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## Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 [Japanese GAAP]



May 13, 2022

Company name: HAZAMA ANDO CORPORATION

Stock exchange listing: Tokyo Stock Exchange

Code number: 1719

URL: <https://www.ad-hzm.co.jp/>

Representative: Masato Fukutomi, Representative Director and President

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Scheduled date of ordinary general meeting of shareholders: June 29, 2022

Scheduled date of filing securities report: June 29, 2022

Scheduled date of commencing dividend payments: June 30, 2022

Availability of supplementary briefing material on financial results: Yes

Schedule of financial results briefing session: Yes (For analysts and financial institutions)

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

|                   | Net sales   |       | Operating profit |       | Ordinary profit |       | Profit attributable to owners of parent |     |
|-------------------|-------------|-------|------------------|-------|-----------------|-------|---|-----|
| Fiscal year ended | Million yen | %     | Million yen      | %     | Million yen     | %     | Million yen                             | %   |
| March 31, 2022    | 340,293     | (3.4) | 26,600           | (2.8) | 25,838          | (0.2) | 17,671                                  | 2.8 |
| March 31, 2021    | 352,146     | (6.9) | 27,356           | 10.8  | 25,890          | 8.0   | 17,188                                  | 2.3 |

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥16,740 million [(18.3)%]

Fiscal year ended March 31, 2021: ¥20,493 million [43.3%]

|                   | Basic earnings per share | Diluted earnings per share | Return on equity | Ordinary profit to total assets ratio | Operating profit to net sales ratio |
|-------------------|--------------------------|----------------------------|------------------|---------------------------------------|-------------------------------------|
| Fiscal year ended | Yen                      | Yen                        | %                | %                                     | %                                   |
| March 31, 2022    | 98.84                    | 98.84                      | 12.3             | 8.1                                   | 7.8                                 |
| March 31, 2021    | 89.80                    | 89.78                      | 12.2             | 7.6                                   | 7.8                                 |

(Reference) Share of profit (loss) of entities accounted for using equity method:

Fiscal year ended March 31, 2022: ¥ (273) million

Fiscal year ended March 31, 2021: ¥— million

#### (2) Consolidated Financial Position

|                      | Total assets | Net assets  | Equity ratio | Net assets per share |
|----------------------|--------------|-------------|--------------|----------------------|
|                      | Million yen  | Million yen | %            | Yen                  |
| As of March 31, 2022 | 295,332      | 141,682     | 47.7         | 834.00               |
| As of March 31, 2021 | 339,387      | 146,676     | 43.0         | 782.28               |

(Reference) Equity: As of March 31, 2022: ¥140,921 million

As of March 31, 2021: ¥145,915 million

#### (3) Consolidated Cash Flows

|                   | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|-------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| Fiscal year ended | Million yen                          | Million yen                          | Million yen                          | Million yen                                |
| March 31, 2022    | (36,086)                             | (4,549)                              | (22,565)                             | 64,739                                     |
| March 31, 2021    | 29,154                               | (3,954)                              | (12,656)                             | 128,035                                    |

## 2. Dividends

|  | Annual dividends |                 |                 |          |       | Total dividends paid | Dividend payout ratio (consolidated) | Ratio of dividends to equity (consolidated) |
|--|------------------|-----------------|-----------------|----------|-------|----------------------|--------------------------------------|---|
|  | 1st quarter-end  | 2nd quarter-end | 3rd quarter-end | Year-end | Total |                      |                                      |   |
|  | Yen              | Yen             | Yen             | Yen      | Yen   | Million yen          | %                                    | %   |
| Fiscal year ended March 31, 2021             | —                | 15.00           | —               | 15.00    | 30.00 | 5,704                | 33.4                                 | 4.0   |
| Fiscal year ended March 31, 2022             | —                | 20.00           | —               | 20.00    | 40.00 | 7,012                | 40.5                                 | 4.9   |
| Fiscal year ending March 31, 2023 (Forecast) | —                | 20.00           | —               | 20.00    | 40.00 |                      | 43.3                                 |   |

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

|            | Net sales   |      | Operating profit |        | Ordinary profit |        | Profit attributable to owners of parent |        | Basic earnings per share |
|------------|-------------|------|------------------|--------|-----------------|--------|---|--------|--------------------------|
|            | Million yen | %    | Million yen      | %      | Million yen     | %      | Million yen                             | %      | Yen                      |
| First half | 162,000     | 1.9  | 8,200            | (34.1) | 7,600           | (36.7) | 4,700                                   | (42.0) | 27.82                    |
| Full year  | 377,000     | 10.8 | 24,000           | (9.8)  | 23,100          | (10.6) | 15,600                                  | (11.7) | 92.32                    |

### \* Notes:

- (1) Changes in significant subsidiaries during the fiscal year ended March 31, 2022 (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: Yes
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No
- (3) Total number of issued shares (common shares)
  - 1) Total number of issued shares at the end of the period (including treasury shares):
    - March 31, 2022: 181,021,197 shares
    - March 31, 2021: 200,343,397 shares
  - 2) Total number of treasury shares at the end of the period:
    - March 31, 2022: 12,050,920 shares
    - March 31, 2021: 13,818,561 shares
  - 3) Average number of shares during the period:
    - Fiscal year ended March 31, 2022: 178,786,100 shares
    - Fiscal year ended March 31, 2021: 191,421,835 shares

The Company has adopted a performance-linked stock remuneration plan using a trust. The Company's shares held by the trust (639,519 shares) are included in the total number of treasury shares at the end of the period and the average number of shares during the period is calculated and stated taking into account shares held by the trust.

## (Reference) Summary of Non-Consolidated Financial Results

### 1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

|                   | Net sales   |       | Operating profit |       | Ordinary profit |       | Profit      |     |
|-------------------|-------------|-------|------------------|-------|-----------------|-------|-------------|-----|
| Fiscal year ended | Million yen | %     | Million yen      | %     | Million yen     | %     | Million yen | %   |
| March 31, 2022    | 315,867     | (5.2) | 24,114           | (6.2) | 23,939          | (2.2) | 16,558      | 2.2 |
| March 31, 2021    | 333,067     | (6.6) | 25,712           | 10.3  | 24,468          | 7.4   | 16,198      | 0.2 |

|                   | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| Fiscal year ended | Yen                      | Yen                        |
| March 31, 2022    | 92.62                    | 92.61                      |
| March 31, 2021    | 84.62                    | 84.61                      |

(2) Non-consolidated Financial Position

|                      | Total assets | Net assets  | Equity ratio | Net assets per share |
|----------------------|--------------|-------------|--------------|----------------------|
|                      | Million yen  | Million yen | %            | Yen                  |
| As of March 31, 2022 | 275,120      | 130,730     | 47.5         | 773.69               |
| As of March 31, 2021 | 318,369      | 136,649     | 42.9         | 732.59               |

(Reference) Equity: As of March 31, 2022: ¥130,730million

As of March 31, 2021: ¥136,646million

### 2. Non-Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

|            | Net sales   |      | Operating profit |        | Ordinary profit |        | Profit      |        | Basic earnings per share |
|------------|-------------|------|------------------|--------|-----------------|--------|-------------|--------|--------------------------|
|            | Million yen | %    | Million yen      | %      | Million yen     | %      | Million yen | %      | Yen                      |
| First half | 151,000     | 1.7  | 8,000            | (28.5) | 7,700           | (30.2) | 5,000       | (33.7) | 29.59                    |
| Full year  | 353,000     | 11.8 | 22,600           | (6.3)  | 22,100          | (7.7)  | 15,100      | (8.8)  | 89.36                    |

\* Explanation of the proper use of financial results forecast and other notes

(1) The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ significantly due to a wide range of factors.

