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Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the fiscal year ended March 31, 2022.

1 Trends in Key Management Indicators

(1) [Consolidated] Key Management Indicators

	(Unit)	2018	2019	2020	2021	2022
Net sales	(Millions of yen)	377,020	359,971	378,135	352,000	340,293
Operating profit	(Millions of yen)	35,714	23,692	24,699	27,357	26,600
Ordinary profit	(Millions of yen)	34,767	22,495	23,983	25,891	25,838
Profit attributable to owners of parent	(Millions of yen)	23,862	8,862	16,803	17,189	17,671
Total assets	(Millions of yen)	329,780	349,656	339,772	339,610	295,332
Net assets	(Millions of yen)	122,400	133,682	136,900	146,676	141,682
Interest-bearing debt	(Millions of yen)	39,923	29,273	27,137	25,275	24,716
Capital expenditure	(Millions of yen)	2,531	2,062	4,152	3,777	3,123
Depreciation	(Millions of yen)	1,799	1,794	1,814	2,080	2,410
Current ratio	(%)	168.4	190.8	183.6	183.5	183.4
Equity ratio	(%)	36.9	38.0	40.0	43.0	47.7
Return on assets (ROA)	(%)	10.7	6.6	7.0	7.6	8.1
Return on equity (ROE)	(%)	21.5	7.0	12.5	12.2	12.3
Debt/Equity (D/E) ratio	(Times)	0.33	0.22	0.20	0.17	0.18
Price earnings ratio	(Times)	6.21	16.39	8.16	9.45	9.15
Net assets per share	(Yen)	651.77	664.78	704.86	782.28	834.00
Basic earnings per share	(Yen)	128.97	45.21	84.42	89.80	98.84
Diluted earnings per share	(Yen)	119.41	44.20	84.40	89.78	98.84

(2) [Non-consolidated] Key Management Indicators

	(Unit)	2018	2019	2020	2021	2022
Net sales	(Millions of yen)	349,944	332,699	356,446	332,922	315,867
Operating profit	(Millions of yen)	34,266	22,565	23,302	25,713	24,114
Ordinary profit	(Millions of yen)	33,842	21,724	22,787	24,469	23,939
Profit	(Millions of yen)	23,419	8,477	16,168	16,199	16,558
Total assets	(Millions of yen)	313,368	333,132	322,269	318,593	275,120
Net assets	(Millions of yen)	115,500	126,798	129,332	136,649	130,730
Share capital	(Millions of yen)	12,651	17,006	17,006	17,006	17,006
Number of common shares issued	(Thousands of shares)	187,160	200,343	200,343	200,343	181,021
Treasury shares	(Millions of yen)	295	255	5,284	10,187	10,422
Interest-bearing debt	(Millions of yen)	39,109	28,545	26,495	24,718	24,245
Research and development expenses	(Millions of yen)	3,611	2,518	2,632	2,832	2,755
Current ratio	(%)	165.4	187.5	181.4	183.4	179.5
Equity ratio	(%)	36.9	38.1	40.1	42.9	47.5
Return on assets (ROA)	(%)	11.0	6.7	7.0	7.6	8.1
Return on equity (ROE)	(%)	22.4	7.0	12.6	12.2	12.4
Debt/Equity (D/E) ratio	(Times)	0.34	0.23	0.20	0.18	0.19
Price earnings ratio	(Times)	6.33	17.14	8.48	10.03	9.76
Net assets per share	(Yen)	619.27	634.68	670.00	732.59	773.69
Basic earnings per share	(Yen)	126.57	43.24	81.23	84.63	92.62
Diluted earnings per share	(Yen)	117.19	42.28	81.21	84.61	92.61

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Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: millions of yen)

	2018	2019	2020	2021	2022
(ASSETS)					
Current assets					
Cash and deposits	110,768	120,302	102,971	129,317	66,080
Notes receivable, accounts receivable from completed construction contracts and other	105,434	118,753	137,730	121,390	140,431
Securities	29,999	15,999	14,000	—	—
Costs on construction contracts in progress	5,320	7,755	4,927	5,887	4,075
Other inventories	3,932	5,030	4,686	8,823	7,930
Deferred tax assets	3,135	—	—	—	—
Other	14,694	18,297	13,279	9,023	9,567
Allowance for doubtful accounts	(12)	(12)	(14)	(12)	(14)
Total current assets	273,272	286,127	277,582	274,429	228,070
Non-current assets					
Property, plant and equipment					
Buildings and structures	20,424	20,602	22,297	23,649	22,894
Machinery, vehicles, tools, furniture and fixtures	10,193	10,746	11,421	11,977	12,879
Land	15,212	15,057	15,505	15,799	15,852
Other	302	1,104	1,500	852	1,961
Accumulated depreciation	(19,512)	(20,583)	(21,576)	(22,723)	(23,400)
Total property, plant and equipment	26,619	26,928	29,148	29,555	30,186
Intangible assets	2,166	2,013	1,572	1,505	1,542
Investments and other assets					
Investment securities	21,807	22,442	18,698	21,697	20,960
Long-term loans receivable	458	439	145	132	73
Deferred tax assets	2,095	8,427	9,527	7,819	7,091
Retirement benefit asset	—	—	—	707	2,546
Other	3,382	3,278	3,099	3,765	4,862
Allowance for doubtful accounts	(21)	(0)	(1)	(1)	(1)
Total investments and other assets	27,721	34,587	31,469	34,120	35,532
Total non-current assets	56,507	63,528	62,190	65,181	67,262
Total assets	329,780	349,656	339,772	339,610	295,332

(Unit: millions of yen)

