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## Consolidated Financial Results for the Fiscal Year Ended March 31, 2020 [Japanese GAAP]

May 13, 2020

Company name : Kumagai Gumi Co., Ltd.  
 Stock exchange listings : Tokyo Stock Exchange, 1st Section  
 Securities code : 1861 URL : <https://www.kumagaigumi.co.jp/>  
 Representative : Yasunori Sakurano, President  
 Contact : Chihiro Nosaka, General Manager, Accounting Department, Administration Division  
 Tel. 03-3235-8606  
 Date of general meeting of shareholders : June 26, 2020  
 Date of filing of securities report : June 26, 2020  
 Scheduled date of dividend payment : June 29, 2020  
 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, 2020 (April 1, 2019 – March 31, 2020)

#### (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	%
FY2019	436,151	12.1	25,440	(3.9)	25,718	(3.1)	19,447	46.1
FY2018	389,058	4.0	26,464	14.9	26,553	17.1	13,312	(15.7)

(Note) Comprehensive income FY2019 17,851 million yen 37.8% FY2018 12,956 million yen (8.1)%

	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	%	%	%
FY2019	417.35	—	13.7	7.1	5.8
FY2018	285.49	—	10.2	7.7	6.8

(Reference) Investment profit (loss) on equity method FY2019 201 million yen FY2018 159 million yen

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2019	374,841	148,034	39.5	3,177.22
FY2018	353,718	134,883	38.1	2,894.41

(Reference) Owner's equity FY2019 148,034 million yen FY2018 134,883 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
FY2019	345	(2,298)	(5,361)	75,155
FY2018	(12,398)	(7,379)	(6,126)	82,446

### 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			
FY2018	—	—	—	100.00	100.00	4,676	35.0	3.6
FY2019	—	—	—	120.00	120.00	5,611	28.8	4.0
FY2020 (forecast)	—	—	—	120.00	120.00		31.9	

### 3. Forecast of Consolidated Operating Results for FY2020 (April 1, 2020 – March 31, 2021)

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

	Net sales of completed construction contracts		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2020	438,000	0.4	25,500	0.2	25,800	0.3	17,500	(10.0)	375.60

※ 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)

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

				(Shares)	
FY2019	46,805,660	FY2018	46,805,660		
FY2019	213,148	FY2018	204,179		
FY2019	46,597,903	FY2018	46,631,937		

(Reference) Summary of Nonconsolidated Financial Results

1. Nonconsolidated Results for the Fiscal Year Ended March 31, 2020 (April 1, 2019 – March 31, 2020)

(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	%
FY2019	352,224	14.7	20,244	(3.9)	20,690	(5.0)	14,823	4.7
FY2018	307,090	4.2	21,075	17.4	21,782	19.6	14,156	10.0

	Basic earnings per share		Diluted earnings per share	
	Yen	Yen	Yen	Yen
FY2019	317.38	—	—	—
FY2018	302.88	—	—	—

(2) Nonconsolidated Financial Position

	Total assets		Net assets		Capital adequacy ratio	Net assets per share
	Million yen	Million yen	Million yen	Million yen	%	Yen
FY2019	315,780	118,438	118,438	37.5	37.5	2,536.08
FY2018	294,950	109,973	109,973	37.3	37.3	2,354.40

(Reference) Owner's equity FY2019 118,438 million yen FY2018 109,973 million yen

2. Forecast of Nonconsolidated Operating Results for FY2020 (April 1, 2020 – March 31, 2021)

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

	Net sales of completed construction contracts		Ordinary income		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
FY2020	346,000	(1.8)	21,400	3.4	14,800	(0.2)	316.91

※ "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.