# 1. Consolidated Financial Statements

## (1) Consolidated Balance Sheets

(Million yen)

|   | As of March 31, 2021 | As of March 31, 2022 |
|---|----------------------|----------------------|
| <b>Assets</b>   |                      |                      |
| Current assets  |                      |                      |
| Cash and deposits   | 129,317              | 66,080               |
| Notes receivable, accounts receivable from completed construction contracts and other | 121,461              | 140,431              |
| Costs on construction contracts in progress   | 5,593                | 4,075                |
| Other inventories   | 8,823                | 7,930                |
| Other   | 9,023                | 9,567                |
| Allowance for doubtful accounts   | (12)                 | (14)                 |
| Total current assets  | 274,206              | 228,070              |
| Non-current assets  |                      |                      |
| Property, plant and equipment   |                      |                      |
| Buildings and structures  | 23,649               | 22,894               |
| Machinery, vehicles, tools, furniture and fixtures                                    | 11,977               | 12,879               |
| Land  | 15,799               | 15,852               |
| Other   | 852                  | 1,961                |
| Accumulated depreciation  | (22,723)             | (23,400)             |
| Total property, plant and equipment   | 29,555               | 30,186               |
| Intangible assets   | 1,505                | 1,542                |
| Investments and other assets  |                      |                      |
| Investment securities   | 21,697               | 20,960               |
| Long-term loans receivable  | 132                  | 73                   |
| Deferred tax assets   | 7,819                | 7,091                |
| Retirement benefit asset  | 707                  | 2,546                |
| Other   | 3,765                | 4,862                |
| Allowance for doubtful accounts   | (1)                  | (1)                  |
| Total investments and other assets  | 34,120               | 35,532               |
| Total non-current assets  | 65,181               | 67,262               |
| Total assets  | 339,387              | 295,332              |

(Million yen)

|  | As of March 31, 2021 | As of March 31, 2022 |
|--|----------------------|----------------------|
| <b>Liabilities</b>   |                      |                      |
| Current liabilities  |                      |                      |
| Notes payable, accounts payable for construction contracts and other | 70,624               | 47,134               |
| Short-term borrowings  | 16,312               | 16,676               |
| Current portion of bonds   | 291                  | 237                  |
| Income taxes payable   | 4,907                | 3,071                |
| Advances received on construction contracts in progress              | 27,385               | 18,237               |
| Deposits received  | 30,512               | 34,038               |
| Provision for warranties for completed construction                  | 2,129                | 1,442                |
| Provision for bonuses  | 2,595                | 2,690                |
| Provision for loss on construction contracts                         | 1,248                | 595                  |
| Provision for loss on damage due to fire                             | 5,996                | 3,921                |
| Other  | 11,756               | 12,343               |
| Total current liabilities  | 173,761              | 140,388              |
| Non-current liabilities  |                      |                      |
| Bonds payable  | 400                  | 162                  |
| Long-term borrowings   | 8,271                | 7,640                |
| Deferred tax liabilities   | 37                   | 37                   |
| Retirement benefit liability   | 8,857                | 3,816                |
| Provision for environmental measures                                 | 139                  | 138                  |
| Provision for management board incentive plan trust                  | 116                  | 162                  |
| Other  | 1,127                | 1,302                |
| Total non-current liabilities  | 18,949               | 13,261               |
| Total liabilities  | 192,710              | 153,650              |
| <b>Net assets</b>  |                      |                      |
| Shareholders' equity   |                      |                      |
| Share capital  | 17,006               | 17,006               |
| Capital surplus  | 19,919               | 17,058               |
| Retained earnings  | 115,086              | 114,124              |
| Treasury shares  | (10,187)             | (10,422)             |
| Total shareholders' equity   | 141,824              | 137,766              |
| Accumulated other comprehensive income                               |                      |                      |
| Valuation difference on available-for-sale securities                | 3,754                | 2,996                |
| Deferred gains or losses on hedges                                   | —                    | (345)                |
| Foreign currency translation adjustment                              | 55                   | 85                   |
| Remeasurements of defined benefit plans                              | 281                  | 417                  |
| Total accumulated other comprehensive income                         | 4,091                | 3,154                |
| Share acquisition rights   | 3                    | —                    |
| Non-controlling interests  | 758                  | 761                  |
| Total net assets   | 146,676              | 141,682              |
| Total liabilities and net assets                                     | 339,387              | 295,332              |

(2) Consolidated Statements of Income and Comprehensive Income  
(Consolidated Statements of Income)

(Million yen)

|   | For the Fiscal year ended<br>March 31, 2021 | For the Fiscal year ended<br>March 31, 2022 |
|---|---|---|
| Net sales   |   |   |
| Net sales of completed construction contracts               | 331,694                                     | 316,153                                     |
| Sales in other businesses                                   | 20,451                                      | 24,139                                      |
| Total net sales   | 352,146                                     | 340,293                                     |
| Cost of sales   |   |   |
| Cost of sales of completed construction contracts           | 287,251                                     | 273,098                                     |
| Cost of sales in other businesses                           | 16,729                                      | 20,332                                      |
| Total cost of sales   | 303,981                                     | 293,431                                     |
| Gross profit  |   |   |
| Gross profit on completed construction contracts            | 44,442                                      | 43,054                                      |
| Gross profit - other business                               | 3,722                                       | 3,806                                       |
| Total gross profit  | 48,164                                      | 46,861                                      |
| Selling, general and administrative expenses                | 20,808                                      | 20,261                                      |
| Operating profit  | 27,356                                      | 26,600                                      |
| Non-operating income  |   |   |
| Interest income   | 38  | 25  |
| Dividend income   | 327   | 291   |
| Late charges income   | —   | 166   |
| Gain on extinguishment of debt                              | 23  | 187   |
| Other   | 79  | 156   |
| Total non-operating income                                  | 469   | 827   |
| Non-operating expenses                                      |   |   |
| Interest expenses   | 333   | 320   |
| Share of loss of entities accounted for using equity method | —   | 273   |
| Foreign exchange losses                                     | 19  | 104   |
| Compensation for damage                                     | 133   | 376   |
| Other   | 1,449                                       | 513   |
| Total non-operating expenses                                | 1,935                                       | 1,588                                       |
| Ordinary profit   | 25,890                                      | 25,838                                      |

(Million yen)

|  | For the Fiscal year ended<br>March 31, 2021 | For the Fiscal year ended<br>March 31, 2022 |
|--|---|---|
| Extraordinary income   |   |   |
| Gain on reversal of provision for loss on damage due to fire | 27  | —   |
| Subsidy income   | 354   | 67  |
| Gain on sales of non-current assets                          | 12  | —   |
| Gain on sales of investment securities                       | 160   | 241   |
| Total extraordinary income                                   | 555   | 308   |
| Extraordinary losses   |   |   |
| Loss on damage due to fire                                   | 25  | 180   |
| Loss on tax purpose reduction entry of non current assets    | 354   | 66  |
| Loss on sales of non current assets                          | —   | 18  |
| Loss on retirement of non-current assets                     | 19  | 115   |
| Loss on valuation of investment securities                   | —   | 27  |
| Head office relocation expenses                              | —   | 306   |
| Impairment loss  | 884   | —   |
| Loss on litigation   | 74  | 42  |
| Total extraordinary losses                                   | 1,359                                       | 757   |
| Profit before income taxes                                   | 25,086                                      | 25,390                                      |
| Income taxes - current                                       | 7,789                                       | 6,768                                       |
| Income taxes - deferred                                      | 138   | 949   |
| Total income taxes   | 7,928                                       | 7,717                                       |
| Profit   | 17,158                                      | 17,672                                      |
| Profit (loss) attributable to non-controlling interests      | (30)  | 1   |
| Profit attributable to owners of parent                      | 17,188                                      | 17,671                                      |

(Consolidated Statements of Comprehensive Income)

(Million yen)

|   | For the Fiscal year ended<br>March 31, 2021 | For the Fiscal year ended<br>March 31, 2022 |
|---|---|---|
| Profit  | 17,158                                      | 17,672                                      |
| Other comprehensive income  |   |   |
| Valuation difference on available-for-sale securities                             | 1,874                                       | (758)                                       |
| Foreign currency translation adjustment   | (107)                                       | 34  |
| Remeasurements of defined benefit plans   | 1,568                                       | 136   |
| Share of other comprehensive income of entities accounted for using equity method | —   | (345)                                       |
| Total other comprehensive income  | 3,335                                       | (932)                                       |
| Comprehensive income  | 20,493                                      | 16,740                                      |
| Comprehensive income attributable to  |   |   |
| Comprehensive income attributable to owners of parent                             | 20,570                                      | 16,734                                      |
| Comprehensive income attributable to non-controlling interests                    | (76)  | 5   |



