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Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [Japanese GAAP]

May 14, 2024

Company name : Kumagai Gumi Co., Ltd.
Stock exchange listings : Tokyo Stock Exchange, Prime Market
Securities code : 1861 URL : <https://www.kumagaigumi.co.jp/>
Representative : Shin Ueda, President
Contact : Kazunori Shimada, Joint General Manager, Administration Division,
General Manager, Administration Division, Accounting Department
Tel. 03-3235-8606

Date of general meeting of shareholders : June 27, 2024

Date of filing of securities report : June 27, 2024

Scheduled date of dividend payment : July 18, 2024

Supplemental materials for financial results : Yes

Presentation on financial results : Yes

(Rounded down to the nearest million yen)

1. Consolidated Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 – March 31, 2024)

(1) Consolidated Operating Results (Percentage figures are changes from the same period in the previous fiscal year)

	Net sales of completed construction contracts		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2023	443,193	9.8	12,649	10.2	13,040	6.6	8,316	4.3
FY2022	403,502	(5.1)	11,483	(49.5)	12,236	(48.4)	7,973	(49.7)

(Note) Comprehensive income FY2023 17,845 million yen 78.3% FY2022 10,007 million yen (34.5)%

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
FY2023	192.36	—	4.8	3.1	2.9
FY2022	179.64	—	4.7	3.3	2.8

(Reference) Investment profit (loss) on equity method FY2023 168 million yen FY2022 146 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2023	467,232	180,014	38.5	4,185.54
FY2022	376,650	169,860	45.1	3,894.11

(Reference) Owner's equity FY2023 180,014 million yen FY2022 169,860 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and equivalents, end of period
	Million yen	Million yen	Million yen	Million yen
FY2023	16,971	(10,778)	22,319	70,073
FY2022	(18,826)	(8,458)	456	40,974

2. Dividends

	Annual cash dividends per share					Total dividend paid	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY2022	—	—	—	130.00	130.00	5,698	72.4	3.4
FY2023	—	—	—	130.00	130.00	5,618	67.6	3.2
FY2024 (forecast)	—	—	—	130.00	130.00		55.4	

3. Forecast of Consolidated Operating Results for FY2024 (April 1, 2024 – March 31, 2025)

(Percentage figures are changes from the same period in the previous fiscal year)

	Net sales of completed construction contracts		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2024	462,200	4.3	15,000	18.6	15,400	18.1	10,100	21.4	234.84

※ Notes

(1) Changes in significant subsidiaries during the period
(Changes in specified subsidiaries that resulted in a change in the scope of consolidation) : None

(2) Changes in accounting policies, changes in accounting estimates, and retrospective restatements

- ① Changes in accounting policies due to the revision of the accounting standards : None
 ② Changes in accounting policies other than ① : None
 ③ Changes in accounting estimates : None
 ④ Retrospective restatements : None

(3) Number of shares issued (common stock)

(Shares)

- ① Number of shares issued at the end of the period (including own shares)
 ② Number of treasury stocks at the end of the period
 ③ Average number of shares outstanding during the period

FY2023	43,285,560	FY2022	43,900,360
FY2023	276,992	FY2022	280,432
FY2023	43,232,608	FY2022	44,385,881

(Reference) Summary of Nonconsolidated Financial Results

1. Nonconsolidated Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 – March 31, 2024)

(1) Nonconsolidated Operating Results

(Percentage figures are changes from the same period in the previous fiscal year)

	Net sales of completed construction contracts		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2023	327,927	9.6	6,621	(17.7)	7,862	(22.6)	5,309	(24.1)
FY2022	299,317	(9.6)	8,045	(54.7)	10,154	(49.1)	6,996	(49.0)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2023	122.52	—
FY2022	157.26	—

(2) Nonconsolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2023	382,906	139,563	36.4	3,237.08
FY2022	304,522	133,049	43.7	3,042.88

(Reference) Owner's equity FY2023 139,563 million yen FY2022 133,049 million yen

2. Forecast of Nonconsolidated Operating Results for FY2024 (April 1, 2024 – March 31, 2025)

(Percentage figures are changes from the same period in the previous fiscal year)

	Net sales of completed construction contracts		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
FY2024	345,000	5.2	11,000	39.9	7,600	43.1	176.28

※ "Kessan Tanshin" is not subject to an audit by a certified public accountant or an audit corporation.