	2018	2019	2020	2021	2022
(LIABILITIES)					
Current liabilities					
Notes payable, accounts payable for construction contracts and other	88,461	72,623	78,930	70,624	47,134
Short-term borrowings	21,879	19,139	17,391	16,312	16,676
Current portion of bonds	362	357	341	291	237
Current portion of convertible bond-type bonds with share acquisition rights	8,714	—	—	—	—
Income taxes payable	4,715	2,437	4,812	4,907	3,071
Advances received on construction contracts in progress	25,404	46,014	30,862	27,608	18,237
Deposits received	—	30,564	27,461	30,512	34,038
Provision for warranties for completed construction	2,262	1,886	2,371	2,129	1,442
Provision for bonuses	2,635	2,386	2,679	2,595	2,690
Provision for loss on construction contracts	351	1,733	955	1,248	595
Provision for loss on damage due to fire	—	7,743	6,699	5,996	3,921
Other	29,753	7,017	6,881	11,756	12,343
Total current liabilities	184,541	191,904	179,386	173,984	140,388
Non-current liabilities					
Bonds payable	569	711	691	400	162
Long-term borrowings	8,397	9,064	8,712	8,271	7,640
Deferred tax liabilities	53	46	45	37	37
Retirement benefit liability	12,497	12,959	12,776	8,857	3,816
Provision for environmental measures	152	151	148	139	138
Provision for management board incentive plan trust	139	107	93	116	162
Other	1,029	1,027	1,016	1,127	1,302
Total non-current liabilities	22,839	24,069	23,485	18,949	13,261
Total liabilities	207,380	215,973	202,872	192,934	153,650
(NET ASSETS)					
Shareholders' equity					
Share capital	12,651	17,006	17,006	17,006	17,006
Capital surplus	15,643	19,927	19,926	19,919	17,058
Retained earnings	89,828	92,945	103,699	115,086	114,124
Treasury shares	(295)	(255)	(5,284)	(10,187)	(10,422)
Total shareholders' equity	117,827	129,622	135,348	141,824	137,766
Accumulated other comprehensive income					
Valuation difference on available-for-sale securities	4,607	4,482	1,880	3,754	2,996
Deferred gains or losses on hedges	(19)	(3)	—	—	(345)
Foreign currency translation adjustment	134	62	116	55	85
Remeasurements of defined benefit plans	(996)	(1,356)	(1,287)	281	417
Total accumulated other comprehensive income	3,726	3,184	709	4,091	3,154
Share acquisition rights	8	4	4	3	—
Non-controlling interests	837	869	837	758	761
Total net assets	122,400	133,682	136,900	146,676	141,682
Total liabilities and net assets	329,780	349,656	339,772	339,610	295,332

* 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)

	2018	2019	2020	2021	2022
Net sales					
Net sales of completed construction contracts	348,878	334,244	358,190	331,549	316,153
Sales in other businesses	28,141	25,726	19,944	20,451	24,139
Total net sales	377,020	359,971	378,135	352,000	340,293
Cost of sales					
Cost of sales of completed construction contracts	294,147	290,867	314,013	287,106	273,098
Cost of sales in other businesses	25,518	23,312	16,905	16,729	20,332
Total cost of sales	319,665	314,179	330,918	303,835	293,431
Gross profit					
Gross profit on completed construction contracts	54,731	43,377	44,177	44,443	43,054
Gross profit - other business	2,623	2,414	3,039	3,722	3,806
Total gross profit	57,354	45,791	47,216	48,165	46,861
Selling, general and administrative expenses	21,640	22,099	22,517	20,808	20,261
Operating profit	35,714	23,692	24,699	27,357	26,600
Non-operating income					
Interest income	130	131	110	38	25
Dividend income	300	382	315	327	291
Late charges income	—	—	—	—	166
Gain on extinguishment of debt	—	—	—	—	187
Other	120	295	310	103	156
Total non-operating income	551	808	736	469	827
Non-operating expenses					
Interest expenses	501	481	422	333	320
Commission expenses	174	—	—	849	—
Share of loss of entities accounted for using equity method	—	—	—	—	273
Foreign exchange losses	288	415	336	19	104
Compensation for damage	—	454	170	—	376
Other	534	653	524	733	513
Total non-operating expenses	1,498	2,005	1,452	1,935	1,588
Ordinary profit	34,767	22,495	23,983	25,891	25,838
Extraordinary income					
Gain on reversal of provision for loss on damage due to fire	—	—	733	27	—
Subsidy income	—	—	—	354	67
Gain on sales of non-current assets	82	48	86	12	—
Gain on sales of investment securities	155	—	254	160	241
Total extraordinary income	238	48	1,074	555	308
Extraordinary losses					
Loss on damage due to fire	—	9,333	315	25	180
Loss on tax purpose reduction entry of non-current assets	—	—	—	354	66
Loss on sales of non-current assets	47	—	30	—	18
Loss on retirement of non-current assets	—	—	—	19	115
Loss on sales of investment securities	—	—	142	—	—
Loss on valuation of investment securities	—	—	69	—	27
Head office relocation expenses	—	—	—	—	306
Impairment loss	752	45	—	884	—
Loss on litigation	53	148	46	74	42
Total extraordinary losses	853	9,527	603	1,359	757
Profit before income taxes	34,152	13,016	24,454	25,087	25,390
Income taxes - current	9,769	7,153	7,875	7,789	6,768
Income taxes - deferred	508	(3,002)	(147)	138	949
Total income taxes	10,278	4,150	7,727	7,928	7,717
Profit	23,874	8,865	16,727	17,159	17,672
Profit (loss) attributable to non-controlling interests	12	3	(76)	(30)	1
Profit attributable to owners of parent	23,862	8,862	16,803	17,189	17,671

(3) Consolidated Statement of Cash Flows

(Unit: millions of yen)