# 1. Consolidated Financial Statements

## (1) Consolidated balance sheet

(millions of yen)

	FY2018 (As of March 31, 2019)	FY2019 (As of March 31, 2020)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	82,449	75,155
Notes receivable, accounts receivable from completed construction contracts and other	175,696	190,642
Costs on uncompleted construction contracts	7,300	7,864
Accounts receivable – other	15,696	29,827
Other	6,998	7,395
Allowance for doubtful accounts	(191)	(219)
<b>Total current assets</b>	<b>287,949</b>	<b>310,667</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	18,378	19,719
Machinery, vehicles, tools, furniture and fixtures	17,464	17,929
Land	14,587	14,795
Leased assets	398	643
Construction in progress	730	316
Accumulated depreciation	(26,723)	(28,057)
<b>Total property, plant and equipment</b>	<b>24,836</b>	<b>25,347</b>
<b>Intangible assets</b>	<b>484</b>	<b>540</b>
<b>Investments and other assets</b>		
Investment securities	24,438	22,870
Long-term loans receivable	858	779
Long-term non-operating accounts receivable	157	161
Claims provable in bankruptcy, claims provable in rehabilitation and other	40	29
Deferred tax assets	11,045	10,328
Other	4,014	4,286
Allowance for doubtful accounts	(189)	(204)
<b>Total investments and other assets</b>	<b>40,365</b>	<b>38,252</b>
<b>Total non-current assets</b>	<b>65,686</b>	<b>64,141</b>
<b>Deferred assets</b>		
Share issuance cost	82	33
<b>Total deferred assets</b>	<b>82</b>	<b>33</b>
<b>Total assets</b>	<b>353,718</b>	<b>374,841</b>

(millions of yen)

	FY2018 (As of March 31, 2019)	FY2019 (As of March 31, 2020)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable, accounts payable for construction contracts and other	86,893	96,503
Electronically recorded obligations – operating	33,172	29,572
Short-term loans payable	3,030	4,074
Income taxes payable	4,821	3,093
Advances received on uncompleted construction contracts	14,739	19,933
Deposits received	19,411	29,489
Provision for warranties for completed construction	467	422
Provision for loss on construction contracts	626	469
Provision for contingent loss	10,736	7,614
Provision for loss on anti-monopoly act	3,933	—
Provision for bonuses	3,911	3,689
Other	9,397	6,726
<b>Total current liabilities</b>	<b>191,141</b>	<b>201,590</b>
<b>Non-current liabilities</b>		
Long-term loans payable	9,819	8,184
Provision for stock payments	42	97
Retirement benefit liability	16,499	16,421
Other	1,331	513
<b>Total non-current liabilities</b>	<b>27,692</b>	<b>25,216</b>
<b>Total liabilities</b>	<b>218,834</b>	<b>226,807</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	30,108	30,108
Capital surplus	25,157	25,157
Retained earnings	77,642	92,413
Treasury shares	(426)	(450)
<b>Total shareholders' equity</b>	<b>132,481</b>	<b>147,228</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	2,501	816
Foreign currency translation adjustment	349	391
Remeasurements of defined benefit plans	(449)	(401)
<b>Total accumulated other comprehensive income</b>	<b>2,402</b>	<b>806</b>
<b>Total net assets</b>	<b>134,883</b>	<b>148,034</b>
<b>Total liabilities and net assets</b>	<b>353,718</b>	<b>374,841</b>

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

(millions of yen)

	FY2018 (Apr 1, 2018—Mar 31, 2019)	FY2019 (Apr 1, 2019—Mar 31, 2020)
Net sales of completed construction contracts	389,058	436,151
Cost of sales of completed construction contracts	343,527	390,653
Gross profit on completed construction contracts	45,530	45,498
Selling, general and administrative expenses	19,065	20,057
Operating profit	26,464	25,440
Non-operating income		
Interest income	34	40
Dividend income	329	334
Share of profit of entities accounted for using equity method	159	201
Foreign exchange gains	3	—
Other	102	127
Total non-operating income	629	703
Non-operating expenses		
Interest expenses	231	188
Foreign exchange losses	—	20
Commission for syndicate loan	183	33
Amortization of share issuance cost	49	49
Other	75	134
Total non-operating expenses	541	425
Ordinary profit	26,553	25,718
Extraordinary income		
Gain on sales of non-current assets	32	7
Gain on sales of investment securities	73	18
Gain on sales of memberships	0	732
Reversal of provision for loss on anti-monopoly act	—	1,311
Total extraordinary income	106	2,068
Extraordinary losses		
Loss on retirement of non-current assets	63	43
Loss on valuation of investment securities	—	114
Compensation for damage	73	139
Loss on litigation	125	2
Provision for contingent loss	1,349	265
Provision for loss on anti-monopoly act	3,933	—
Loss on change in equity	—	77
Other	7	72
Total extraordinary losses	5,553	716
Profit before income taxes	21,106	27,070
Income taxes – current	7,341	6,181
Income taxes – deferred	452	1,441
Total income taxes	7,793	7,622
Profit	13,312	19,447
Profit attributable to owners of parent	13,312	19,447