## (3) Consolidated Statements of Changes in Equity

(Fiscal year ended March 31, 2021)

(Million yen)

|  | Shareholders' equity |                 |                   |                 |                            |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
|  | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period                                 | 17,006               | 19,926          | 103,699           | (5,284)         | 135,348                    |
| Cumulative effects of changes in accounting policies           |                      |                 | 0                 |                 | 0                          |
| Restated balance   | 17,006               | 19,926          | 103,700           | (5,284)         | 135,349                    |
| Changes in items during period                                 |                      |                 |                   |                 |                            |
| Dividends of surplus   |                      |                 | (5,802)           |                 | (5,802)                    |
| Profit attributable to owners of parent                        |                      |                 | 17,188            |                 | 17,188                     |
| Purchase of treasury shares                                    |                      |                 |                   | (4,936)         | (4,936)                    |
| Disposal of treasury shares                                    |                      | (7)             |                   | 32              | 25                         |
| Cancellation of treasury shares                                |                      |                 |                   |                 |                            |
| Transfer from other retained earnings to other capital surplus |                      |                 |                   |                 |                            |
| Net changes in items other than shareholders' equity           |                      |                 |                   |                 |                            |
| Total changes in items during period                           | —                    | (7)             | 11,385            | (4,903)         | 6,474                      |
| Balance at end of period                                       | 17,006               | 19,919          | 115,086           | (10,187)        | 141,824                    |

|  | Accumulated other comprehensive income                |                                    |   |   |  | Share acquisition rights | Non-controlling interests | Total net assets |
|--|---|------------------------------------|---|---|--|--------------------------|---------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                          |                           |                  |
| Balance at beginning of period                                 | 1,880   | —                                  | 116                                     | (1,287)                                 | 709  | 4                        | 837                       | 136,900          |
| Cumulative effects of changes in accounting policies           |   |                                    |   |   |  |                          |                           | 0                |
| Restated balance   | 1,880   | —                                  | 116                                     | (1,287)                                 | 709  | 4                        | 837                       | 136,900          |
| Changes in items during period                                 |   |                                    |   |   |  |                          |                           |                  |
| Dividends of surplus   |   |                                    |   |   |  |                          |                           | (5,802)          |
| Profit attributable to owners of parent                        |   |                                    |   |   |  |                          |                           | 17,188           |
| Purchase of treasury shares                                    |   |                                    |   |   |  |                          |                           | (4,936)          |
| Disposal of treasury shares                                    |   |                                    |   |   |  |                          |                           | 25               |
| Cancellation of treasury shares                                |   |                                    |   |   |  |                          |                           |                  |
| Transfer from other retained earnings to other capital surplus |   |                                    |   |   |  |                          |                           |                  |
| Net changes in items other than shareholders' equity           | 1,874   | —                                  | (61)                                    | 1,568                                   | 3,381  | (1)                      | (79)                      | 3,301            |
| Total changes in items during period                           | 1,874   | —                                  | (61)                                    | 1,568                                   | 3,381  | (1)                      | (79)                      | 9,775            |
| Balance at end of period                                       | 3,754   | —                                  | 55                                      | 281                                     | 4,091  | 3                        | 758                       | 146,676          |

(Fiscal year ended March 31, 2022)

(Million yen)

|  | Shareholders' equity |                 |                   |                 |                            |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
|  | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period                                 | 17,006               | 19,919          | 115,086           | (10,187)        | 141,824                    |
| Cumulative effects of changes in accounting policies           |                      |                 |                   |                 |                            |
| Restated balance   | 17,006               | 19,919          | 115,086           | (10,187)        | 141,824                    |
| Changes in items during period                                 |                      |                 |                   |                 |                            |
| Dividends of surplus   |                      |                 | (6,423)           |                 | (6,423)                    |
| Profit attributable to owners of parent                        |                      |                 | 17,671            |                 | 17,671                     |
| Purchase of treasury shares                                    |                      |                 |                   | (15,328)        | (15,328)                   |
| Disposal of treasury shares                                    |                      | (23)            |                   | 45              | 22                         |
| Cancellation of treasury shares                                |                      | (15,047)        |                   | 15,047          | —                          |
| Transfer from other retained earnings to other capital surplus |                      | 12,210          | (12,210)          |                 | —                          |
| Net changes in items other than shareholders' equity           |                      |                 |                   |                 |                            |
| Total changes in items during period                           | —                    | (2,861)         | (961)             | (234)           | (4,057)                    |
| Balance at end of period                                       | 17,006               | 17,058          | 114,124           | (10,422)        | 137,766                    |

|  | Accumulated other comprehensive income                |                                    |   |   |  | Share acquisition rights | Non-controlling interests | Total net assets |
|--|---|------------------------------------|---|---|--|--------------------------|---------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                          |                           |                  |
| Balance at beginning of period                                 | 3,754   | —                                  | 55                                      | 281                                     | 4,091  | 3                        | 758                       | 146,676          |
| Cumulative effects of changes in accounting policies           |   |                                    |   |   |  |                          |                           |                  |
| Restated balance   | 3,754   | —                                  | 55                                      | 281                                     | 4,091  | 3                        | 758                       | 146,676          |
| Changes in items during period                                 |   |                                    |   |   |  |                          |                           |                  |
| Dividends of surplus   |   |                                    |   |   |  |                          |                           | (6,423)          |
| Profit attributable to owners of parent                        |   |                                    |   |   |  |                          |                           | 17,671           |
| Purchase of treasury shares                                    |   |                                    |   |   |  |                          |                           | (15,328)         |
| Disposal of treasury shares                                    |   |                                    |   |   |  |                          |                           | 22               |
| Cancellation of treasury shares                                |   |                                    |   |   |  |                          |                           | —                |
| Transfer from other retained earnings to other capital surplus |   |                                    |   |   |  |                          |                           | —                |
| Net changes in items other than shareholders' equity           | (758)   | (345)                              | 30                                      | 136                                     | (936)  | (3)                      | 3                         | (936)            |
| Total changes in items during period                           | (758)   | (345)                              | 30                                      | 136                                     | (936)  | (3)                      | 3                         | (4,994)          |
| Balance at end of period                                       | 2,996   | (345)                              | 85                                      | 417                                     | 3,154  | —                        | 761                       | 141,682          |

## (4) Consolidated Statements of Cash Flows

(Million yen)