	2018	2019	2020	2021	2022
Cash flows from operating activities					
Profit before income taxes	34,152	13,016	24,454	25,087	25,390
Depreciation	1,799	1,794	1,814	2,080	2,410
Loss on tax purpose reduction entry of non-current assets	—	—	—	354	66
Subsidy income	—	—	—	(354)	(67)
Impairment loss	752	45	—	884	—
Loss on damage due to fire	—	9,333	315	25	180
Increase (decrease) in allowance for doubtful accounts	(1)	(21)	2	(1)	1
Increase (decrease) in provision for warranties for completed construction	(1,361)	(375)	484	(241)	(686)
Increase (decrease) in provision for loss on construction contracts	(254)	1,382	(778)	293	(653)
Increase (decrease) in provision for loss on damage due to fire	—	—	(1,043)	(702)	(2,075)
Increase (decrease) in retirement benefit liability	576	(56)	(87)	(1,912)	(4,964)
Decrease (increase) in retirement benefit asset	—	—	—	(447)	(1,719)
Interest and dividend income	(430)	(513)	(426)	(365)	(317)
Interest expenses	501	481	422	333	320
Foreign exchange losses (gains)	65	(128)	188	(73)	181
Loss (gain) on sales of investment securities	(155)	(7)	(112)	(160)	(241)
Loss (gain) on valuation of investment securities	—	—	69	—	—
Loss (gain) on sales of property, plant and equipment	(35)	(51)	(56)	(12)	13
Decrease (increase) in trade receivables	17,497	(13,309)	(19,059)	16,317	(18,961)
Decrease (increase) in costs on construction contracts in progress	(520)	(2,450)	2,833	(963)	1,518
Decrease (increase) in other inventories	1,471	(1,097)	339	(4,136)	893
Decrease (increase) in advances paid	4,085	(389)	1,224	990	606
Increase (decrease) in trade payables	(14,055)	(15,849)	6,339	(8,289)	(23,506)
Increase (decrease) in advances received on construction contracts in progress	1,454	20,611	(15,153)	(3,245)	(9,151)
Increase (decrease) in deposits received	(2,631)	13,898	(3,100)	3,050	3,525
Increase (decrease) in accrued consumption taxes	8,448	(8,574)	280	3,254	(2,521)
Share of loss (profit) of entities accounted for using equity method	—	—	—	—	273
Other, net	(928)	(1,997)	4,288	5,865	4,298
Subtotal	50,430	15,739	3,239	37,630	(25,184)
Interest and dividends received	414	472	446	393	290
Interest paid	(491)	(442)	(434)	(356)	(298)
Compensation for damage paid	—	(494)	(1,027)	(756)	(2,210)
Income taxes paid	(12,225)	(9,374)	(5,326)	(7,755)	(8,683)
Net cash provided by (used in) operating activities	38,127	5,900	(3,102)	29,154	(36,086)
Cash flows from investing activities					
Payments into time deposits	(1,787)	(11,123)	(1,474)	(60)	(1,345)
Proceeds from withdrawal of time deposits	1,294	11,458	1,250	221	1,281
Purchase of short-term and long-term investment securities	(42)	(1,202)	(855)	(429)	(433)
Proceeds from sales of short-term and long-term investment securities	187	108	1,144	299	358
Purchase of property, plant and equipment	(2,136)	(1,754)	(3,805)	(2,934)	(2,558)
Proceeds from sales of property, plant and equipment	588	200	234	16	20
Proceeds from sales of intangible assets	—	—	289	—	—
Payments for investments in capital of subsidiaries and associates	—	—	—	—	(1,876)
Payments of leasehold and guarantee deposits	—	—	—	(955)	(104)
Subsidies received	—	—	—	354	67
Loan advances	(8)	—	—	—	—
Collection of loans receivable	50	—	—	—	—
Other, net	(406)	(42)	199	(466)	40
Net cash provided by (used in) investing activities	(2,260)	(2,356)	(3,016)	(3,954)	(4,549)
Cash flows from financing activities					
Net increase (decrease) in short-term borrowings	—	(4,410)	9	(91)	(31)
Proceeds from long-term borrowings	5,562	8,637	5,304	4,107	4,291
Repayments of long-term borrowings	(5,654)	(6,299)	(7,398)	(5,534)	(4,570)
Proceeds from issuance of bonds	546	555	358	—	—
Redemption of bonds	(445)	(417)	(393)	(341)	(291)
Purchase of treasury shares	—	—	(5,065)	(4,936)	(15,328)
Dividends paid	(3,884)	(5,795)	(6,004)	(5,802)	(6,423)
Dividends paid to non-controlling interests	(40)	(4)	(5)	(2)	(2)
Other, net	(45)	(44)	(48)	(52)	(208)
Net cash provided by (used in) financing activities	(3,962)	(7,779)	(13,244)	(12,656)	(22,565)
Effect of exchange rate change on cash and cash equivalents	(52)	104	(184)	28	(94)
Net increase (decrease) in cash and cash equivalents	31,851	(4,132)	(19,547)	12,573	(63,295)
Cash and cash equivalents at beginning of period	107,667	139,190	135,093	115,461	128,035
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	—	35	—	—	—
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(328)	—	(84)	—	—
Cash and cash equivalents at end of period	139,190	135,093	115,461	128,035	64,739

3 Non-consolidated Financial Statements

(1) Balance Sheets

(Unit: millions of yen)