## Consolidated statement of comprehensive income

(millions of yen)

	FY2018 (Apr 1, 2018—Mar 31, 2019)	FY2019 (Apr 1, 2019—Mar 31, 2020)
Profit	13,312	19,447
Other comprehensive income		
Valuation difference on available-for-sale securities	(196)	(1,689)
Foreign currency translation adjustment	(167)	41
Remeasurements of defined benefit plans, net of tax	8	47
Share of other comprehensive income of entities accounted for using equity method	(1)	4
Total other comprehensive income	(356)	(1,595)
Comprehensive income	12,956	17,851
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,956	17,851
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated statements of changes in equity  
 FY2018 (Apr 1, 2018—Mar 31, 2019)

(millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	30,108	25,157	68,540	(189)	123,616
Changes of items during period					
Dividends of surplus			(4,210)		(4,210)
Profit attributable to owners of parent			13,312		13,312
Purchase of treasury shares				(238)	(238)
Disposal of treasury shares		0		1	1
Net changes of items other than shareholders' equity					
Total changes of items during period	—	0	9,102	(237)	8,865
Balance at end of current period	30,108	25,157	77,642	(426)	132,481

	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 current period	2,699	516	(457)	2,758	126,374
Changes of items during period					
Dividends of surplus					(4,210)
Profit attributable to owners of parent					13,312
Purchase of treasury shares					(238)
Disposal of treasury shares					1
Net changes of items other than shareholders' equity	(197)	(167)	8	(356)	(356)
Total changes of items during period	(197)	(167)	8	(356)	8,508
Balance at end of current period	2,501	349	(449)	2,402	134,883

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	30,108	25,157	77,642	(426)	132,481
Changes of items during period					
Dividends of surplus			(4,676)		(4,676)
Profit attributable to owners of parent			19,447		19,447
Purchase of treasury shares				(31)	(31)
Disposal of treasury shares		(0)		7	7
Net changes of items other than shareholders' equity					
Total changes of items during period	—	(0)	14,770	(23)	14,746
Balance at end of current period	30,108	25,157	92,413	(450)	147,228

	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 current period	2,501	349	(449)	2,402	134,883
Changes of items during period					
Dividends of surplus					(4,676)
Profit attributable to owners of parent					19,447
Purchase of treasury shares					(31)
Disposal of treasury shares					7
Net changes of items other than shareholders' equity	(1,685)	41	47	(1,595)	(1,595)
Total changes of items during period	(1,685)	41	47	(1,595)	13,150
Balance at end of current period	816	391	(401)	806	148,034



## (4) Consolidated statements of cash flows

(millions of yen)