※ Explanation regarding the appropriate use of forecasts of operating results, and other specific comments

- The financial forecast of operating results in this document are based on information available at present and logical assessments. Actual results may be materially different from expectations due to a variety of factors.
- The Company is to hold the presentation on financial results for analysts and institutional investors. The materials related to financial results which will be used on the presentation will be posted on the Company's website as soon as possible after the presentation.

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1. Consolidated Financial Statements

(1) Consolidated balance sheet

(millions of yen)

	FY2022 (As of March 31, 2023)	FY2023 (As of March 31, 2024)
Assets		
Current assets		
Cash and deposits	40,977	70,073
Notes receivable, accounts receivable from completed construction contracts and other	225,453	266,541
Costs on construction contracts in progress	10,437	8,460
Accounts receivable – other	19,169	22,117
Other	2,295	2,331
Allowance for doubtful accounts	(56)	(64)
Total current assets	298,276	369,460
Non-current assets		
Property, plant and equipment		
Buildings and structures	23,530	24,271
Machinery, vehicles, tools, furniture and fixtures	19,124	19,471
Land	17,053	17,897
Leased assets	936	811
Construction in progress	93	42
Accumulated depreciation	(31,429)	(32,691)
Total property, plant and equipment	29,309	29,803
Intangible assets	1,478	1,592
Investments and other assets		
Investment securities	34,131	48,586
Long-term loans receivable	296	6,860
Long-term non-operating accounts receivable	101	101
Distressed receivables	25	30
Deferred tax assets	6,914	3,547
Other	6,277	7,447
Allowance for doubtful accounts	(160)	(196)
Total investments and other assets	47,586	66,376
Total non-current assets	78,374	97,771
Total assets	376,650	467,232

(millions of yen)

	FY2022 (As of March 31, 2023)	FY2023 (As of March 31, 2024)
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	83,341	100,457
Electronically recorded obligations – operating	27,107	29,158
Short-term borrowings	3,893	10,906
Commercial papers	—	14,999
Income taxes payable	766	3,439
Advances received on construction contracts in progress	12,789	23,130
Deposits received	26,043	36,669
Provision for warranties for completed construction	550	522
Provision for loss on construction contracts	994	3,820
Provision for contingent loss	4	—
Provision for bonuses	4,057	4,097
Other	11,372	16,260
Total current liabilities	170,922	243,460
Non-current liabilities		
Long-term borrowings	18,303	26,474
Provision for share awards	250	292
Retirement benefit liability	16,711	16,433
Other	601	556
Total non-current liabilities	35,867	43,757
Total liabilities	206,789	287,218
Net assets		
Shareholders' equity		
Share capital	30,108	30,108
Capital surplus	17,133	15,170
Retained earnings	117,498	120,115
Treasury shares	(626)	(657)
Total shareholders' equity	164,113	164,737
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,512	13,437
Deferred gains or losses on hedges	—	3
Foreign currency translation adjustment	1,372	1,887
Remeasurements of defined benefit plans	(137)	(50)
Total accumulated other comprehensive income	5,747	15,276
Total net assets	169,860	180,014
Total liabilities and net assets	376,650	467,232

(2) Consolidated statement of income and Consolidated statement of comprehensive income
Consolidated statement of income

(millions of yen)