|  | For the Fiscal year ended<br>March 31, 2021 | For the Fiscal year ended<br>March 31, 2022 |
|--|---|---|
| Cash flows from operating activities   |   |   |
| Profit before income taxes   | 25,086                                      | 25,390                                      |
| Depreciation   | 2,080                                       | 2,410                                       |
| Loss on tax purpose reduction entry of non current assets                      | 354   | 66  |
| Subsidy income   | (354)                                       | (67)  |
| Impairment loss  | 884   | —   |
| Loss on damage due to fire   | 25  | 180   |
| Increase (decrease) in allowance for doubtful accounts                         | (1)   | 1   |
| Increase (decrease) in provision for warranties for completed construction     | (241)                                       | (686)                                       |
| Increase (decrease) in provision for loss on construction contracts            | 293   | (653)                                       |
| Increase (decrease) in provision for loss on damage due to fire                | (702)                                       | (2,075)                                     |
| Increase (decrease) in retirement benefit liability                            | (1,912)                                     | (4,964)                                     |
| Decrease (increase) in retirement benefit asset                                | (447)                                       | (1,719)                                     |
| Interest and dividend income   | (365)                                       | (317)                                       |
| Interest expenses  | 333   | 320   |
| Foreign exchange losses (gains)  | (73)  | 181   |
| Loss (gain) on sales of investment securities                                  | (160)                                       | (241)                                       |
| Loss (gain) on sales of property, plant and equipment                          | (12)  | 13  |
| Decrease (increase) in trade receivables                                       | 16,246                                      | (18,961)                                    |
| Decrease (increase) in costs on construction contracts in progress             | (668)                                       | 1,518                                       |
| Decrease (increase) in other inventories                                       | (4,136)                                     | 893   |
| Decrease (increase) in advances paid   | 990   | 606   |
| Increase (decrease) in trade payables  | (8,289)                                     | (23,506)                                    |
| Increase (decrease) in advances received on construction contracts in progress | (3,468)                                     | (9,151)                                     |
| Increase (decrease) in deposits received                                       | 3,050                                       | 3,525                                       |
| Increase (decrease) in accrued consumption taxes                               | 3,254                                       | (2,521)                                     |
| Share of loss (profit) of entities accounted for using equity method           | —   | 273   |
| Other, net   | 5,865                                       | 4,298                                       |
| Subtotal   | 37,630                                      | (25,184)                                    |
| Interest and dividends received  | 393   | 290   |
| Interest paid  | (356)                                       | (298)                                       |
| Compensation for damage paid   | (756)                                       | (2,210)                                     |
| Income taxes paid  | (7,755)                                     | (8,683)                                     |
| Net cash provided by (used in) operating activities                            | 29,154                                      | (36,086)                                    |
| Cash flows from investing activities   |   |   |
| Payments into time deposits  | (60)  | (1,345)                                     |
| Proceeds from withdrawal of time deposits                                      | 221   | 1,281                                       |
| Purchase of short-term and long-term investment securities                     | (429)                                       | (433)                                       |
| Proceeds from sales of short-term and long-term investment securities          | 299   | 358   |
| Purchase of property, plant and equipment                                      | (2,934)                                     | (2,558)                                     |
| Proceeds from sales of property, plant and equipment                           | 16  | 20  |
| Payments for investments in capital of subsidiaries and associates             | —   | (1,876)                                     |
| Payments of leasehold and guarantee deposits                                   | (955)                                       | (104)                                       |
| Subsidies received   | 354   | 67  |
| Other, net   | (466)                                       | 40  |
| Net cash provided by (used in) investing activities                            | (3,954)                                     | (4,549)                                     |

(Million yen)

|   | For the Fiscal year ended<br>March 31, 2021 | For the Fiscal year ended<br>March 31, 2022 |
|---|---|---|
| Cash flows from financing activities                        |   |   |
| Net increase (decrease) in short-term borrowings            | (91)  | (31)  |
| Proceeds from long-term borrowings                          | 4,107                                       | 4,291                                       |
| Repayments of long-term borrowings                          | (5,534)                                     | (4,570)                                     |
| Redemption of bonds   | (341)                                       | (291)                                       |
| Purchase of treasury shares                                 | (4,936)                                     | (15,328)                                    |
| Dividends paid  | (5,802)                                     | (6,423)                                     |
| Dividends paid to non-controlling interests                 | (2)   | (2)   |
| Other, net  | (52)  | (208)                                       |
| Net cash provided by (used in) financing activities         | (12,656)                                    | (22,565)                                    |
| Effect of exchange rate change on cash and cash equivalents | 28  | (94)  |
| Net increase (decrease) in cash and cash equivalents        | 12,573                                      | (63,295)                                    |
| Cash and cash equivalents at beginning of period            | 115,461                                     | 128,035                                     |
| Cash and cash equivalents at end of period                  | 128,035                                     | 64,739                                      |

(Change in accounting policy)

(Application of “Accounting Standard for Revenue Recognition”, etc.)

The Company has adopted ASBJ Statement No.29, “Accounting Standard for Revenue Recognition” (March 31, 2020) (hereinafter referred to as “The Accounting Standard”), etc. since the beginning of the current consolidated fiscal year; and recognizes revenue at the amount expected to be received in exchange for the goods or services when control over the promised goods or services is transferred to the customer. The Company had previously adopted percentage of completion method for recognizing revenue from construction contracts when the outcome of the progress part of the construction was deemed certain ; otherwise the completed contract method was adopted; thereby however, the Company has changed it to the method which recognizes revenue over a period of time as the performance obligation to transfer the goods or services to the customer is satisfied when control over the goods or services is transferred to the customer over a period of time. The Company measures progress related to the satisfaction of performance obligations based on the percentage of construction costs incurred by the end of each reporting period to the total expected construction costs. If it is impossible to estimate reasonably the progress of satisfaction of the performance obligation, but probable that the costs incurred will be recovered, the Company recognizes revenue using “the cost recovery method”. For construction contracts where the period from the date of the contract commencement to the date when the performance obligation is expected to be fully satisfied is very short, the Company applies the alternative treatment; and recognizes revenue when the performance obligation is fully satisfied, instead of recognizing revenue a period of time. This change in accounting policy has been applied retrospectively in principle; and financial statements for the previous consolidated fiscal year have been adjusted retrospectively. However, the following methods specified in the accounting Standard, paragraph 85 have been applied.

(1) For contracts in which almost all amounts of revenue were recognized in accordance with the previous treatment prior to the beginning of the previous consolidated fiscal year, the comparative information shall not be adjusted retrospectively.

(2) For amounts of variable consideration included in contracts in which almost all amounts of the revenue were recognized in accordance with the previous treatment prior to the beginning of the current consolidated fiscal year, the comparative information shall be adjusted retrospectively using the amount at the time when the uncertainty regarding the amount of the variable consideration is resolved.

As a result, net sales for the previous consolidated fiscal year increased by ¥145 million, cost of sales increased by ¥145 million, and operating profit, ordinary profit, and profit before income taxes decreased by ¥0 million, respectively, compared with those before the retrospective application. In addition, the balance of retained earnings at the beginning of the previous consolidated fiscal year increased by ¥0 million, as the cumulative effect was reflected in net assets at the beginning of the previous consolidated fiscal year.

(Accounting Standard for Fair Value Measurement.)

The Company has adopted ASBJ Statement No.30” Accounting Standard for Fair Value Measurement” (July 4, 2019) (hereinafter referred to as “The Accounting Standard”), etc. since the beginning of the current consolidated fiscal year; and adopts the new accounting policies specified in the accounting Standard , etc. into the future in accordance with the transitional treatment specified in both the accounting Standard paragraph 19 and ASBJ Statement No.10 Accounting Standard for Financial Instruments (July 4, 2019) Paragraph 44 2. For your information, there is no impact caused by the application on the consolidated financial statements.

## 2. Non-Consolidated Financial Statements

### (1) Non-Consolidated Balance Sheets

(Million yen)

|   | As of March 31, 2021 | As of March 31, 2022 |
|---|----------------------|----------------------|
| <b>Assets</b>   |                      |                      |
| Current assets  |                      |                      |
| Cash and deposits   | 122,029              | 56,845               |
| Notes receivable - trade                                  | 296                  | 3,937                |
| Electronically recorded monetary claims - operating       | 6,547                | 2,855                |
| Accounts receivable from completed construction contracts | 111,971              | 131,736              |
| Accounts receivable- other business                       | 854                  | 764                  |
| Real estate for sale                                      | 511                  | 504                  |
| Costs on construction contracts in progress               | 5,236                | 4,420                |
| Costs on other business                                   | 948                  | 903                  |
| Raw materials and supplies                                | 3                    | 2                    |
| Prepaid expenses  | 81                   | 57                   |
| Other   | 8,528                | 8,896                |
| Allowance for doubtful accounts                           | (12)                 | (14)                 |
| <b>Total current assets</b>                               | <b>256,996</b>       | <b>210,910</b>       |
| Non-current assets  |                      |                      |
| Property, plant and equipment                             |                      |                      |
| Buildings   | 18,334               | 17,495               |
| Accumulated depreciation                                  | (10,051)             | (9,914)              |
| Buildings, net  | 8,282                | 7,580                |
| Structures  | 2,174                | 2,113                |
| Accumulated depreciation                                  | (1,829)              | (1,788)              |
| Structures, net   | 345                  | 324                  |
| Machinery and equipment                                   | 3,767                | 3,850                |
| Accumulated depreciation                                  | (3,087)              | (3,263)              |
| Machinery and equipment, net                              | 679                  | 586                  |
| Vehicles  | 186                  | 174                  |
| Accumulated depreciation                                  | (148)                | (151)                |
| Vehicles, net   | 37                   | 23                   |
| Tools, furniture and fixtures                             | 3,780                | 3,787                |
| Accumulated depreciation                                  | (3,244)              | (3,360)              |
| Tools, furniture and fixtures, net                        | 535                  | 426                  |
| Land  | 12,984               | 12,979               |
| Leased assets   | 334                  | 408                  |
| Accumulated depreciation                                  | (141)                | (188)                |
| Leased assets, net  | 192                  | 220                  |
| Construction in progress                                  | —                    | 1,658                |
| <b>Total property, plant and equipment</b>                | <b>23,058</b>        | <b>23,800</b>        |

