3]
	Private sector	47,059	[29.0]	33,374	[27.5]	55,919	[30.6]	33,522	[28.0]	95,847	[53.7]
	Total	162,497	40.7	121,583	33.6	182,458	42.5	119,804	34.3	178,460	41.7
Domestic building construction	Government sector	36,774	[18.3]	30,151	[14.9]	41,191	[19.4]	24,452	[11.7]	38,739	[17.8]
	Private sector	163,722	[81.7]	172,381	[85.1]	170,751	[80.6]	184,927	[88.3]	179,255	[82.2]
	Total	200,496	50.2	202,533	55.9	211,942	49.4	209,380	60.0	217,995	51.0
Domestic	Government sector	152,212	[41.9]	118,360	[36.5]	167,729	[42.5]	110,734	[33.6]	121,352	[30.6]
	Private sector	210,781	[58.1]	205,756	[63.5]	226,671	[57.5]	218,450	[66.4]	275,103	[69.4]
	Total	362,994	90.9	324,116	89.5	394,400	91.9	329,184	94.3	396,455	92.7
Overseas	Civil engineering	4,562	[12.6]	1,708	[4.5]	10,550	[30.2]	3,665	[18.3]	13,717	[44.0]
	Building construction	31,751	[87.4]	36,388	[95.5]	24,335	[69.8]	16,342	[81.7]	17,478	[56.0]
	Total	36,313	9.1	38,097	10.5	34,886	8.1	20,007	5.7	31,196	7.3
Sum total	Civil engineering	167,059	[41.8]	123,292	[34.0]	193,008	[45.0]	123,469	[35.4]	192,178	[44.9]
	Building construction	232,248	[58.2]	238,921	[66.0]	236,278	[55.0]	225,722	[64.6]	235,473	[55.1]
	Total	399,307	100	362,213	100	429,286	100	349,192	100	427,651	100

(2) Orders Received by Category (Civil Engineering)

(Unit: millions of yen, %)

	2015		2016		2017		2018		2019	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Forest conservation and flood control	19,433	[11.6]	15,994	[13.0]	22,864	[11.9]	8,040	[6.5]	33,350	[17.4]
Railway	3,209	[1.9]	7,543	[6.1]	17,200	[8.9]	17,258	[14.0]	72,983	[38.0]
Water and sewerage	11,903	[7.1]	5,050	[4.1]	4,112	[2.1]	4,164	[3.4]	7,329	[3.8]
Land development	5,856	[3.5]	1,776	[1.4]	838	[0.4]	5,310	[4.3]	21	[0.0]
Port and harbor, airport	3,645	[2.2]	1,298	[1.1]	4,808	[2.5]	354	[0.3]	571	[0.3]
Road	51,168	[30.6]	26,576	[21.6]	63,494	[32.9]	25,210	[20.4]	33,300	[17.3]
Facilities for sending electric power	237	[0.2]	4	[0.0]	4,280	[2.2]	359	[0.3]	1,049	[0.5]
Other civil engineering	71,606	[42.9]	65,046	[52.7]	75,408	[39.1]	62,769	[50.8]	43,572	[22.7]
Total	167,059	100	123,292	100	193,008	100	123,469	100	192,178	100

(3) Orders Received by Category (Building Construction)

(Unit: millions of yen, %)

	2015		2016		2017		2018		2019	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Office and government buildings	42,814	[18.4]	24,861	[10.4]	47,532	[20.1]	29,184	[12.9]	37,057	[15.7]
Accommodations	4,044	[1.7]	18,085	[7.5]	17,714	[7.5]	17,494	[7.7]	8,065	[3.4]
Store	14,733	[6.3]	14,827	[6.2]	6,244	[2.6]	6,473	[2.9]	6,975	[3.0]
Factory and power plant	68,397	[29.5]	63,061	[26.4]	54,632	[23.1]	74,465	[33.0]	65,621	[27.9]
Warehouse and logistics facilities	31,102	[13.4]	11,376	[4.8]	27,519	[11.6]	16,227	[7.2]	23,637	[10.0]
Housing	18,683	[8.1]	30,001	[12.6]	16,654	[7.1]	15,883	[7.0]	8,046	[3.4]
Educational, research and cultural facilities	20,364	[8.8]	35,336	[14.8]	25,072	[10.6]	16,810	[7.4]	15,213	[6.5]
Medical and welfare facilities	20,532	[8.8]	13,798	[5.8]	21,966	[9.3]	25,194	[11.2]	35,255	[15.0]
Recreational facilities	2,345	[1.0]	6,576	[2.7]	2,256	[1.0]	9,648	[4.3]	22,575	[9.6]
Other building construction	9,229	[4.0]	20,996	[8.8]	16,685	[7.1]	14,339	[6.4]	13,025	[5.5]
Total	232,248	100	238,921	100	236,278	100	225,722	100	235,473	100