	FY2018 (Apr 1, 2018—Mar 31, 2019)	FY2019 (Apr 1, 2019—Mar 31, 2020)
Cash flows from operating activities		
Profit before income taxes	21,106	27,070
Depreciation	1,934	2,077
Amortization of share issuance costs	49	49
Increase (decrease) in allowance for doubtful accounts	(38)	42
Increase (decrease) in provision for contingent loss	(605)	(3,122)
Increase (decrease) in provision for loss on anti-monopoly act	3,933	(3,933)
Increase (decrease) in retirement benefit liability	(165)	(9)
Interest and dividend income	(363)	(374)
Interest expenses	231	188
Foreign exchange losses (gains)	(6)	17
Share of loss (profit) of entities accounted for using equity method	(159)	(201)
Loss (gain) on valuation of investment securities	—	114
Loss (gain) on sales of investment securities	(73)	(18)
Loss (gain) on sales of non-current assets	(32)	(7)
Loss on retirement of non-current assets	63	43
Decrease (increase) in trade receivables	(36,504)	(14,925)
Decrease (increase) in costs on construction contracts in progress	(394)	(561)
Increase (decrease) in trade payables	13,263	5,799
Increase (decrease) in advances received on construction contracts in progress	(6,759)	5,190
Decrease (increase) in other assets and other	377	(457)
Other, net	(2,975)	(9,006)
Subtotal	(7,119)	7,976
Interest and dividends received	371	382
Interest paid	(227)	(188)
Income taxes paid	(5,423)	(7,825)
Net cash provided by (used in) operating activities	(12,398)	345
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,245)	(2,199)
Proceeds from sales of property, plant and equipment	15	36
Purchase of investment securities	(226)	(32)
Proceeds from sales of investment securities	217	1,497
Purchase of shares of subsidiaries and associates	(92)	(2,334)
Loan advances	(107)	(35)
Collection of loans receivable	159	140
Other, net	(99)	628
Net cash provided by (used in) investing activities	(7,379)	(2,298)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(690)	105
Proceeds from long-term borrowings	550	424
Repayments of long-term borrowings	(1,490)	(1,120)
Purchase of treasury shares	(236)	(29)
Dividends paid	(4,210)	(4,676)
Other, net	(49)	(65)
Net cash provided by (used in) financing activities	(6,126)	(5,361)
Effect of exchange rate change on cash and cash equivalents	(181)	24
Net increase (decrease) in cash and cash equivalents	(26,085)	(7,290)
Cash and cash equivalents at beginning of period	108,532	82,446
Cash and cash equivalents at end of period	82,446	75,155

## 2. Nonconsolidated Financial Statements

### (1) Nonconsolidated balance sheet

(millions of yen)

	FY2018 (As of March 31, 2019)	FY2019 (As of March 31, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	63,012	54,434
Notes receivable – trade	3,581	7,853
Accounts receivable from completed construction contracts	145,560	154,168
Costs on uncompleted construction contracts	5,943	6,692
Accounts receivable – other	16,873	31,149
Other	6,301	8,266
Allowance for doubtful accounts	(166)	(194)
Total current assets	241,106	262,371
Non-current assets		
Property, plant and equipment		
Buildings	9,346	10,451
Accumulated depreciation	(6,523)	(6,869)
Buildings, net	2,822	3,582
Structures	1,113	1,116
Accumulated depreciation	(972)	(986)
Structures, net	140	130
Machinery and equipment	2,037	2,282
Accumulated depreciation	(1,488)	(1,711)
Machinery and equipment, net	548	571
Vehicles	55	55
Accumulated depreciation	(44)	(55)
Vehicles, net	11	0
Tools, furniture and fixtures	2,638	2,723
Accumulated depreciation	(2,281)	(2,392)
Tools, furniture and fixtures, net	357	330
Land	11,654	11,844
Leased assets	191	191
Accumulated depreciation	(124)	(142)
Leased assets, net	66	49
Construction in progress	654	32
Total property, plant and equipment	16,256	16,541
Intangible assets	337	420
Investments and other assets		
Investment securities	12,308	10,693
Shares of subsidiaries and associates	13,905	16,014
Long-term loans receivable from employees	317	271
Long-term loans receivable from subsidiaries and associates	843	641
Long-term non-operating accounts receivable	64	36
Claims provable in bankruptcy, claims provable in rehabilitation and other	0	—
Long-term prepaid expenses	66	60
Deferred tax assets	9,025	8,196
Other	659	515
Allowance for doubtful accounts	(22)	(16)
Total investments and other assets	37,167	36,413
Total non-current assets	53,761	53,376
Deferred assets		
Share issuance cost	82	33
Total deferred assets	82	33
Total assets	294,950	315,780

(millions of yen)