	2018	2019	2020	2021	2022
(ASSETS)					
Current assets					
Cash and deposits	101,700	112,892	95,467	122,029	56,845
Notes receivable - trade	1,263	1,815	184	296	3,937
Electronically recorded monetary claims - operating	5,716	5,776	2,597	6,547	2,855
Accounts receivable from completed construction contracts	95,012	107,190	132,080	111,900	131,736
Accounts receivable - other business	1,205	1,072	836	854	764
Securities	29,999	15,999	14,000	—	—
Real estate for sale	511	511	511	511	504
Costs on construction contracts in progress	4,730	8,092	4,555	5,530	4,420
Costs on other business	1,526	1,135	740	948	903
Raw materials and supplies	2	3	3	3	2
Prepaid expenses	83	76	67	81	57
Deferred tax assets	3,121	—	—	—	—
Other	14,200	17,888	12,907	8,528	8,896
Allowance for doubtful accounts	(10)	(11)	(13)	(12)	(14)
Total current assets	259,063	272,443	263,937	257,220	210,910
Non-current assets					
Property, plant and equipment					
Buildings, net	7,509	7,320	8,493	8,282	7,580
Structures, net	365	335	377	345	324
Machinery and equipment, net	1,103	947	879	679	586
Vehicles, net	78	67	47	37	23
Tools, furniture and fixtures, net	542	533	497	535	426
Land	13,818	13,696	13,559	12,984	12,979
Leased assets, net	150	172	187	192	220
Construction in progress	33	195	495	—	1,658
Total property, plant and equipment	23,602	23,270	24,538	23,058	23,800
Intangible assets					
Patent right	0	—	—	—	—
Leasehold interests in land	396	396	106	106	106
Software	1,441	1,199	1,093	966	989
Other	122	186	132	181	190
Total intangible assets	1,960	1,781	1,332	1,254	1,285
Investments and other assets					
Investment securities	21,183	22,205	18,452	21,399	20,680
Shares of subsidiaries and associates	3,071	2,796	2,688	2,679	2,679
Investments in capital	25	24	24	25	25
Investments in capital of subsidiaries and associates	111	111	111	111	1,987
Long-term loans receivable	23	20	16	12	9
Long-term loans receivable from employees	40	38	40	43	—
Long-term loans receivable from subsidiaries and associates	393	381	88	1,630	1,783
Claims provable in bankruptcy, claims provable in rehabilitation and other	21	—	1	1	1
Long-term prepaid expenses	12	40	31	98	52
Prepaid pension costs	—	—	—	447	2,167
Deferred tax assets	1,086	7,253	8,370	7,378	6,638
Other	2,792	2,765	2,634	3,231	3,098
Allowance for doubtful accounts	(20)	(0)	(1)	(1)	(1)
Total investments and other assets	28,741	35,637	32,460	37,060	39,123
Total non-current assets	54,304	60,689	58,331	61,373	64,209
Total assets	313,368	333,132	322,269	318,593	275,120

(Unit: millions of yen)

	2018	2019	2020	2021	2022
(LIABILITIES)					
Current liabilities					
Notes payable - trade	7,227	2,379	2,107	2,325	—
Electronically recorded obligations - operating	18,530	9,788	12,531	9,954	—
Accounts payable for construction contracts	60,373	59,427	63,556	56,091	48,401
Accounts payable - other business	462	304	408	378	342
Short-term borrowings	21,794	19,053	17,305	16,226	16,590
Current portion of bonds	362	357	341	291	237
Current portion of convertible bond-type bonds with share acquisition rights	8,714	—	—	—	—
Lease obligations	57	62	71	71	82
Accounts payable - other	2,192	3,183	2,500	2,248	4,719
Accrued expenses	27	60	37	35	35
Income taxes payable	4,516	2,267	4,319	4,524	2,500
Advances received on construction contracts in progress	24,648	45,048	29,999	27,210	17,599
Advances received on other business	760	418	351	337	284
Deposits received	15,180	29,555	26,718	29,454	32,452
Unearned revenue	5	5	5	2	2
Provision for warranties for completed construction	2,261	1,888	2,369	2,128	1,440
Provision for bonuses	2,525	2,260	2,561	2,459	2,567
Provision for loss on construction contracts	346	1,724	953	1,248	594
Provision for loss on damage due to fire	—	7,743	6,699	5,996	3,921
Other	8,396	507	154	3,475	872
Total current liabilities	178,383	186,038	172,991	164,463	132,644
Non-current liabilities					
Bonds payable	569	711	691	400	162
Long-term borrowings	7,668	8,422	8,155	7,799	7,254
Lease obligations	98	117	124	132	153
Provision for retirement benefits	10,048	9,976	9,899	7,957	2,989
Provision for environmental measures	152	151	148	139	138
Provision for management board incentive plan trust	139	107	93	116	162
Asset retirement obligations	487	490	493	578	565
Other	318	317	337	355	317
Total non-current liabilities	19,483	20,295	19,944	17,479	11,744
Total liabilities	197,867	206,333	192,936	181,943	144,389
(NET ASSETS)					
Shareholders' equity					
Share capital	12,651	17,006	17,006	17,006	17,006
Capital surplus					
Legal capital surplus	12,768	17,123	17,123	17,123	17,123
Other capital surplus	2,874	2,869	2,868	2,861	—
Total capital surpluses	15,643	19,992	19,992	19,984	17,123
Retained earnings					
Other retained earnings					
Reserve for specified shares	—	—	—	25	25
Retained earnings brought forward	82,891	85,573	95,737	106,108	104,033
Total retained earnings	82,891	85,573	95,737	106,133	104,058
Treasury shares	(295)	(255)	(5,284)	(10,187)	(10,422)
Total shareholders' equity	110,890	122,316	127,451	132,936	127,765
Valuation and translation adjustments					
Valuation difference on available-for-sale securities	4,601	4,478	1,876	3,709	2,965
Total valuation and translation adjustments	4,601	4,478	1,876	3,709	2,965
Share acquisition rights	8	4	4	3	—
Total net assets	115,500	126,798	129,332	136,649	130,730
Total liabilities and net assets	313,368	333,132	322,269	318,593	275,120

* 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)

	2018	2019	2020	2021	2022
Net sales					
Net sales of completed construction contracts	343,468	327,649	351,527	328,044	310,790
Sales in other businesses	6,476	5,050	4,918	4,878	5,077
Total net sales	349,944	332,699	356,446	332,922	315,867
Cost of sales					
Cost of sales of completed construction contracts	289,571	285,285	308,352	284,007	268,700
Cost of sales in other businesses	5,816	4,345	4,074	4,162	4,422
Total cost of sales	295,388	289,630	312,427	288,170	273,123
Gross profit					
Gross profit on completed construction contracts	53,896	42,363	43,174	44,036	42,090
Gross profit - other business	660	704	844	715	654
Total gross profit	54,556	43,068	44,019	44,751	42,744
Selling, general and administrative expenses					
Remuneration for directors (and other officers)	328	328	257	257	257
Provision for management board incentive plan trust	68	—	22	46	64
Employees' salaries and allowances	6,626	6,731	6,753	5,966	5,500
Provision for bonuses	2,238	2,239	2,125	2,008	1,963
Retirement benefit expenses	680	621	650	619	450
Legal welfare expenses	1,314	1,296	1,299	1,204	1,126
Welfare expenses	301	331	330	337	397
Repair and maintenance expenses	388	342	281	330	253
Stationery expenses	404	502	430	390	402
Communication and transportation expenses	1,340	1,349	1,347	890	976
Power utilities expenses	106	108	102	85	84
Research study expenses	2,254	2,257	2,741	2,683	2,923
Advertising expenses	229	179	183	136	165
Provision of allowance for doubtful accounts	(1)	1	3	(1)	1
Bad debts expenses	—	0	—	—	—
Entertainment expenses	241	279	284	185	199
Donations	35	101	42	75	64
Rent expenses on land and buildings	866	891	950	794	869
Depreciation	833	853	890	1,037	1,117
Taxes and dues	1,132	1,095	1,095	1,116	987
Insurance expenses	67	94	70	122	97
Miscellaneous expenses	830	894	851	749	725
Selling, general and administrative expenses	20,289	20,502	20,716	19,038	18,629
Operating profit	34,266	22,565	23,302	25,713	24,114