5

[Non-consolidated] Net Sales of Completed Construction Contracts

• Net Sales of Completed Construction Contracts for Government Sector / Private Sector / Overseas (Unit: millions of yen, %)

		2015		2016		2017		2018		2019	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Domestic civil engineering	Government sector	77,094	[67.7]	85,771	[72.4]	99,197	[75.9]	88,069	[72.1]	70,268	[63.4]
	Private sector	36,756	[32.3]	32,720	[27.6]	31,434	[24.1]	34,071	[27.9]	40,530	[36.6]
	Total	113,851	32.7	118,492	33.3	130,631	35.0	122,141	35.6	110,798	33.8
Domestic building construction	Government sector	25,713	[13.2]	29,404	[14.7]	45,291	[21.1]	27,716	[14.1]	26,931	[14.3]
	Private sector	169,523	[86.8]	171,296	[85.3]	169,470	[78.9]	168,806	[85.9]	161,429	[85.7]
	Total	195,237	56.2	200,700	56.4	214,761	57.6	196,522	57.2	188,361	57.5
Domestic	Government sector	102,807	[33.3]	115,176	[36.1]	144,489	[41.8]	115,785	[36.3]	97,200	[32.5]
	Private sector	206,280	[66.7]	204,016	[63.9]	200,904	[58.2]	202,878	[63.7]	201,960	[67.5]
	Total	309,088	88.9	319,193	89.7	345,393	92.6	318,663	92.8	299,160	91.3
Overseas	Civil engineering	7,720	[20.1]	4,002	[10.9]	3,542	[12.8]	5,331	[21.5]	7,991	[28.1]
	Building construction	30,746	[79.9]	32,762	[89.1]	24,161	[87.2]	19,472	[78.5]	20,497	[71.9]
	Total	38,466	11.1	36,764	10.3	27,704	7.4	24,804	7.2	28,488	8.7
Sum total	Civil engineering	121,572	[35.0]	122,494	[34.4]	134,174	[36.0]	127,473	[37.1]	118,790	[36.3]
	Building construction	225,983	[65.0]	233,462	[65.6]	238,923	[64.0]	215,994	[62.9]	208,858	[63.7]
	Total	347,555	100	355,957	100	373,098	100	343,468	100	327,649	100

6 [Non-consolidated] Year-end Backlog

• Year-end Backlog for Government Sector / Private Sector / Overseas (Unit: millions of yen, %)

		2015		2016		2017		2018		2019	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Domestic civil engineering	Government sector	124,319	[78.6]	126,756	[78.6]	154,096	[72.3]	152,308	[72.3]	164,653	[59.2]
	Private sector	33,794	[21.4]	34,448	[21.4]	58,934	[27.7]	58,385	[27.7]	113,702	[40.8]
	Total	158,114	45.1	161,205	45.1	213,031	51.6	210,693	50.4	278,355	53.7
Domestic building construction	Government sector	36,814	[21.8]	37,562	[22.0]	33,462	[20.0]	30,198	[16.7]	42,006	[20.0]
	Private sector	131,726	[78.2]	132,811	[78.0]	134,092	[80.0]	150,213	[83.3]	168,040	[80.0]
	Total	168,541	48.0	170,373	47.7	167,554	40.6	180,412	43.2	210,046	40.5
Domestic	Government sector	161,134	[49.3]	164,318	[49.6]	187,558	[49.3]	182,507	[46.7]	206,659	[42.3]
	Private sector	165,521	[50.7]	167,260	[50.4]	193,027	[50.7]	208,599	[53.3]	281,742	[57.7]
	Total	326,655	93.1	331,579	92.8	380,585	92.2	391,106	93.6	488,401	94.2
Overseas	Civil engineering	8,509	[35.1]	6,138	[24.0]	13,089	[40.5]	10,984	[40.9]	16,558	[55.5]
	Building construction	15,755	[64.9]	19,406	[76.0]	19,193	[59.5]	15,887	[59.1]	13,271	[44.5]
	Total	24,264	6.9	25,544	7.2	32,282	7.8	26,872	6.4	29,830	5.8
Sum total	Civil engineering	166,623	[47.5]	167,343	[46.9]	226,120	[54.8]	221,678	[53.0]	294,914	[56.9]
	Building construction	184,296	[52.5]	189,780	[53.1]	186,747	[45.2]	196,300	[47.0]	223,318	[43.1]
	Total	350,919	100	357,123	100	412,868	100	417,978	100	518,232	100