(Million yen)

|  | As of March 31, 2021 | As of March 31, 2022 |
|--|----------------------|----------------------|
| <b>Intangible assets</b>   |                      |                      |
| Leasehold interests in land  | 106                  | 106                  |
| Software   | 966                  | 989                  |
| Other  | 181                  | 190                  |
| <b>Total intangible assets</b>   | <b>1,254</b>         | <b>1,285</b>         |
| <b>Investments and other assets</b>  |                      |                      |
| Investment securities  | 21,399               | 20,680               |
| Shares of subsidiaries and associates                                      | 2,679                | 2,679                |
| Investments in capital   | 25                   | 25                   |
| Investments in capital of subsidiaries and associates                      | 111                  | 1,987                |
| Long-term loans receivable   | 12                   | 9                    |
| Long-term loans receivable from employees                                  | 43                   | —                    |
| Long-term loans receivable from subsidiaries and associates                | 1,630                | 1,783                |
| Claims provable in bankruptcy, claims provable in rehabilitation and other | 1                    | 1                    |
| Long-term prepaid expenses   | 98                   | 52                   |
| Prepaid pension costs  | 447                  | 2,167                |
| Deferred tax assets  | 7,378                | 6,638                |
| Other  | 3,231                | 3,098                |
| Allowance for doubtful accounts  | (1)                  | (1)                  |
| <b>Total investments and other assets</b>                                  | <b>37,060</b>        | <b>39,123</b>        |
| <b>Total non-current assets</b>  | <b>61,373</b>        | <b>64,209</b>        |
| <b>Total assets</b>  | <b>318,369</b>       | <b>275,120</b>       |
| <b>Liabilities</b>   |                      |                      |
| <b>Current liabilities</b>   |                      |                      |
| Notes payable - trade  | 2,325                | —                    |
| Electronically recorded obligations - operating                            | 9,954                | —                    |
| Accounts payable for construction contracts                                | 56,091               | 48,401               |
| Accounts payable - other business  | 378                  | 342                  |
| Short-term borrowings  | 16,226               | 16,590               |
| Current portion of bonds   | 291                  | 237                  |
| Lease obligations  | 71                   | 82                   |
| Accounts payable - other   | 2,248                | 4,719                |
| Accrued expenses   | 35                   | 35                   |
| Income taxes payable   | 4,524                | 2,500                |
| Advances received on construction contracts in progress                    | 26,986               | 17,599               |
| Advances received on other business  | 337                  | 284                  |
| Deposits received  | 29,454               | 32,452               |
| Unearned revenue   | 2                    | 2                    |
| Provision for warranties for completed construction                        | 2,128                | 1,440                |
| Provision for bonuses  | 2,459                | 2,567                |
| Provision for loss on construction contracts                               | 1,248                | 594                  |
| Provision for loss on damage due to fire                                   | 5,996                | 3,921                |
| Other  | 3,475                | 872                  |
| <b>Total current liabilities</b>   | <b>164,240</b>       | <b>132,644</b>       |

|   | As of March 31, 2021 | As of March 31, 2022 |
|---|----------------------|----------------------|
| <b>Non-current liabilities</b>                        |                      |                      |
| Bonds payable   | 400                  | 162                  |
| Long-term borrowings                                  | 7,799                | 7,254                |
| Lease obligations                                     | 132                  | 153                  |
| Provisions for retirement benefits                    | 7,957                | 2,989                |
| Provision for environmental measures                  | 139                  | 138                  |
| Provision for management board incentive plan trust   | 116                  | 162                  |
| Asset retirement obligations                          | 578                  | 565                  |
| Other   | 355                  | 317                  |
| Total non-current liabilities                         | 17,479               | 11,744               |
| <b>Total liabilities</b>                              | <b>181,720</b>       | <b>144,389</b>       |
| <b>Net assets</b>                                     |                      |                      |
| <b>Shareholders' equity</b>                           |                      |                      |
| Share capital   | 17,006               | 17,006               |
| <b>Capital surplus</b>                                |                      |                      |
| Legal capital surplus                                 | 17,123               | 17,123               |
| Other capital surplus                                 | 2,861                | —                    |
| Total capital surpluses                               | 19,984               | 17,123               |
| <b>Retained earnings</b>                              |                      |                      |
| <b>Other retained earning</b>                         |                      |                      |
| Reserve for specified shares                          | 25                   | 25                   |
| Retained earnings brought forward                     | 106,108              | 104,033              |
| Total retained earnings                               | 106,133              | 104,058              |
| Treasury shares                                       | (10,187)             | (10,422)             |
| Total shareholders' equity                            | 132,936              | 127,765              |
| <b>Valuation and translation adjustments</b>          |                      |                      |
| Valuation difference on available-for-sale securities | 3,709                | 2,965                |
| Total valuation and translation adjustments           | 3,709                | 2,965                |
| Share acquisition rights                              | 3                    | —                    |
| Total net assets                                      | 136,649              | 130,730              |
| <b>Total liabilities and net assets</b>               | <b>318,369</b>       | <b>275,120</b>       |



## (2) Non-Consolidated Statements of Income

(Million yen)

|   | For the Fiscal year ended<br>March 31, 2021 | For the Fiscal year ended<br>March 31, 2022 |
|---|---|---|
| Net sales   |   |   |
| Net sales of completed construction contracts       | 328,189                                     | 310,790                                     |
| Sales in other businesses                           | 4,878                                       | 5,077                                       |
| Total net sales                                     | 333,067                                     | 315,867                                     |
| Cost of sales                                       |   |   |
| Cost of sales of completed construction contracts   | 284,153                                     | 268,700                                     |
| Cost of sales in other businesses                   | 4,162                                       | 4,422                                       |
| Total cost of sales                                 | 288,316                                     | 273,123                                     |
| Gross profit  |   |   |
| Gross profit on completed construction contracts    | 44,035                                      | 42,090                                      |
| Gross profit - other business                       | 715   | 654   |
| Total gross profit                                  | 44,751                                      | 42,744                                      |
| Selling, general and administrative expenses        |   |   |
| Remuneration for directors (and other officers)     | 257   | 257   |
| Provision for management board incentive plan trust | 46  | 64  |
| Employees' salaries and allowances                  | 5,966                                       | 5,500                                       |
| Provision for bonuses                               | 2,008                                       | 1,963                                       |
| Retirement benefit expenses                         | 619   | 450   |
| Legal welfare expenses                              | 1,204                                       | 1,126                                       |
| Welfare expenses                                    | 337   | 397   |
| Repair and maintenance expenses                     | 330   | 253   |
| Stationery expenses                                 | 390   | 402   |
| Communication and transportation expenses           | 890   | 976   |
| Power utilities expenses                            | 85  | 84  |
| Research study expenses                             | 2,683                                       | 2,923                                       |
| Advertising expenses                                | 136   | 165   |
| Provision of allowance for doubtful accounts        | (1)   | 1   |
| Entertainment expenses                              | 185   | 199   |
| Donations   | 75  | 64  |
| Rent expenses on land and buildings                 | 794   | 869   |
| Depreciation  | 1,037                                       | 1,117                                       |
| Taxes and dues                                      | 1,116                                       | 987   |
| Insurance expenses                                  | 122   | 97  |
| Miscellaneous expenses                              | 749   | 725   |
| Selling, general and administrative expenses        | 19,038                                      | 18,629                                      |
| Operating profit                                    | 25,712                                      | 24,114                                      |