	FY2022 (Apr 1, 2022—Mar 31, 2023)	FY2023 (Apr 1, 2023—Mar 31, 2024)
Net sales of completed construction contracts	403,502	443,193
Cost of sales of completed construction contracts	370,291	407,112
Gross profit on completed construction contracts	33,211	36,080
Selling, general and administrative expenses	21,728	23,430
Operating profit	11,483	12,649
Non-operating income		
Interest income	36	122
Dividend income	816	817
Share of profit of entities accounted for using equity method	146	168
Foreign exchange gains	156	108
Other	194	159
Total non-operating income	1,349	1,376
Non-operating expenses		
Interest expenses	208	379
Loss on sale of receivables	18	41
Commission for syndicated loans	213	273
Loss on investments in investment partnerships	94	122
Other	61	168
Total non-operating expenses	596	985
Ordinary profit	12,236	13,040
Extraordinary income		
Gain on sales of non-current assets	6	9
Gain on sales of memberships	77	0
Compensation for damage income	81	67
Other	1	0
Total extraordinary income	167	77
Extraordinary losses		
Loss on retirement of non-current assets	42	17
Loss on valuation of shares of subsidiaries and associates	—	46
Provision of allowance for doubtful accounts	—	30
Compensation for damage	86	307
Loss on litigation	19	0
Expenses related to the anniversary project of subsidiary	—	77
Infectious disease related costs	42	—
Additional taxes	155	—
Other	25	43
Total extraordinary losses	372	521
Profit before income taxes	12,030	12,595
Income taxes – current	3,718	4,888
Income taxes – deferred	339	(608)
Total income taxes	4,057	4,279
Profit	7,973	8,316
Profit attributable to owners of parent	7,973	8,316

Consolidated statement of comprehensive income

(millions of yen)

	FY2022 (Apr 1, 2022—Mar 31, 2023)	FY2023 (Apr 1, 2023—Mar 31, 2024)
Profit	7,973	8,316
Other comprehensive income		
Valuation difference on available-for-sale securities	1,752	8,920
Deferred gains or losses on hedges	—	3
Foreign currency translation adjustment	290	514
Remeasurements of defined benefit plans, net of tax	(9)	87
Share of other comprehensive income of entities accounted for using equity method	1	3
Total other comprehensive income	2,034	9,529
Comprehensive income	10,007	17,845
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,007	17,845
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated statements of changes in equity
FY2022 (Apr 1, 2022 – Mar 31, 2023)

(millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,108	21,145	114,967	(631)	165,589
Changes during period					
Dividends of surplus			(5,442)		(5,442)
Profit attributable to owners of parent			7,973		7,973
Purchase of treasury shares				(4,014)	(4,014)
Disposal of treasury shares		(0)		7	7
Cancellation of treasury shares		(4,012)		4,012	—
Net changes in items other than shareholders' equity					
Total changes during period	—	(4,012)	2,531	5	(1,476)
Balance at end of period	30,108	17,133	117,498	(626)	164,113

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	2,758	1,081	(127)	3,712	169,302
Changes during period					
Dividends of surplus					(5,442)
Profit attributable to owners of parent					7,973
Purchase of treasury shares					(4,014)
Disposal of treasury shares					7
Cancellation of treasury shares					—
Net changes in items other than shareholders' equity	1,754	290	(9)	2,034	2,034
Total changes during period	1,754	290	(9)	2,034	558
Balance at end of period	4,512	1,372	(137)	5,747	169,860

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,108	17,133	117,498	(626)	164,113
Changes during period					
Dividends of surplus			(5,698)		(5,698)
Profit attributable to owners of parent			8,316		8,316
Purchase of treasury shares				(2,027)	(2,027)
Disposal of treasury shares		0		33	34
Cancellation of treasury shares		(1,962)		1,962	—
Net changes in items other than shareholders' equity					
Total changes during period	—	(1,962)	2,617	(30)	624
Balance at end of period	30,108	15,170	120,115	(657)	164,737

	Accumulated other comprehensive income					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	4,512	—	1,372	(137)	5,747	169,860
Changes during period						
Dividends of surplus						(5,698)
Profit attributable to owners of parent						8,316
Purchase of treasury shares						(2,027)
Disposal of treasury shares						34
Cancellation of treasury shares						—
Net changes in items other than shareholders' equity	8,924	3	514	87	9,529	9,529
Total changes during period	8,924	3	514	87	9,529	10,153
Balance at end of period	13,437	3	1,887	(50)	15,276	180,014

(4) Consolidated statements of cash flows

(millions of yen)