7 [Non-consolidated] Net Sales of Completed Construction Contracts / Gross Profit on Completed Construction Contracts

(Unit: millions of yen, %)

		2015	2016	2017	2018	2019
Net sales of completed construction contracts	Civil engineering	121,572	122,494	134,174	127,473	118,790
	Domestic	113,851	118,492	130,631	122,141	110,798
	Overseas	7,720	4,002	3,542	5,331	7,991
	Building construction	225,983	233,462	238,923	215,994	208,858
	Domestic	195,237	200,700	214,761	196,522	188,361
	Overseas	30,746	32,762	24,161	19,472	20,497
	Total	347,555	355,957	373,098	343,468	327,649
Gross profit on completed construction contracts	Civil engineering	14,132	19,957	32,717	28,307	24,083
	Building construction	18,582	21,715	22,814	25,588	18,279
	Total	32,714	41,672	55,532	53,896	42,363
Construction gross profit margin	Civil engineering	11.6	16.3	24.4	22.2	20.3
	Building construction	8.2	9.3	9.5	11.8	8.8
	Total	9.4	11.7	14.9	15.7	12.9

8 [Non-consolidated] Sales in Other Businesses / Gross Profit - Other Business

(Unit: millions of yen)

	2015	2016	2017	2018	2019
Sales in other businesses (Sales in real estate business)	3,838	4,553	9,455	6,476	5,050
Gross profit - other business (Gross profit - real estate business)	767	313	731	660	704

9 [Non-consolidated] Design and Construction (Building Construction)

(Unit: millions of yen, %)

	2015	2016	2017	2018	2019
Orders received for design and construction	112,472	90,825	81,878	74,242	84,886
Ratio of orders received for design and construction	48.4	38.0	34.7	32.9	36.1

10 [Consolidated] Employees

(Unit: number of employees)

	2015	2016	2017	2018	2019
Civil Engineering Division	1,161	1,181	1,244	1,264	1,315
Building Construction Division	2,060	2,083	2,047	2,027	2,061
Group business	437	382	436	445	473
Corporate (common)	128	123	123	116	117
Total	3,786	3,769	3,850	3,852	3,966

11 [Non-consolidated] Employees

(Unit: number of employees, age, year)

	2015	2016	2017	2018	2019
Number of employees	3,349	3,387	3,414	3,407	3,493
Average age	45.2	45.5	45.7	45.6	45.5
Average years of service	18.9	19.0	19.0	18.4	18.1