|  | For the Fiscal year ended<br>March 31, 2021 | For the Fiscal year ended<br>March 31, 2022 |
|--|---|---|
| <b>Non-operating income</b>                                  |   |   |
| Interest income  | 29  | 24  |
| Interest on securities                                       | 0   | —   |
| Dividend income  | 523   | 563   |
| Late charges income  | —   | 166   |
| Gain on extinguishment of debt                               | 23  | 187   |
| Other  | 78  | 166   |
| Total non-operating income                                   | 656   | 1,107                                       |
| <b>Non-operating expenses</b>                                |   |   |
| Interest expenses  | 314   | 306   |
| Interest on bonds  | 8   | 5   |
| Commission for purchase of treasury shares                   | 43  | 155   |
| Commission expenses  | 849   | 154   |
| Foreign exchange losses                                      | 18  | 100   |
| Compensation for damage                                      | 133   | 376   |
| Other  | 530   | 181   |
| Total non-operating expenses                                 | 1,900                                       | 1,281                                       |
| Ordinary profit  | 24,468                                      | 23,939                                      |
| <b>Extraordinary income</b>                                  |   |   |
| Gain on reversal of provision for loss on damage due to fire | 27  | —   |
| Subsidy income   | 354   | 27  |
| Gain on sales of non-current assets                          | 12  | —   |
| Gain on sales of investment securities                       | 160   | 241   |
| Total extraordinary income                                   | 555   | 268   |
| <b>Extraordinary losses</b>                                  |   |   |
| Loss on damage due to fire                                   | 25  | 180   |
| Loss on tax purpose reduction entry of non current assets    | 354   | 27  |
| Loss on valuation of investment securities                   | —   | 27  |
| Head office relocation expenses                              | —   | 306   |
| Impairment loss  | 884   | —   |
| Loss on litigation   | 74  | 42  |
| Loss on retirement of non-current assets                     | —   | 107   |
| Total extraordinary losses                                   | 1,339                                       | 691   |
| Profit before income taxes                                   | 23,684                                      | 23,517                                      |
| Income taxes - current                                       | 7,346                                       | 5,942                                       |
| Income taxes - deferred                                      | 140   | 1,016                                       |
| Total income taxes   | 7,486                                       | 6,958                                       |
| Profit   | 16,198                                      | 16,558                                      |

## (3) Non-Consolidated Statements of Changes in Equity

(Fiscal year ended March 31, 2021)

(Million yen)

|  | Shareholders' equity |                       |                       |                       |                              |                                   |                         |                 |                            |
|--|----------------------|-----------------------|-----------------------|-----------------------|------------------------------|-----------------------------------|-------------------------|-----------------|----------------------------|
|  | Share capital        | Capital surplus       |                       |                       | Retained earnings            |                                   |                         | Treasury shares | Total shareholders' equity |
|  |                      | Legal capital surplus | Other capital surplus | Total capital surplus | Other retained earnings      |                                   | Total retained earnings |                 |                            |
|  |                      |                       |                       |                       | Reserve for specified shares | Retained earnings brought forward |                         |                 |                            |
| Balance at beginning of period                                 | 17,006               | 17,123                | 2,868                 | 19,992                | —                            | 95,737                            | 95,737                  | (5,284)         | 127,451                    |
| Cumulative effects of changes in accounting policies           |                      |                       |                       |                       |                              | 0                                 | 0                       |                 | 0                          |
| Restated balance   | 17,006               | 17,123                | 2,868                 | 19,992                | —                            | 95,738                            | 95,738                  | (5,284)         | 127,452                    |
| Changes in items during period                                 |                      |                       |                       |                       |                              |                                   |                         |                 |                            |
| Dividends of surplus   |                      |                       |                       |                       |                              | (5,802)                           | (5,802)                 |                 | (5,802)                    |
| Profit   |                      |                       |                       |                       |                              | 16,198                            | 16,198                  |                 | 16,198                     |
| Purchase of treasury shares                                    |                      |                       |                       |                       |                              |                                   |                         | (4,936)         | (4,936)                    |
| Disposal of treasury shares                                    |                      |                       | (7)                   | (7)                   |                              |                                   |                         | 32              | 25                         |
| Cancellation of treasury shares                                |                      |                       |                       |                       |                              |                                   |                         |                 |                            |
| Transfer from other retained earnings to other capital surplus |                      |                       |                       |                       |                              |                                   |                         |                 |                            |
| Reserve for specified shares                                   |                      |                       |                       |                       | 25                           | (25)                              | —                       |                 | —                          |
| Net changes in items other than shareholders' equity           |                      |                       |                       |                       |                              |                                   |                         |                 |                            |
| Total changes in items during period                           | —                    | —                     | (7)                   | (7)                   | 25                           | 10,370                            | 10,395                  | (4,903)         | 5,484                      |
| Balance at end of period                                       | 17,006               | 17,123                | 2,861                 | 19,984                | 25                           | 106,108                           | 106,133                 | (10,187)        | 132,936                    |

|  | Valuation and translation adjustments                 |   | Share acquisition rights | Total net assets |
|--|---|---|--------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Total valuation and translation adjustments |                          |                  |
| Balance at beginning of period                                 | 1,876   | 1,876                                       | 4                        | 129,332          |
| Cumulative effects of changes in accounting policies           |   |   |                          | 0                |
| Restated balance   | 1,876   | 1,876                                       | 4                        | 129,333          |
| Changes in items during period                                 |   |   |                          |                  |
| Dividends of surplus   |   |   |                          | (5,802)          |
| Profit   |   |   |                          | 16,198           |
| Purchase of treasury shares                                    |   |   |                          | (4,936)          |
| Disposal of treasury shares                                    |   |   |                          | 25               |
| Cancellation of treasury shares                                |   |   |                          |                  |
| Transfer from other retained earnings to other capital surplus |   |   |                          |                  |
| Reserve for specified shares                                   |   |   |                          | —                |
| Net changes in items other than shareholders' equity           | 1,833   | 1,833                                       | (1)                      | 1,831            |
| Total changes in items during period                           | 1,833   | 1,833                                       | (1)                      | 7,316            |
| Balance at end of period                                       | 3,709   | 3,709                                       | 3                        | 136,649          |

(Fiscal year ended March 31, 2022)

(Million yen)

|  | Shareholders' equity |                       |                       |                       |                              |                                   |                         |                 |                            |
|--|----------------------|-----------------------|-----------------------|-----------------------|------------------------------|-----------------------------------|-------------------------|-----------------|----------------------------|
|  | Share capital        | Capital surplus       |                       |                       | Retained earnings            |                                   |                         | Treasury shares | Total shareholders' equity |
|  |                      | Legal capital surplus | Other capital surplus | Total capital surplus | Other retained earnings      |                                   | Total retained earnings |                 |                            |
|  |                      |                       |                       |                       | Reserve for specified shares | Retained earnings brought forward |                         |                 |                            |
| Balance at beginning of period                                 | 17,006               | 17,123                | 2,861                 | 19,984                | 25                           | 106,108                           | 106,133                 | (10,187)        | 132,936                    |
| Cumulative effects of changes in accounting policies           |                      |                       |                       |                       |                              |                                   |                         |                 |                            |
| Restated balance   | 17,006               | 17,123                | 2,861                 | 19,984                | 25                           | 106,108                           | 106,133                 | (10,187)        | 132,936                    |
| Changes in items during period                                 |                      |                       |                       |                       |                              |                                   |                         |                 |                            |
| Dividends of surplus   |                      |                       |                       |                       |                              | (6,423)                           | (6,423)                 |                 | (6,423)                    |
| Profit   |                      |                       |                       |                       |                              | 16,558                            | 16,558                  |                 | 16,558                     |
| Purchase of treasury shares                                    |                      |                       |                       |                       |                              |                                   |                         | (15,328)        | (15,328)                   |
| Disposal of treasury shares                                    |                      |                       | (23)                  | (23)                  |                              |                                   |                         | 45              | 22                         |
| Cancellation of treasury shares                                |                      |                       | (15,047)              | (15,047)              |                              |                                   |                         | 15,047          | —                          |
| Transfer from other retained earnings to other capital surplus |                      |                       | 12,210                | 12,210                |                              | (12,210)                          | (12,210)                |                 | —                          |
| Reserve for specified shares                                   |                      |                       |                       |                       |                              |                                   |                         |                 |                            |
| Net changes in items other than shareholders' equity           |                      |                       |                       |                       |                              |                                   |                         |                 | —                          |
| Total changes in items during period                           | —                    | —                     | (2,861)               | (2,861)               | —                            | (2,075)                           | (2,075)                 | (234)           | (5,170)                    |
| Balance at end of period                                       | 17,006               | 17,123                | —                     | 17,123                | 25                           | 104,033                           | 104,058                 | (10,422)        | 127,765                    |