	FY2022 (Apr 1, 2022—Mar 31, 2023)	FY2023 (Apr 1, 2023—Mar 31, 2024)
Cash flows from operating activities		
Profit before income taxes	12,030	12,595
Depreciation	1,898	2,062
Increase (decrease) in allowance for doubtful accounts	2	37
Increase (decrease) in provision for loss on construction contracts	144	2,825
Increase (decrease) in provision for contingent loss	(37)	(4)
Increase (decrease) in retirement benefit liability	81	(151)
Interest and dividend income	(852)	(939)
Interest expenses	208	379
Foreign exchange losses (gains)	(128)	(39)
Share of loss (profit) of entities accounted for using equity method	(146)	(168)
Loss (gain) on investments in investment partnerships	94	122
Loss (gain) on sale of non-current assets	(6)	(9)
Loss on retirement of non-current assets	42	17
Decrease (increase) in trade receivables	(20,421)	(40,470)
Decrease (increase) in costs on construction contracts in progress	(206)	2,015
Increase (decrease) in trade payables	(2,092)	17,403
Increase (decrease) in advances received on construction contracts in progress	(151)	10,258
Decrease (increase) in accounts receivable – other	(1,407)	(3,729)
Increase (decrease) in deposits received	(358)	10,625
Other, net	(294)	5,196
Subtotal	(11,602)	18,027
Interest and dividends received	859	915
Interest paid	(211)	(380)
Income taxes paid	(7,871)	(1,590)
Net cash provided by (used in) operating activities	(18,826)	16,971
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,343)	(2,239)
Proceeds from sale of property, plant and equipment	199	9
Purchase of investment securities	(358)	(26)
Purchase of shares of subsidiaries and associates	(50)	(65)
Purchase of Investments in other securities of subsidiaries and associates	(3,235)	(1,508)
Loan advances	(103)	(6,607)
Proceeds from collection of loans receivable	88	62
Other, net	(655)	(403)
Net cash provided by (used in) investing activities	(8,458)	(10,778)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	300	2,120
Proceeds from long-term borrowings	10,150	13,971
Repayments of long-term borrowings	(405)	(908)
Proceeds from issuance of commercial papers	—	44,985
Redemption of commercial papers	—	(30,000)
Purchase of treasury shares	(4,012)	(2,025)
Dividends paid	(5,430)	(5,697)
Other, net	(144)	(125)
Net cash provided by (used in) financing activities	456	22,319
Effect of exchange rate change on cash and cash equivalents	399	586
Net increase (decrease) in cash and cash equivalents	(26,429)	29,099
Cash and cash equivalents at beginning of period	67,404	40,974
Cash and cash equivalents at end of period	40,974	70,073

(5) Segment Information

Reportable segment sales, profit or loss, assets, liabilities and other information and revenue breakdown information

FY2022 (Apr 1, 2022—Mar 31, 2023)

(millions of yen)

	Reportable segments				Adjustments (Note1) (Note2)	Amounts on consolidated financial statement (Note3)
	Civil engineering	Building construction	Subsidiaries	Total		
Net Sales						
Revenue from contracts with customers	89,936	209,160	102,733	401,831	—	401,831
Other revenue	—	216	1,455	1,671	—	1,671
Sales to customers	89,936	209,376	104,189	403,502	—	403,502
Intersegment sales and transfers	—	4	10,152	10,157	(10,157)	—
Total	89,936	209,381	114,342	413,660	(10,157)	403,502
Segment profit	1,795	6,249	3,401	11,447	36	11,483
Others						
Depreciation	270	628	934	1,834	(4)	1,830

(Note1) The segment profit adjustment is for the elimination of intersegment transactions.

(Note2) The depreciation adjustment is for the write-off of unrealized gains.

(Note3) Segment profit is adjusted with operating profit recorded under the consolidated financial statement.

(Note4) Other revenue is a rental income based on the Accounting Standard for Lease Transactions (ASBJ statement No. 13 issued on March 30, 2007).