	FY2018 (As of March 31, 2019)	FY2019 (As of March 31, 2020)
<b>Liabilities</b>		
Current liabilities		
Notes payable – trade	4,820	3,523
Electronically recorded obligations – operating	33,174	25,974
Accounts payable for construction contracts	61,686	78,614
Short-term loans payable	2,808	3,853
Lease obligations	20	17
Income taxes payable	4,475	2,670
Advances received on uncompleted construction contracts	13,487	17,448
Deposits received	17,803	27,526
Provision for warranties for completed construction	417	357
Provision for loss on construction contracts	450	293
Provision for contingent loss	10,719	7,596
Provision for bonuses	2,614	2,163
Deposits received from employees	2,352	2,580
Other	5,952	3,116
Total current liabilities	160,783	175,737
Non-current liabilities		
Long-term loans payable	9,780	8,166
Lease obligations	52	35
Provision for stock payments	42	97
Provision for retirement benefits	13,225	13,241
Other	1,092	63
Total non-current liabilities	24,193	21,604
Total liabilities	184,977	197,342
<b>Net assets</b>		
Shareholders' equity		
Capital stock	30,108	30,108
Capital surplus		
Legal capital surplus	16,767	16,767
Other capital surplus	8,390	8,389
Total capital surpluses	25,157	25,157
Retained earnings		
Legal retained earnings	559	559
Other retained earnings		
Retained earnings brought forward	52,000	62,146
Total retained earnings	52,559	62,706
Treasury shares	(300)	(327)
Total shareholders' equity	107,524	117,645
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,448	793
Total valuation and translation adjustments	2,448	793
Total net assets	109,973	118,438
Total liabilities and net assets	294,950	315,780

## (2) Nonconsolidated statement of income

(millions of yen)

	FY2018 (Apr 1, 2018—Mar 31, 2019)	FY2019 (Apr 1, 2019—Mar 31, 2020)
Net sales of completed construction contracts	307,090	352,224
Cost of sales of completed construction contracts	271,691	316,914
Gross profit on completed construction contracts	35,398	35,310
Selling, general and administrative expenses		
Directors' compensations	228	231
Employees' salaries and allowances	5,521	5,715
Retirement benefit expenses	256	279
Legal welfare expenses	849	869
Welfare expenses	43	190
Repair and maintenance	85	71
Stationery expenses	382	438
Correspondence and transportation expenses	808	836
Power utilities expenses	69	76
Research study expenses	1,956	2,168
Advertising expenses	161	148
Provision of allowance for doubtful accounts	39	27
Entertainment expenses	371	352
Contribution	39	94
Rents	521	488
Depreciation	125	206
Taxes and dues	902	901
Insurance expenses	85	95
Miscellaneous expenses	1,874	1,874
Total selling, general and administrative expenses	14,323	15,066
Operating profit	21,075	20,244
Non-operating income		
Interest income	29	20
Dividend income	1,020	662
Rental income	89	98
Foreign exchange gains	6	—
Other	68	66
Total non-operating income	1,214	848
Non-operating expenses		
Interest expenses	217	181
Foreign exchange losses	—	14
Loss on transfer of receivables	—	52
Commission for syndicate loan	183	33
Amortization of share issuance cost	49	49
Other	56	71
Total non-operating expenses	507	402
Ordinary profit	21,782	20,690
Extraordinary income		
Gain on sales of non-current assets	0	—
Gain on sales of memberships	0	732
Total extraordinary income	1	732
Extraordinary losses		
Loss on retirement of non-current assets	31	1
Loss on valuation of investment securities	—	113
Compensation for damage	73	139
Loss on litigation	125	2
Provision for contingent loss	1,349	265
Other	9	40
Total extraordinary losses	1,589	564
Profit before income taxes	20,194	20,858
Income taxes – current	5,722	4,475
Income taxes – deferred	314	1,559
Total income taxes	6,037	6,034
Profit	14,156	14,823

(3) Nonconsolidated statements of changes in equity  
 FY2018 (Apr 1, 2018—Mar 31, 2019)