|  | Valuation and translation adjustments                 |   | Share acquisition rights | Total net assets |
|--|---|---|--------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Total valuation and translation adjustments |                          |                  |
| Balance at beginning of period                                 | 3,709   | 3,709                                       | 3                        | 136,649          |
| Cumulative effects of changes in accounting policies           |   |   |                          |                  |
| Restated balance   | 3,709   | 3,709                                       | 3                        | 136,649          |
| Changes in items during period                                 |   |   |                          |                  |
| Dividends of surplus   |   |   |                          | (6,423)          |
| Profit   |   |   |                          | 16,558           |
| Purchase of treasury shares                                    |   |   |                          | (15,328)         |
| Disposal of treasury shares                                    |   |   |                          | 22               |
| Cancellation of treasury shares                                |   |   |                          | —                |
| Transfer from other retained earnings to other capital surplus |   |   |                          | —                |
| Reserve for specified shares                                   |   |   |                          |                  |
| Net changes in items other than shareholders' equity           | (744)   | (744)                                       | (3)                      | (747)            |
| Total changes in items during period                           | (744)   | (744)                                       | (3)                      | (5,918)          |
| Balance at end of period                                       | 2,965   | 2,965                                       | —                        | 130,730          |

### 3. Supplementary Information

(1) Results for the fiscal year ended March 31, 2022 and forecasts for the six months ending September 30, 2023 and full year

#### 1. Non-consolidated

(Unit: Million yen. Rounded down to the unit)

| Items  |  | Results for the fiscal year ended March 31, 2021 | Fiscal year ended March 31, 2022  |  | Fiscal year ending March 31, 2023                      |                     |
|--|--|--|---|--|--|---------------------|
|  |  |  | Forecasts for the fiscal year ended March 31, 2022 (announced in February 2022) | Results for the fiscal year ended March 31, 2022 | Forecasts for the six months ending September 30, 2022 | Full year forecasts |
| Orders received  | Civil engineering                                      | 101,527  | 125,000   | 122,593  | 50,000   | 125,000             |
|  | Building construction                                  | 199,341  | 210,000   | 187,250  | 112,500  | 230,000             |
|  | Total orders received                                  | 300,869  | 335,000   | 309,843  | 162,500  | 355,000             |
| Net sales of completed construction contracts            | Civil engineering                                      | 135,976  | 133,000   | 132,264  | 62,000   | 145,000             |
|  | Building construction                                  | 192,212  | 177,000   | 178,526  | 85,000   | 200,000             |
|  | Total net sales of completed construction contracts    | 328,189  | 310,000   | 310,790  | 147,000  | 345,000             |
| Gross profit on completed construction contracts         | Civil engineering                                      | 23,303<br>[17.1%]                                | 22,400<br>[16.8%]   | 21,467<br>[16.2%]                                | 9,800<br>[15.8%]                                       | 23,200<br>[16.0%]   |
|  | Building construction                                  | 20,732<br>[10.8%]                                | 18,500<br>[10.5%]   | 20,622<br>[11.6%]                                | 7,300<br>[8.6%]  | 17,500<br>[8.8%]    |
|  | Total gross profit on completed construction contracts | 44,035<br>[13.4%]                                | 40,900<br>[13.2%]   | 42,090<br>[13.5%]                                | 17,100<br>[11.6%]                                      | 40,700<br>[11.8%]   |
| <b>Gross sales</b>                                       | <b>333,067</b>   | <b>315,000</b>                                   | <b>315,867</b>  | <b>151,000</b>                                   | <b>353,000</b>   |                     |
| Gross profit   | 44,751<br>[13.4%]                                      | 41,600<br>[13.2%]                                | 42,744<br>[13.5%]   | 17,500<br>[11.6%]                                | 41,500<br>[11.8%]                                      |                     |
| Selling, general and administrative expenses             | 19,038   | 18,500   | 18,629  | 9,500  | 18,900   |                     |
| <b>Operating profit</b>                                  | <b>25,712</b><br>[7.7%]                                | <b>23,100</b><br>[7.3%]                          | <b>24,114</b><br>[7.6%]   | <b>8,000</b><br>[5.3%]                           | <b>22,600</b><br>[6.4%]                                |                     |
| Non-operating income/expenses [Interest income/expenses] | (1,244)<br>[230]                                       | (1,000)<br>[150]                                 | (174)<br>[275]  | (300)<br>[220]                                   | (500)<br>[230]   |                     |
| <b>Ordinary profit</b>                                   | <b>24,468</b><br>[7.3%]                                | <b>20,100</b><br>[7.0%]                          | <b>23,939</b><br>[7.6%]   | <b>7,700</b><br>[5.1%]                           | <b>22,100</b><br>[6.3%]                                |                     |
| Extraordinary income/losses                              | (783)  | —  | (422)   | (300)  | (300)  |                     |
| Profit before income taxes                               | 23,684<br>[7.1%]                                       | 22,100<br>[7.0%]                                 | 23,517<br>[7.4%]  | 7,400<br>[4.9%]                                  | 21,800<br>[6.2%]                                       |                     |
| Tax expenses   | 7,486  | 7,000  | 6,958   | 2,400  | 6,700  |                     |
| <b>Profit</b>  | <b>16,198</b><br>[4.9%]                                | <b>15,100</b><br>[4.8%]                          | <b>16,558</b><br>[5.2%]   | <b>5,000</b><br>[3.3%]                           | <b>15,100</b><br>[4.3%]                                |                     |

## 2. Consolidated

(Unit: Million yen. Rounded down to the unit)

| Items  | Results for the fiscal year ended March 31, 2021 | Fiscal year ended March 31, 2022  |  | Fiscal yearending March 31, 2023                       |                         |
|--|--|---|--|--|-------------------------|
|  |  | Forecasts for the fiscal year ended March 31, 2022 (announced in February 2022) | Results for the fiscal year ended March 31, 2022 | Forecasts for the six months ending September 30, 2022 | Full year Forecasts     |
| <b>Gross sales</b>                             | <b>352,146</b>                                   | <b>339,000</b>  | <b>340,293</b>                                   | <b>162,000</b>   | <b>377,000</b>          |
| Selling, general and administrative expenses   | 20,808   | 20,300  | 20,261   | 10,300   | 20,600                  |
| <b>Operating profit</b>                        | <b>27,356</b><br>[7.8%]                          | <b>24,900</b><br>[7.3%]   | <b>26,600</b><br>[7.8%]                          | <b>8,200</b><br>[5.1%]                                 | <b>24,000</b><br>[6.4%] |
| <b>Ordinary profit</b>                         | <b>25,890</b><br>[7.4%]                          | <b>23,400</b><br>[6.9%]   | <b>25,838</b><br>[7.6%]                          | <b>7,600</b><br>[4.7%]                                 | <b>23,100</b><br>[6.1%] |
| <b>Profit attributable to owners of parent</b> | <b>17,188</b><br>[4.9%]                          | <b>15,800</b><br>[4.7%]   | <b>17,671</b><br>[5.2%]                          | <b>4,700</b><br>[2.9%]                                 | <b>15,600</b><br>[4.1%] |