(Unit: millions of yen)

	2018	2019	2020	2021	2022
Non-operating income					
Interest income	87	96	73	29	24
Interest on securities	2	3	2	0	—
Dividend income	825	750	562	523	563
Late charges income	—	—	—	—	166
Gain on extinguishment of debt	—	—	—	—	187
Other	102	270	267	102	166
Total non-operating income	1,018	1,121	906	656	1,107
Non-operating expenses					
Interest expenses	474	457	399	314	306
Interest on bonds	13	12	11	8	5
Commission for purchase of treasury shares	—	—	—	—	155
Commission expenses	174	—	—	849	154
Foreign exchange losses	283	414	337	18	100
Compensation for damage	—	454	170	—	376
Other	497	624	502	708	181
Total non-operating expenses	1,442	1,962	1,421	1,900	1,281
Ordinary profit	33,842	21,724	22,787	24,469	23,939
Extraordinary income					
Gain on reversal of provision for loss on damage due to fire	—	—	733	27	—
Subsidy income	—	—	—	354	27
Gain on sales of non-current assets	72	—	57	12	—
Gain on sales of investment securities	155	—	144	160	241
Gain on sales of shares of subsidiaries and associates	—	—	110	—	—
Total extraordinary income	228	—	1,045	555	268
Extraordinary losses					
Loss on damage due to fire	—	9,333	315	25	180
Loss on tax purpose reduction entry of non-current assets	—	—	—	354	27
Loss on sales of non-current assets	47	—	30	—	—
Loss on sales of investment securities	—	—	142	—	—
Loss on valuation of investment securities	—	—	69	—	27
Head office relocation expenses	—	—	—	—	306
Impairment loss	752	45	—	884	—
Loss on litigation	53	148	46	74	42
Loss on retirement of non-current assets	—	—	—	—	107
Total extraordinary losses	853	9,527	603	1,339	691
Profit before income taxes	33,217	12,197	23,228	23,685	23,517
Income taxes - current	9,301	6,716	7,187	7,346	5,942
Income taxes - deferred	497	(2,997)	(127)	140	1,016
Total income taxes	9,798	3,719	7,060	7,486	6,958
Profit	23,419	8,477	16,168	16,199	16,558

4 [Non-consolidated] Orders Received

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

		2018		2019		2020		2021		2022	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Domestic civil engineering	Government sector	86,281	[72.0]	82,613	[46.3]	71,828	[40.9]	66,969	[66.3]	80,672	[65.9]
	Private sector	33,522	[28.0]	95,847	[53.7]	103,899	[59.1]	33,978	[33.7]	41,760	[34.1]
	Total	119,804	34.3	178,460	41.7	175,727	46.2	100,947	33.6	122,432	39.5
Domestic building construction	Government sector	24,452	[11.7]	38,739	[17.8]	8,713	[5.1]	42,475	[21.7]	29,467	[16.9]
	Private sector	184,927	[88.3]	179,255	[82.2]	163,580	[94.9]	153,272	[78.3]	145,009	[83.1]
	Total	209,380	60.0	217,995	51.0	172,293	45.3	195,747	65.1	174,476	56.3
Domestic	Government sector	110,734	[33.6]	121,352	[30.6]	80,541	[23.1]	109,444	[36.9]	110,139	[37.1]
	Private sector	218,450	[66.4]	275,103	[69.4]	267,479	[76.9]	187,251	[63.1]	186,770	[62.9]
	Total	329,184	94.3	396,455	92.7	348,021	91.5	296,695	98.6	296,909	95.8
Overseas	Civil engineering	3,665	[18.3]	13,717	[44.0]	17,847	[55.3]	579	[13.9]	160	[1.2]
	Building construction	16,342	[81.7]	17,478	[56.0]	14,412	[44.7]	3,593	[86.1]	12,773	[98.8]
	Total	20,007	5.7	31,196	7.3	32,259	8.5	4,173	1.4	12,933	4.2
Sum total	Civil engineering	123,469	[35.4]	192,178	[44.9]	193,575	[50.9]	101,527	[33.7]	122,593	[39.6]
	Building construction	225,722	[64.6]	235,473	[55.1]	186,706	[49.1]	199,341	[66.3]	187,250	[60.4]
	Total	349,192	100	427,651	100	380,281	100	300,869	100	309,843	100

(2) Orders Received by Category (Civil Engineering)

(Unit: millions of yen, %)

	2018		2019		2020		2021		2022	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Forest conservation and flood control	8,040	[6.5]	33,350	[17.4]	19,394	[10.0]	8,048	[7.9]	17,481	[14.3]
Railway	17,258	[14.0]	72,983	[38.0]	77,799	[40.2]	7,018	[6.9]	7,385	[6.0]
Water and sewerage	4,164	[3.4]	7,329	[3.8]	3,582	[1.9]	1,816	[1.8]	8,816	[7.2]
Land development	5,310	[4.3]	21	[0.0]	2,945	[1.5]	4,449	[4.4]	6,932	[5.6]
Port and harbor, airport	354	[0.3]	571	[0.3]	563	[0.3]	444	[0.4]	3,994	[3.3]
Road	25,210	[20.4]	33,300	[17.3]	38,797	[20.0]	22,272	[21.9]	38,204	[31.2]
Facilities for sending electric power	359	[0.3]	1,049	[0.5]	4,381	[2.3]	879	[0.9]	1,619	[1.3]
Other civil engineering	62,769	[50.8]	43,572	[22.7]	46,111	[23.8]	56,597	[55.8]	38,158	[31.1]
Total	123,469	100	192,178	100	193,575	100	101,527	100	122,593	100