(millions of yen)

	Shareholders' equity						
	Capital stock	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings
Balance at beginning of current period	30,108	16,767	8,390	25,157	559	42,054	42,613
Changes of items during period							
Dividends of surplus						(4,210)	(4,210)
Profit						14,156	14,156
Purchase of treasury shares							
Disposal of treasury shares			0	0			
Net changes of items other than shareholders' equity							
Total changes of items during period	—	—	0	0	—	9,946	9,946
Balance at end of current period	30,108	16,767	8,390	25,157	559	52,000	52,559

	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 current period	(65)	97,813	2,625	2,625	100,439
Changes of items during period					
Dividends of surplus		(4,210)			(4,210)
Profit		14,156			14,156
Purchase of treasury shares	(236)	(236)			(236)
Disposal of treasury shares	1	1			1
Net changes of items other than shareholders' equity			(176)	(176)	(176)
Total changes of items during period	(235)	9,711	(176)	(176)	9,534
Balance at end of current period	(300)	107,524	2,448	2,448	109,973

	Shareholders' equity						
	Capital stock	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 current period	30,108	16,767	8,390	25,157	559	52,000	52,559
Changes of items during period							
Dividends of surplus						(4,676)	(4,676)
Profit						14,823	14,823
Purchase of treasury shares							
Disposal of treasury shares			(0)	(0)			
Net changes of items other than shareholders' equity							
Total changes of items during period	—	—	(0)	(0)	—	10,146	10,146
Balance at end of current period	30,108	16,767	8,389	25,157	559	62,146	62,706

	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 current period	(300)	107,524	2,448	2,448	109,973
Changes of items during period					
Dividends of surplus		(4,676)			(4,676)
Profit		14,823			14,823
Purchase of treasury shares	(29)	(29)			(29)
Disposal of treasury shares	3	3			3
Net changes of items other than shareholders' equity			(1,654)	(1,654)	(1,654)
Total changes of items during period	(26)	10,120	(1,654)	(1,654)	8,465
Balance at end of current period	(327)	117,645	793	793	118,438

### 3. Supplementary Information

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

(millions of yen)

	FY2018 Apr 1, 2018—Mar 31, 2019		FY2019 Apr 1, 2019—Mar 31, 2020		Change	
	Amount	Composition ratio %	Amount	Composition ratio %	Amount	%
Public	45,531	10.0	57,537	17.7	12,006	26.4
Private	110,220	24.3	34,834	10.7	(75,386)	(68.4)
Domestic	155,751	34.3	92,371	28.4	(63,379)	(40.7)
Overseas	—	—	—	—	—	—
<b>Civil engineering</b>	155,751	34.3	92,371	28.4	(63,379)	(40.7)
Public	31,216	6.9	30,482	9.4	(734)	(2.4)
Private	266,911	58.8	199,207	61.3	(67,703)	(25.4)
Domestic	298,128	65.7	229,690	70.7	(68,437)	(23.0)
Overseas	127	0.0	2,897	0.9	2,770	—
<b>Building construction</b>	298,255	65.7	232,587	71.6	(65,667)	(22.0)
Public	76,748	16.9	88,020	27.1	11,272	14.7
Private	377,131	83.1	234,041	72.0	(143,089)	(37.9)
Domestic	453,879	100.0	322,062	99.1	(131,817)	(29.0)
Overseas	127	0.0	2,897	0.9	2,770	—
<b>Orders received—Total</b>	454,007	100	324,959	100	(129,047)	(28.4)
Public	62,506	20.4	75,722	21.5	13,216	21.1
Private	49,137	16.0	46,513	13.2	(2,623)	(5.3)
Domestic	111,643	36.4	122,236	34.7	10,592	9.5
Overseas	14	0.0	—	—	(14)	(100.0)
<b>Civil engineering</b>	111,657	36.4	122,236	34.7	10,578	9.5
Public	24,209	7.9	25,015	7.1	805	3.3
Private	170,822	55.6	204,480	58.1	33,658	19.7
Domestic	195,031	63.5	229,495	65.2	34,464	17.7
Overseas	401	0.1	492	0.1	91	22.8
<b>Building construction</b>	195,432	63.6	229,988	65.3	34,555	17.7
Public	86,715	28.3	100,737	28.6	14,021	16.2
Private	219,959	71.6	250,994	71.3	31,035	14.1
Domestic	306,675	99.9	351,732	99.9	45,057	14.7
Overseas	415	0.1	492	0.1	77	18.6
<b>Net sales—Total</b>	307,090	100	352,224	100	45,134	14.7
Public	74,132	13.0	55,948	10.3	(18,184)	(24.5)
Private	144,218	25.3	132,538	24.4	(11,679)	(8.1)
Domestic	218,351	38.3	188,487	34.7	(29,864)	(13.7)
Overseas	—	—	—	—	—	—
<b>Civil engineering</b>	218,351	38.3	188,487	34.7	(29,864)	(13.7)
Public	38,801	6.8	44,268	8.1	5,467	14.1
Private	313,136	54.9	307,863	56.7	(5,273)	(1.7)
Domestic	351,937	61.7	352,132	64.8	194	0.1
Overseas	103	0.0	2,494	0.5	2,390	—
<b>Building construction</b>	352,041	61.7	354,626	65.3	2,584	0.7
Public	112,934	19.8	100,217	18.4	(12,717)	(11.3)
Private	457,354	80.2	440,402	81.1	(16,952)	(3.7)
Domestic	570,289	100.0	540,619	99.5	(29,670)	(5.2)
Overseas	103	0.0	2,494	0.5	2,390	—
<b>Carried-forward—Total</b>	570,393	100	543,113	100	(27,279)	(4.8)