### (2) Non-consolidated orders received, net sales, and year-end backlog

(Orders received for the construction business)

(Unit: Million yen, %)

| Category                       |                       | For the fiscal year ended March 31, 2021 |        | For the fiscal year ended March 31, 2022 |        | Increase/decrease |          |
|--------------------------------|-----------------------|--|--------|--|--------|-------------------|----------|
|                                |                       | Amount                                   | %      | Amount                                   | %      | Amount            | % change |
| Domestic civil engineering     | Government sector     | 66,969                                   | [66.3] | 80,672                                   | [65.9] | 13,703            | 20.5     |
|                                | Private sector        | 33,978                                   | [33.7] | 41,760                                   | [34.1] | 7,782             | 22.9     |
|                                | Total                 | 100,947                                  | 33.6   | 122,432                                  | 39.5   | 21,485            | 21.3     |
| Domestic building construction | Government sector     | 42,475                                   | [21.7] | 29,467                                   | [16.9] | (13,008)          | (30.6)   |
|                                | Private sector        | 153,272                                  | [78.3] | 145,009                                  | [83.1] | (8,262)           | (5.4)    |
|                                | Total                 | 195,747                                  | 65.1   | 174,476                                  | 56.3   | (21,270)          | (10.9)   |
| Domestic                       | Government sector     | 109,444                                  | [36.9] | 110,139                                  | [37.1] | 694               | 0.6      |
|                                | Private sector        | 187,251                                  | [63.1] | 186,770                                  | [62.9] | (480)             | (0.3)    |
|                                | Total                 | 296,695                                  | 98.6   | 296,909                                  | 95.8   | 214               | 0.1      |
| Overseas                       | Civil engineering     | 579                                      | [13.9] | 160                                      | [1.2]  | (419)             | (72.4)   |
|                                | Building construction | 3,593                                    | [86.1] | 12,773                                   | [98.8] | 9,179             | 255.4    |
|                                | Total                 | 4,173                                    | 1.4    | 12,933                                   | 4.2    | 8,759             | 209.9    |
| Sum total                      | Civil engineering     | 101,527                                  | [33.7] | 122,593                                  | [39.6] | 21,065            | 20.7     |
|                                | Building construction | 199,341                                  | [66.3] | 187,250                                  | [60.4] | (12,091)          | (6.1)    |
|                                | Total                 | 300,869                                  | 100.0  | 309,843                                  | 100.0  | 8,974             | 3.0      |

(Net sales for the construction business)

(Unit: Million yen, %)

| Category                             |                          | For the fiscal year ended<br>March 31, 2021 |        | For the fiscal year ended<br>March 31, 2022 |        | Increase/decrease |          |
|--------------------------------------|--------------------------|---|--------|---|--------|-------------------|----------|
|                                      |                          | Amount                                      | %      | Amount                                      | %      | Amount            | % change |
| Domestic<br>civil<br>engineering     | Government<br>sector     | 85,010                                      | [66.1] | 76,435                                      | [61.3] | (8,575)           | (10.1)   |
|                                      | Private sector           | 43,690                                      | [33.9] | 48,200                                      | [38.7] | 4,510             | 10.3     |
|                                      | Total                    | 128,701                                     | 39.2   | 124,636                                     | 40.1   | (4,064)           | (3.2)    |
| Domestic<br>building<br>construction | Government<br>sector     | 18,591                                      | [10.2] | 26,661                                      | [15.6] | 8,070             | 43.4     |
|                                      | Private sector           | 164,057                                     | [89.8] | 144,758                                     | [84.4] | (19,299)          | (11.8)   |
|                                      | Total                    | 182,649                                     | 55.7   | 171,420                                     | 55.2   | (11,228)          | (6.1)    |
| Domestic                             | Government<br>sector     | 103,602                                     | [33.3] | 103,097                                     | [34.8] | (504)             | (0.5)    |
|                                      | Private sector           | 207,748                                     | [66.7] | 192,959                                     | [65.2] | (14,788)          | (7.1)    |
|                                      | Total                    | 311,350                                     | 94.9   | 296,057                                     | 95.3   | (15,293)          | (4.9)    |
| Overseas                             | Civil engineering        | 7,274                                       | [43.2] | 7,627                                       | [51.8] | 352               | 4.8      |
|                                      | Building<br>construction | 9,563                                       | [56.8] | 7,106                                       | [48.2] | (2,457)           | (25.7)   |
|                                      | Total                    | 16,838                                      | 5.1    | 14,733                                      | 4.7    | (2,104)           | (12.5)   |
| Sum total                            | Civil engineering        | 135,976                                     | [41.4] | 132,264                                     | [42.6] | (3,712)           | (2.7)    |
|                                      | Building<br>construction | 192,212                                     | [58.6] | 178,526                                     | [57.4] | (13,686)          | (7.1)    |
|                                      | Total                    | 328,189                                     | 100.0  | 310,790                                     | 100.0  | (17,398)          | (5.3)    |

(Year-end backlog for the construction business)

(Unit: Million yen, %)

| Category                             |                          | For the fiscal year ended<br>March 31, 2021 |        | For the fiscal year ended<br>March 31, 2022 |        | Increase/decrease |          |
|--------------------------------------|--------------------------|---|--------|---|--------|-------------------|----------|
|                                      |                          | Amount                                      | %      | Amount                                      | %      | Amount            | % change |
| Domestic<br>civil<br>engineering     | Government<br>sector     | 139,777                                     | [44.8] | 144,013                                     | [46.5] | 4,236             | 3.0      |
|                                      | Private sector           | 171,907                                     | [55.2] | 165,466                                     | [53.5] | (6,440)           | (3.7)    |
|                                      | Total                    | 311,684                                     | 60.0   | 309,480                                     | 59.7   | (2,203)           | (0.7)    |
| Domestic<br>building<br>construction | Government<br>sector     | 44,472                                      | [24.1] | 47,277                                      | [25.2] | 2,805             | 6.3      |
|                                      | Private sector           | 140,040                                     | [75.9] | 140,291                                     | [74.8] | 250               | 0.2      |
|                                      | Total                    | 184,513                                     | 35.5   | 187,569                                     | 36.2   | 3,056             | 1.7      |
| Domestic                             | Government<br>sector     | 184,249                                     | [37.1] | 191,291                                     | [38.5] | 7,041             | 3.8      |
|                                      | Private sector           | 311,947                                     | [62.9] | 305,758                                     | [61.5] | (6,189)           | (2.0)    |
|                                      | Total                    | 496,197                                     | 95.5   | 497,049                                     | 95.8   | 852               | 0.2      |
| Overseas                             | Civil engineering        | 18,033                                      | [78.0] | 10,664                                      | [49.3] | (7,369)           | (40.9)   |
|                                      | Building<br>construction | 5,093                                       | [22.0] | 10,969                                      | [50.7] | 5,876             | 115.4    |
|                                      | Total                    | 23,126                                      | 4.5    | 21,633                                      | 4.2    | (1,493)           | (6.5)    |
| Sum total                            | Civil engineering        | 329,717                                     | [63.5] | 320,144                                     | [61.7] | (9,572)           | (2.9)    |
|                                      | Building<br>construction | 189,606                                     | [36.5] | 198,538                                     | [38.3] | 8,932             | 4.7      |
|                                      | Total                    | 519,324                                     | 100.0  | 518,683                                     | 100.0  | (640)             | (0.1)    |

(Net sales for other businesses)

(Unit: Million yen, %)

| Category         | For the fiscal year ended<br>March 31, 2021 | For the fiscal year ended<br>March 31, 2022 | Increase/decrease |          |
|------------------|---|---|-------------------|----------|
|                  | Amount                                      | Amount                                      | Amount            | % change |
| Other businesses | 4,878                                       | 5,077                                       | 198               | 4.1      |