FY2023 (Apr 1, 2023—Mar 31, 2024)

(millions of yen)

	Reportable segments				Adjustments (Note1) (Note2)	Amounts on consolidated financial statement (Note3)
	Civil engineering	Building construction	Subsidiaries	Total		
Net Sales						
Revenue from contracts with customers	100,128	227,481	113,904	441,514	—	441,514
Other revenue	—	315	1,362	1,678	—	1,678
Sales to customers	100,128	227,797	115,267	443,193	—	443,193
Intersegment sales and transfers	—	1	9,940	9,942	(9,942)	—
Total	100,128	227,799	125,207	453,135	(9,942)	443,193
Segment profit	4,498	2,123	5,998	12,620	29	12,649
Others						
Depreciation	366	786	862	2,015	(4)	2,011

(Note1) The segment profit adjustment is for the elimination of intersegment transactions.

(Note2) The depreciation adjustment is for the write-off of unrealized gains.

(Note3) Segment profit is adjusted with operating profit recorded under the consolidated statement of income.

(Note4) Other revenue is a rental income based on the Accounting Standard for Lease Transactions (ASBJ statement No. 13 issued on March 30, 2007).

2. Nonconsolidated Financial Statements

(1) Nonconsolidated balance sheet

(millions of yen)

	FY2022 (As of March 31, 2023)	FY2023 (As of March 31, 2024)
Assets		
Current assets		
Cash and deposits	18,586	39,226
Notes receivable – trade	662	1,193
Accounts receivable from completed construction contracts	190,477	227,565
Costs on construction contracts in progress	9,174	7,389
Accounts receivable – other	17,910	21,583
Other	1,423	1,352
Allowance for doubtful accounts	(20)	(25)
Total current assets	238,215	298,284
Non-current assets		
Property, plant and equipment		
Buildings	13,273	13,846
Accumulated depreciation	(7,810)	(8,189)
Buildings, net	5,463	5,657
Structures	1,245	1,255
Accumulated depreciation	(1,044)	(1,063)
Structures, net	200	191
Machinery and equipment	3,146	3,070
Accumulated depreciation	(2,365)	(2,587)
Machinery and equipment, net	780	483
Vehicles	54	144
Accumulated depreciation	(47)	(82)
Vehicles, net	6	62
Tools, furniture and fixtures	2,937	3,015
Accumulated depreciation	(2,554)	(2,645)
Tools, furniture and fixtures, net	382	370
Land	14,096	14,939
Leased assets	188	58
Accumulated depreciation	(177)	(51)
Leased assets, net	11	6
Construction in progress	20	25
Total property, plant and equipment	20,962	21,736
Intangible assets	1,378	1,409
Investments and other assets		
Investment securities	9,943	10,853
Shares of subsidiaries and associates	24,301	36,289
Investments in other securities of subsidiaries and associates	3,140	4,525
Long-term loans receivable from employees	174	154
Long-term loans receivable from subsidiaries and associates	112	6,569
Long-term prepaid expenses	72	62
Deferred tax assets	5,548	2,274
Other	673	747
Allowance for doubtful accounts	—	(1)
Total investments and other assets	43,966	61,476
Total non-current assets	66,307	84,622
Total assets	304,522	382,906

(millions of yen)