(3) Orders Received by Category (Building Construction)

(Unit: millions of yen, %)

	2018		2019		2020		2021		2022	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Office and government buildings	29,184	[12.9]	37,057	[15.7]	19,413	[10.4]	18,626	[9.3]	25,868	[13.8]
Accommodations	17,494	[7.7]	8,065	[3.4]	12,576	[6.7]	5,307	[2.7]	4,878	[2.6]
Store	6,473	[2.9]	6,975	[3.0]	26,751	[14.3]	2,558	[1.3]	5,764	[3.1]
Factory and power plant	74,465	[33.0]	65,621	[27.9]	48,202	[25.8]	33,799	[17.0]	66,459	[35.5]
Warehouse and logistics facilities	16,227	[7.2]	23,637	[10.0]	41,367	[22.2]	71,713	[36.0]	34,325	[18.3]
Housing	15,883	[7.0]	8,046	[3.4]	4,938	[2.6]	5,252	[2.6]	4,018	[2.2]
Educational, research and cultural facilities	16,810	[7.4]	15,213	[6.5]	18,254	[9.8]	18,304	[9.2]	15,901	[8.5]
Medical and welfare facilities	25,194	[11.2]	35,255	[15.0]	4,572	[2.5]	20,371	[10.2]	10,562	[5.6]
Recreational facilities	9,648	[4.3]	22,575	[9.6]	2,289	[1.2]	3,167	[1.6]	9,169	[4.9]
Other building construction	14,339	[6.4]	13,025	[5.5]	8,340	[4.5]	20,239	[10.1]	10,300	[5.5]
Total	225,722	100	235,473	100	186,706	100	199,341	100	187,250	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, %)

		2018		2019		2020		2021		2022	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Domestic civil engineering	Government sector	88,069	[72.1]	70,268	[63.4]	78,588	[68.6]	85,019	[66.1]	76,435	[61.3]
	Private sector	34,071	[27.9]	40,530	[36.6]	35,982	[31.4]	43,638	[33.9]	48,200	[38.7]
	Total	122,141	35.6	110,798	33.8	114,570	32.6	128,657	39.2	124,636	40.1
Domestic building construction	Government sector	27,716	[14.1]	26,931	[14.3]	30,130	[14.3]	18,591	[10.2]	26,661	[15.6]
	Private sector	168,806	[85.9]	161,429	[85.7]	180,720	[85.7]	164,052	[89.8]	144,758	[84.4]
	Total	196,522	57.2	188,361	57.5	210,850	60.0	182,644	55.7	171,420	55.2
Domestic	Government sector	115,785	[36.3]	97,200	[32.5]	108,718	[33.4]	103,611	[33.3]	103,097	[34.8]
	Private sector	202,878	[63.7]	201,960	[67.5]	216,702	[66.6]	207,690	[66.7]	192,959	[65.2]
	Total	318,663	92.8	299,160	91.3	325,421	92.6	311,301	94.9	296,057	95.3
Overseas	Civil engineering	5,331	[21.5]	7,991	[28.1]	9,743	[37.3]	7,274	[43.5]	7,627	[51.8]
	Building construction	19,472	[78.5]	20,497	[71.9]	16,362	[62.7]	9,467	[56.5]	7,106	[48.2]
	Total	24,804	7.2	28,488	8.7	26,106	7.4	16,742	5.1	14,733	4.7
Sum total	Civil engineering	127,473	[37.1]	118,790	[36.3]	124,314	[35.4]	135,932	[41.4]	132,264	[42.6]
	Building construction	215,994	[62.9]	208,858	[63.7]	227,213	[64.6]	192,111	[58.6]	178,526	[57.4]
	Total	343,468	100	327,649	100	351,527	100	328,044	100	310,790	100

6 [Non-consolidated] Year-end Backlog

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

		2018		2019		2020		2021		2022	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Domestic civil engineering	Government sector	152,308	[72.3]	164,653	[59.2]	157,893	[46.5]	139,843	[44.8]	144,013	[46.5]
	Private sector	58,385	[27.7]	113,702	[40.8]	181,619	[53.5]	171,959	[55.2]	165,466	[53.5]
	Total	210,693	50.4	278,355	53.7	339,512	62.1	311,802	60.0	309,480	59.7
Domestic building construction	Government sector	30,198	[16.7]	42,006	[20.0]	20,589	[12.0]	44,472	[24.1]	47,277	[25.2]
	Private sector	150,213	[83.3]	168,040	[80.0]	150,900	[88.0]	140,120	[75.9]	140,291	[74.8]
	Total	180,412	43.2	210,046	40.5	171,489	31.4	184,593	35.5	187,569	36.2
Domestic	Government sector	182,507	[46.7]	206,659	[42.3]	178,482	[34.9]	184,315	[37.1]	191,291	[38.5]
	Private sector	208,599	[53.3]	281,742	[57.7]	332,519	[65.1]	312,079	[62.9]	305,758	[61.5]
	Total	391,106	93.6	488,401	94.2	511,002	93.5	496,395	95.5	497,049	95.8
Overseas	Civil engineering	10,984	[40.9]	16,558	[55.5]	24,607	[68.9]	18,033	[77.7]	10,664	[49.3]
	Building construction	15,887	[59.1]	13,271	[44.5]	11,089	[31.1]	5,189	[22.3]	10,969	[50.7]
	Total	26,872	6.4	29,830	5.8	35,696	6.5	23,222	4.5	21,633	4.2
Sum total	Civil engineering	221,678	[53.0]	294,914	[56.9]	364,119	[66.6]	329,835	[63.5]	320,144	[61.7]
	Building construction	196,300	[47.0]	223,318	[43.1]	182,578	[33.4]	189,782	[36.5]	198,538	[38.3]
	Total	417,978	100	518,232	100	546,698	100	519,618	100	518,683	100