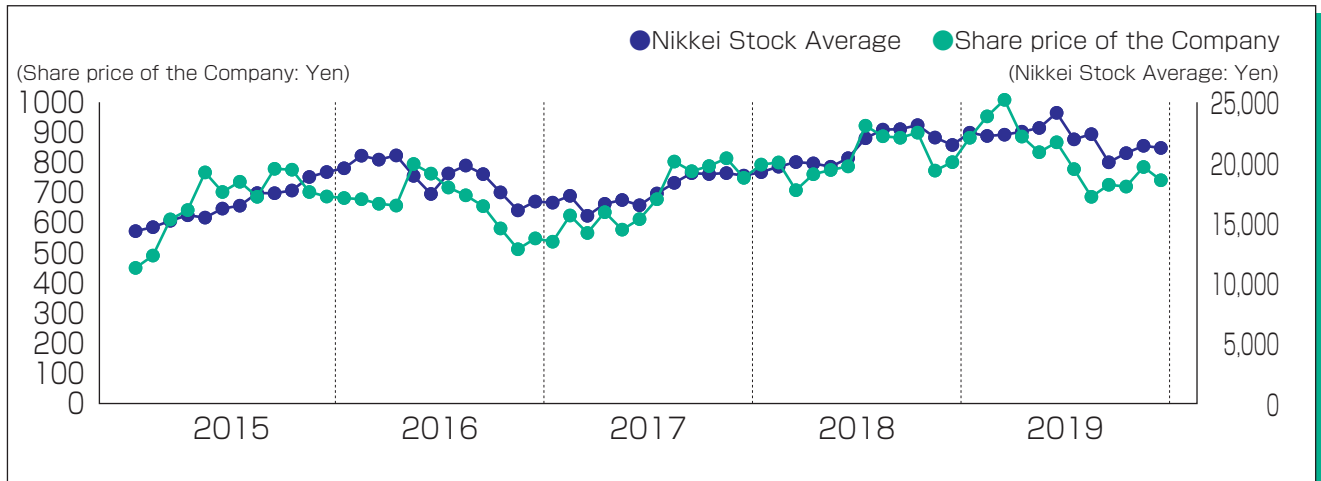
12 Status of Shares

(1) Number of Issued Shares

(Unit: number of shares)

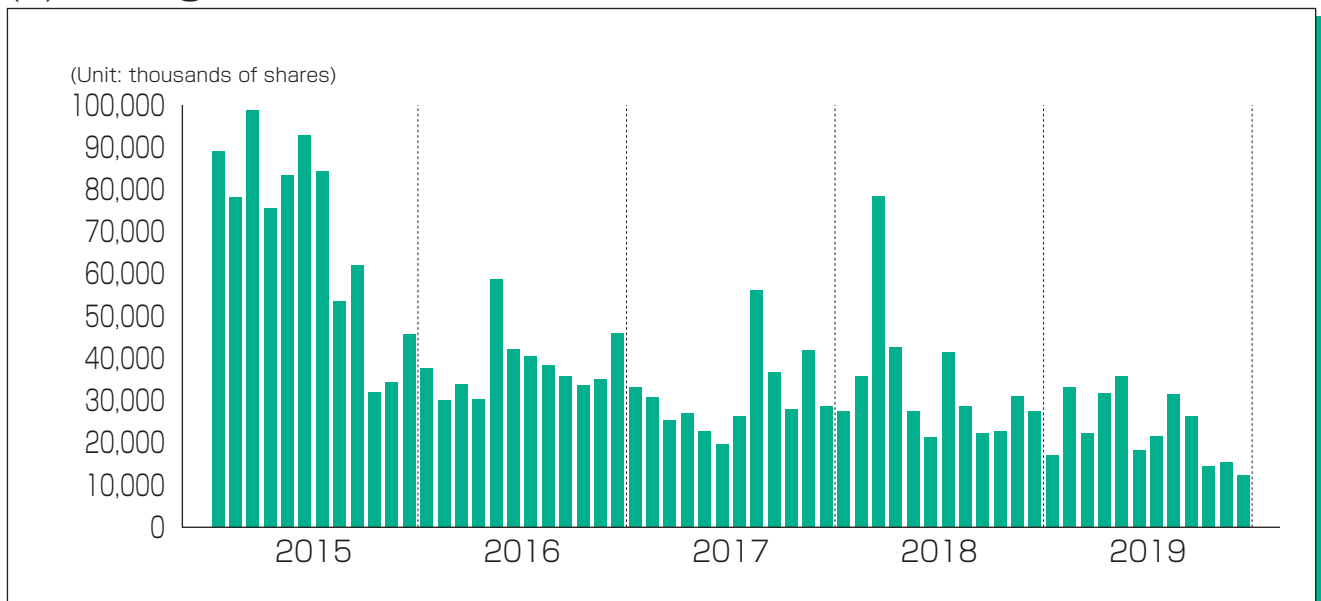
		2015	2016	2017	2018	2019
Number of issued shares at the end of period	Change	0	0	0	1,951,072	13,183,136
	Balance	185,209,189	185,209,189	185,209,189	187,160,261	200,343,397