	FY2022 (As of March 31, 2023)	FY2023 (As of March 31, 2024)
Liabilities		
Current liabilities		
Notes payable – trade	1,920	1,225
Electronically recorded obligations – operating	23,170	28,203
Accounts payable for construction contracts	58,488	68,061
Short-term borrowings	5,693	10,706
Commercial papers	—	14,999
Lease liabilities	4	3
Income taxes payable	202	1,826
Advances received on construction contracts in progress	10,763	21,816
Deposits received	24,135	34,896
Provision for warranties for completed construction	518	465
Provision for loss on construction contracts	964	3,787
Provision for bonuses	2,746	2,718
Deposits received from employees	3,075	3,089
Other	6,883	10,481
Total current liabilities	138,567	202,280
Non-current liabilities		
Long-term borrowings	18,303	26,474
Lease liabilities	7	4
Provision for share awards	250	292
Provision for retirement benefits	14,078	13,966
Asset retirement obligations	42	64
Other	221	260
Total non-current liabilities	32,904	41,062
Total liabilities	171,472	243,342
Net assets		
Shareholders' equity		
Share capital	30,108	30,108
Capital surplus		
Legal capital surplus	7,000	7,000
Other capital surplus	10,133	8,170
Total capital surpluses	17,133	15,170
Retained earnings		
Legal retained earnings	559	559
Other retained earnings		
Retained earnings brought forward	81,257	80,868
Total retained earnings	81,817	81,428
Treasury shares	(499)	(527)
Total shareholders' equity	128,560	126,179
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	4,489	13,381
Deferred gains or losses on hedges	—	3
Total valuation and translation adjustments	4,489	13,384
Total net assets	133,049	139,563
Total liabilities and net assets	304,522	382,906

(2) Nonconsolidated statement of income

(millions of yen)

	FY2022 (Apr 1, 2022—Mar 31, 2023)	FY2023 (Apr 1, 2023—Mar 31, 2024)
Net sales of completed construction contracts	299,317	327,927
Cost of sales of completed construction contracts	274,760	303,289
Gross profit on completed construction contracts	24,557	24,638
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	320	304
Employees' salaries and allowances	5,988	6,623
Retirement benefit expenses	252	281
Legal welfare expenses	954	1,088
Welfare expenses	108	129
Repair and maintenance expenses	111	45
Stationery expenses	619	846
Communication and transportation expenses	763	857
Power utilities expenses	100	89
Research study expenses	2,470	2,733
Advertising expenses	525	589
Provision of allowance for doubtful accounts	1	5
Entertainment expenses	377	436
Donations	70	67
Rent expenses on land and buildings	547	602
Depreciation	179	204
Taxes and dues	820	806
Insurance expenses	85	87
Miscellaneous expenses	2,214	2,217
Total selling, general and administrative expenses	16,512	18,016
Operating profit	8,045	6,621
Non-operating income		
Interest income	14	62
Dividend income	2,376	1,941
Rental income	54	54
Foreign exchange gains	149	91
Other	124	85
Total non-operating income	2,719	2,234
Non-operating expenses		
Interest expenses	228	425
Commission for syndicated loans	213	273
Loss on investments in investment partnerships	94	122
Other	72	172
Total non-operating expenses	609	994
Ordinary profit	10,154	7,862
Extraordinary income		
Gain on sale of memberships	77	—
Compensation for damage income	—	67
Other	3	0
Total extraordinary income	80	67
Extraordinary losses		
Compensation for damage	86	307
Loss on litigation	19	0
Infectious disease related costs	30	—
Additional taxes	155	—
Other	26	22
Total extraordinary losses	318	330
Profit before income taxes	9,917	7,599
Income taxes – current	2,814	2,941
Income taxes – deferred	106	(651)
Total income taxes	2,921	2,289
Profit	6,996	5,309

(3) Nonconsolidated statements of changes in equity
FY2022 (Apr 1, 2022—Mar 31, 2023)

(millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings
					Retained earnings brought forward		
Balance at beginning of period	30,108	16,767	4,378	21,145	559	79,703	80,263
Changes during period							
Transfer from legal capital surplus to other capital surplus		(9,767)	9,767	—			
Dividends of surplus						(5,442)	(5,442)
Profit						6,996	6,996
Purchase of treasury shares							
Disposal of treasury shares			(0)	(0)			
Cancellation of treasury shares			(4,012)	(4,012)			
Net changes in items other than shareholders' equity							
Total changes during period	—	(9,767)	5,754	(4,012)	—	1,554	1,554
Balance at end of period	30,108	7,000	10,133	17,133	559	81,257	81,817