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

(Unit: millions of yen, %)

		2018	2019	2020	2021	2022
Net sales of completed construction contracts	Civil engineering	127,473	118,790	124,314	135,932	132,264
	Domestic	122,141	110,798	114,570	128,657	124,636
	Overseas	5,331	7,991	9,743	7,274	7,627
	Building construction	215,994	208,858	227,213	192,111	178,526
	Domestic	196,522	188,361	210,850	182,644	171,420
	Overseas	19,472	20,497	16,362	9,467	7,106
	Total	343,468	327,649	351,527	328,044	310,790
Gross profit on completed construction contracts	Civil engineering	28,307	24,083	21,960	23,303	21,467
	Building construction	25,588	18,279	21,214	20,732	20,622
	Total	53,896	42,363	43,174	44,036	42,090
Construction gross profit margin	Civil engineering	22.2	20.3	17.7	17.1	16.2
	Building construction	11.8	8.8	9.3	10.8	11.6
	Total	15.7	12.9	12.3	13.4	13.5

8

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

(Unit: millions of yen)

	2018	2019	2020	2021	2022
Sales in other businesses	6,476	5,050	4,918	4,878	5,077
Gross profit - other business	660	704	844	715	654

9

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

(Unit: millions of yen, %)

	2018	2019	2020	2021	2022
Orders received for design and construction	74,242	84,886	117,448	80,984	82,409
Ratio of orders received for design and construction	32.9	36.1	62.9	40.6	44.0

10 [Consolidated] Employees

(Unit: number of employees)

	2018	2019	2020	2021	2022
Civil Engineering Division	1,264	1,315	1,342	1,350	1,265
Building Construction Division	2,027	2,061	2,040	1,944	1,857
Group business	445	473	478	423	408
Corporate (common)	116	117	138	140	139
Total	3,852	3,966	3,998	3,857	3,669

11 [Non-consolidated] Employees

(Unit: number of employees, age, year)

	2018	2019	2020	2021	2022
Number of employees	3,407	3,493	3,520	3,434	3,261
Average age	45.6	45.5	45.9	45.7	45.7
Average years of service	18.4	18.1	18.1	17.7	17.6

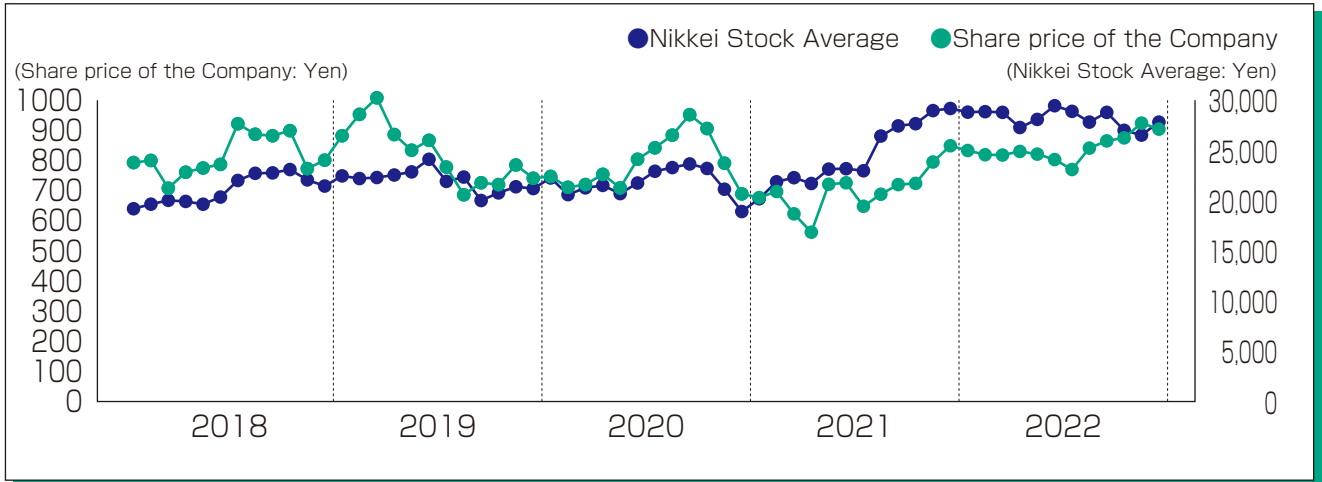
12 Status of Shares

(1) Number of Issued Shares

(Unit: number of shares)

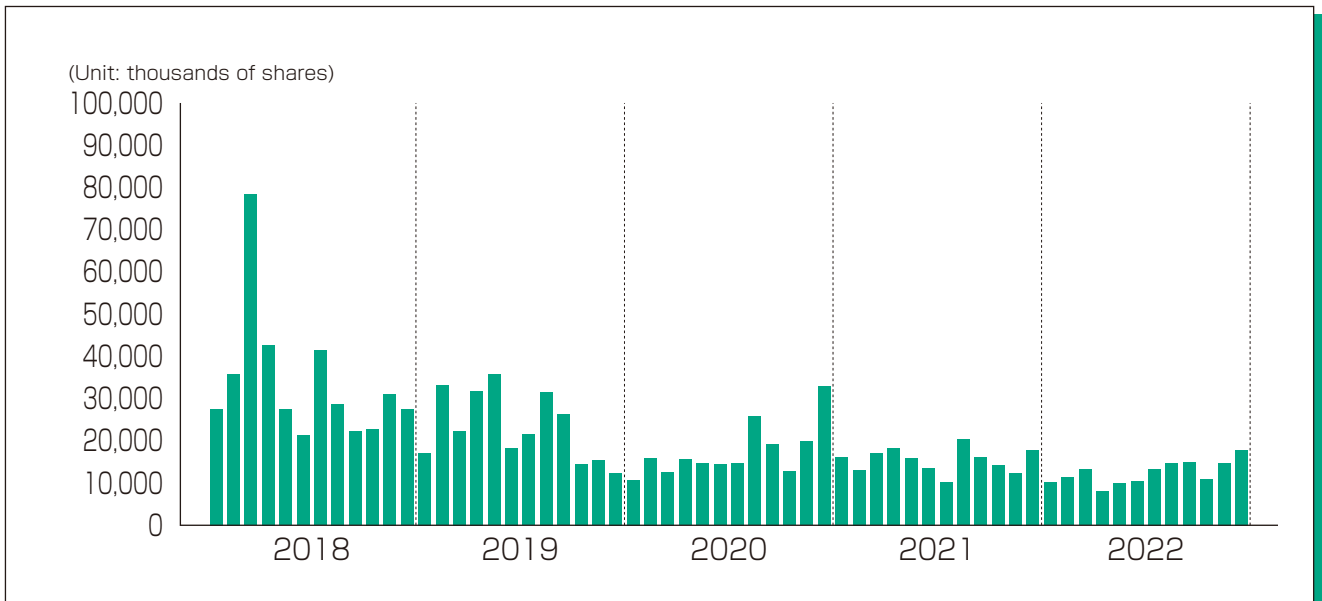
		2018	2019	2020	2021	2022
Number of issued shares at the end of period	Change	1,951,072	13,183,136	0	0	(19,322,200)
	Balance	187,160,261	200,343,397	200,343,397	200,343,397	181,021,197