(2) Share Price



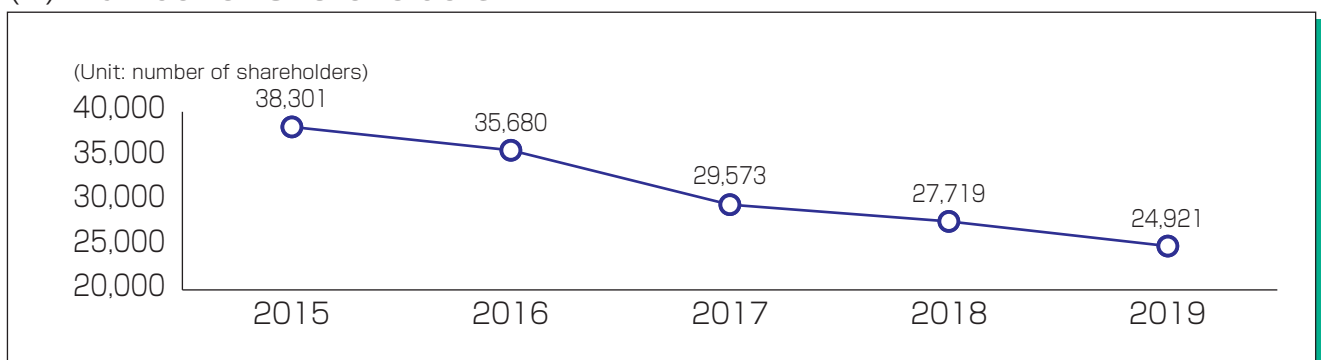
* Graph made using the closing price at the end of each month

(3) Trading Volume



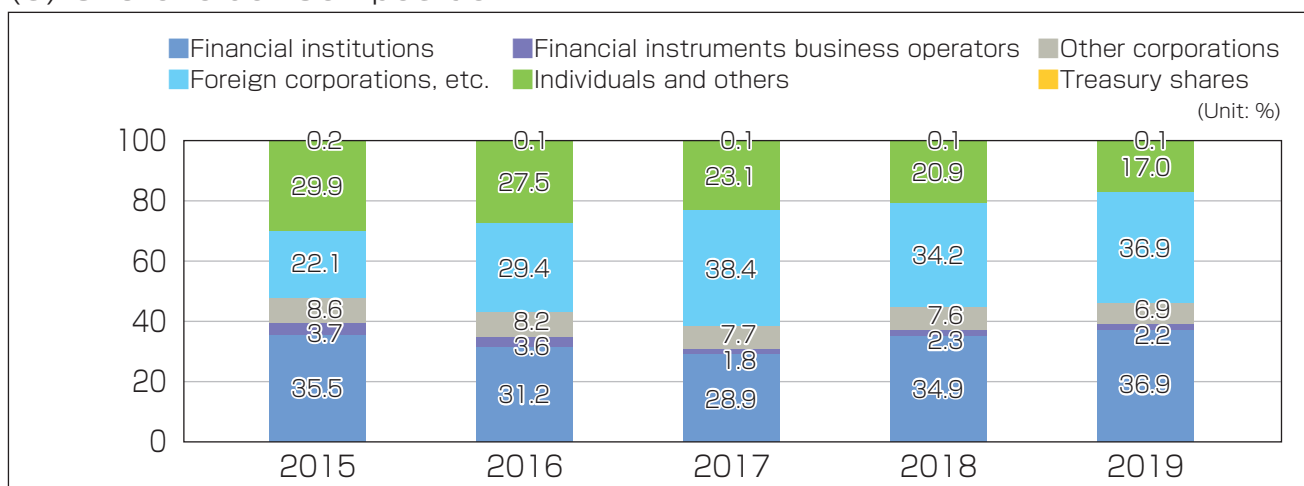
* Graph made using number of shares traded during each month

(4) Number of Shareholders



* Number of shareholders holding one share unit or more

(5) Shareholder Composition



(6) Breakdown of Shares by Shareholder

(Unit: number of shares)

	2015	2016	2017	2018	2019
Public sector	0	0	0	0	0
Financial institutions	65,733,774	57,814,474	53,554,474	65,385,924	73,821,725
Financial instruments business operators	6,756,313	6,681,789	3,397,690	4,204,444	4,494,506
Other corporations	16,016,450	15,198,661	14,182,803	14,160,138	13,802,503
Foreign corporations, etc. (Of which, foreign individuals)	40,965,070 (20,070)	54,421,472 (19,670)	71,029,678 (13,170)	64,051,532 (12,470)	73,947,965 (9,570)
Individuals and others	55,411,906	50,831,993	42,790,389	39,116,452	34,074,619
Subtotal	184,883,513	184,948,389	184,955,034	186,918,490	200,141,318
Treasury shares	325,676	260,800	254,155	241,771	202,079
Number of issued shares at the end of period	185,209,189	185,209,189	185,209,189	187,160,261	200,343,397