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(506)	131,011	2,738	2,738	133,749
Changes during period					
Transfer from legal capital surplus to other capital surplus		—			—
Dividends of surplus		(5,442)			(5,442)
Profit		6,996			6,996
Purchase of treasury shares	(4,012)	(4,012)			(4,012)
Disposal of treasury shares	7	7			7
Cancellation of treasury shares	4,012	—			—
Net changes in items other than shareholders' equity			1,750	1,750	1,750
Total changes during period	7	(2,451)	1,750	1,750	(700)
Balance at end of period	(499)	128,560	4,489	4,489	133,049

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings
					Retained earnings brought forward		
Balance at beginning of period	30,108	7,000	10,133	17,133	559	81,257	81,817
Changes during period							
Dividends of surplus						(5,698)	(5,698)
Profit						5,309	5,309
Purchase of treasury shares							
Disposal of treasury shares			0	0			
Cancellation of treasury shares			(1,962)	(1,962)			
Net changes in items other than shareholders' equity							
Total changes during period	—	—	(1,962)	(1,962)	—	(389)	(389)
Balance at end of period	30,108	7,000	8,170	15,170	559	80,868	81,428

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(499)	128,560	4,489	—	4,489	133,049
Changes during period						
Dividends of surplus		(5,698)				(5,698)
Profit		5,309				5,309
Purchase of treasury shares	(2,025)	(2,025)				(2,025)
Disposal of treasury shares	33	34				34
Cancellation of treasury shares	1,962	—				—
Net changes in items other than shareholders' equity			8,891	3	8,894	8,894
Total changes during period	(28)	(2,380)	8,891	3	8,894	6,514
Balance at end of period	(527)	126,179	13,381	3	13,384	139,563

3. Supplementary Information

(1) Orders received, net sales and carried-forward (Nonconsolidated)

(millions of yen)

	FY2022 Apr 1, 2022 – Mar 31, 2023		FY2023 Apr 1, 2023 – Mar 31, 2024		Change	
	Amount	Composition ratio %	Amount	Composition ratio %	Amount	%
Public	64,940	18.6	47,455	12.6	(17,485)	(26.9)
Private	36,333	10.4	44,750	11.9	8,416	23.2
Domestic	101,273	29.0	92,205	24.5	(9,068)	(9.0)
Overseas	—	—	14,220	3.8	14,220	—
Civil engineering	101,273	29.0	106,425	28.3	5,151	5.1
Public	34,674	10.0	27,400	7.3	(7,273)	(21.0)
Private	212,575	61.0	241,736	64.4	29,160	13.7
Domestic	247,249	71.0	269,136	71.7	21,887	8.9
Overseas	123	0.0	26	0.0	(96)	(78.4)
Building construction	247,373	71.0	269,163	71.7	21,790	8.8
Public	99,614	28.6	74,855	19.9	(24,758)	(24.9)
Private	248,908	71.4	286,486	76.3	37,577	15.1
Domestic	348,523	100.0	361,342	96.2	12,818	3.7
Overseas	123	0.0	14,246	3.8	14,123	—
Orders received–Total	348,647	100	375,589	100	26,942	7.7
Public	41,502	13.9	54,743	16.7	13,240	31.9
Private	48,434	16.2	44,702	13.6	(3,731)	(7.7)
Domestic	89,936	30.1	99,445	30.3	9,508	10.6
Overseas	—	—	683	0.2	683	—
Civil engineering	89,936	30.1	100,128	30.5	10,191	11.3
Public	19,004	6.3	28,133	8.6	9,129	48.0
Private	189,049	63.2	199,269	60.8	10,220	5.4
Domestic	208,053	69.5	227,403	69.4	19,349	9.3
Overseas	1,327	0.4	395	0.1	(931)	(70.2)
Building construction	209,381	69.9	227,799	69.5	18,418	8.8
Public	60,506	20.2	82,876	25.3	22,369	37.0
Private	237,483	79.4	243,972	74.4	6,488	2.7
Domestic	297,990	99.6	326,848	99.7	28,858	9.7
Overseas	1,327	0.4	1,078	0.3	(248)	(18.7)
Net sales–Total	299,317	100	327,927	100	28,609	9.6
Public	81,645	15.3	74,357	12.8	(7,287)	(8.9)
Private	113,463	21.2	113,511	19.5	47	0.0
Domestic	195,109	36.5	187,869	32.3	(7,239)	(3.7)
Overseas	—	—	13,401	2.3	13,401	—
Civil engineering	195,109	36.5	201,270	34.6	6,161	3.2
Public	56,658	10.6	55,925	9.6	(732)	(1.3)
Private	282,751	52.9	325,217	55.8	42,466	15.0
Domestic	339,409	63.5	381,142	65.4	41,733	12.3
Overseas	323	0.0	—	—	(323)	(100.0)
Building construction	339,733	63.5	381,142	65.4	41,409	12.2
Public	138,303	25.9	130,283	22.4	(8,020)	(5.8)
Private	396,214	74.1	438,729	75.3	42,514	10.7
Domestic	534,518	100.0	569,012	97.7	34,493	6.5
Overseas	323	0.0	13,401	2.3	13,077	—
Carried-forward–Total	534,842	100	582,413	100	47,571	8.9