(2) Share Price



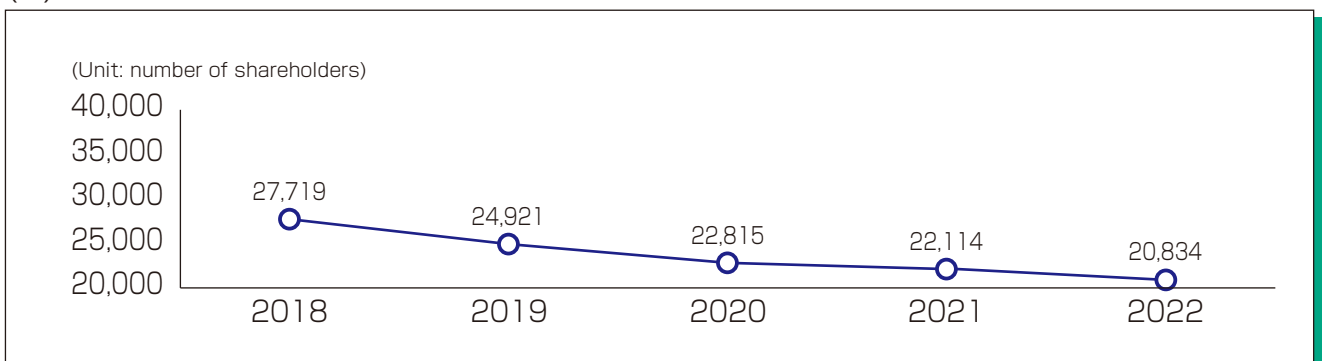
* Graph made using the closing price at the end of each month

(3) Trading Volume



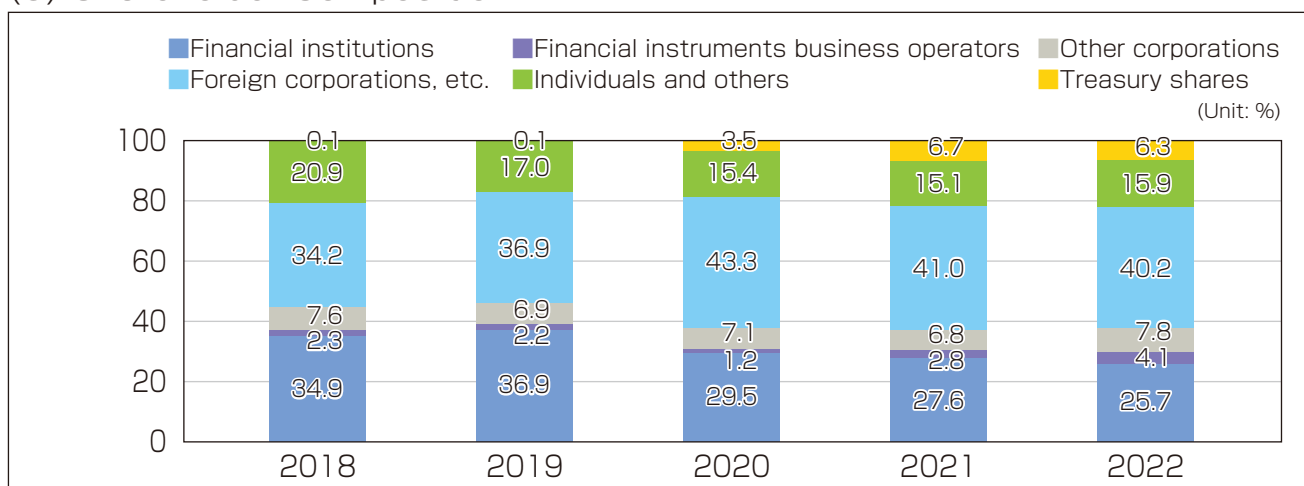
* Graph made using number of shares traded during each month

(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)

	2018	2019	2020	2021	2022
Public sector	0	0	0	0	0
Financial institutions	65,385,924	73,821,725	59,036,690	55,278,255	46,451,183
Financial instruments business operators	4,204,444	4,494,506	2,487,411	5,606,589	7,473,431
Other corporations	14,160,138	13,802,503	14,128,335	13,655,782	14,158,812
Foreign corporations, etc. (Of which, foreign individuals)	64,051,532 (12,470)	73,947,965 (9,570)	86,933,322 (5,890)	82,069,805 (5,477)	72,780,676 5,388
Individuals and others	39,116,452	34,074,619	30,839,860	30,271,536	28,745,694
Subtotal	186,918,490	200,141,318	193,425,618	186,881,967	169,609,796
Treasury shares	241,771	202,079	6,917,779	13,461,430	11,411,401
Number of issued shares at the end of period	187,160,261	200,343,397	200,343,397	200,343,397	181,021,197