(Note) The carried-forward amount of overseas work has been translated at the closing rate.

FY2022 : Increased by 55 million yen FY2023 : Decreased by 89 million yen

(2) Financial Highlights

Consolidated

(100 millions of yen)

(Operating Results)

	A FY2022	B FY2023	B - A		C FY2024 (Forecasts)	C - B	
				%			%
Net sales	4,035	4,432	397	9.8	4,622	190	4.3
Gross profit	332	361	29	8.6	395	34	9.5
(Ratio)	8.2%	8.1%	(0.1)%		8.5%	0.4%	
SG&A expenses	217	234	17		245	11	
Operating profit	115	126	12	10.2	150	24	18.6
(Ratio)	2.8%	2.9%	0.1%		3.2%	0.3%	
Non-operating income - net	8	4	(4)		4	0	
Ordinary profit	122	130	8	6.6	154	24	18.1
Extraordinary income - net	(2)	(4)	(2)		(1)	3	
Profit before income taxes	120	126	6	4.7	153	27	21.5
Income taxes and others	41	43	2		52	9	
Profit attributable to owners of parent	80	83	3	4.3	101	18	21.4

Nonconsolidated

(Operating Results)

	A FY2022	B FY2023	B - A		C FY2024 (Forecasts)	C - B	
				%			%
Orders received	Civil engineering	1,013	922	(91)	1,000	78	
	Building construction	2,472	2,691	219	2,400	(291)	
	Domestic	3,485	3,613	128	3,400	(213)	
	Overseas	1	142	141	80	(62)	
		3,486	3,756	269	3,480	(276)	(7.3)
Net sales	Civil engineering	899	994	95	1,000	6	
	Building construction	2,081	2,274	193	2,400	126	
	Domestic	2,980	3,268	289	3,400	132	
	Overseas	13	11	(2)	50	39	
		2,993	3,279	286	3,450	171	5.2
Gross profit	Civil engineering	85	123	38	110	(13)	
	(Ratio)	9.4%	12.4%	3.0%	11.0%	(1.4)%	
	Building construction	160	122	(38)	170	48	
	(Ratio)	7.7%	5.4%	(2.3)%	7.1%	1.7%	
	Domestic	244	245	1	280	35	
	(Ratio)	8.2%	7.5%	(0.7)%	8.2%	0.7%	
	Overseas	1	1	0	4	3	
(Ratio)	8.7%	11.4%	2.7%	8.0%	(3.4)%		
	246	246	1	284	38	15.3	
(Ratio)	8.2%	7.5%	(0.7)%	8.2%	0.7%		
SG&A expenses	165	180	15	188	8		
Operating profit	80	66	(14)	96	30	45.0	
(Ratio)	2.7%	2.0%	(0.7)%	2.8%	0.8%		
Non-operating income - net	21	12	(9)	14	2		
Ordinary profit	102	79	(23)	110	31	39.9	
Extraordinary income - net	(2)	(3)	(0)	0	3		
Profit before income taxes	99	76	(23)	110	34	44.7	
Income taxes and others	29	23	(6)	34	11		
Profit	70	53	(17)	76	23	43.1	