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

FY2018 : Increased by 7 million yen      FY2019 : Decreased by 14 million yen

## (2) Financial Highlights

Consolidated

(100 millions of yen)

(Operating Results)

	A FY2018	B FY2019	B - A		C FY2020 (Forecasts)	C - B	
				%			%
Net sales	3,891	4,362	471	12.1	4,380	18	0.4
Gross profit	455	455	(0)	(0.1)	456	1	0.2
(Ratio)	11.7%	10.4%	(1.3)%		10.4%	0.0%	
SG&A expenses	191	201	10		201	0	
Operating profit	265	254	(10)	(3.9)	255	1	0.2
(Ratio)	6.8%	5.8%	(1.0)%		5.8%	0.0%	
Non-operating income - net	1	3	2		3	0	
Ordinary profit	266	257	(8)	(3.1)	258	1	0.3
Extraordinary income - net	(54)	14	68		0	(14)	
Profit before income taxes	211	271	60	28.3	258	(13)	(4.7)
Income taxes and others	78	76	(2)		83	7	
Profit attributable to owners of parent	133	194	61	46.1	175	(19)	(10.0)

Nonconsolidated

(Operating Results)

	A FY2018	B FY2019	B - A		C FY2020 (Forecasts)	C - B	
				%			%
Civil engineering	1,558	924	(634)		1,050	126	
Building construction	2,981	2,297	(684)		1,900	(397)	
Domestic	4,539	3,221	(1,318)		2,950	(271)	
Overseas	1	29	28		60	31	
Orders received	4,540	3,250	(1,290)	(28.4)	3,010	(240)	(7.4)
Civil engineering	1,116	1,222	106		1,150	(72)	
Building construction	1,950	2,295	345		2,290	(5)	
Domestic	3,067	3,517	451		3,440	(77)	
Overseas	4	5	1		20	15	
Net sales	3,071	3,522	451	14.7	3,460	(62)	(1.8)
Civil engineering	140	133	(7)		125	(8)	
(Ratio)	12.5%	10.9%	(1.6)%		10.9%	0.0%	
Building construction	213	219	5		227	8	
(Ratio)	10.9%	9.5%	(1.4)%		9.9%	0.4%	
Domestic	353	352	(1)		352	0	
(Ratio)	11.5%	10.0%	(1.5)%		10.2%	0.2%	
Overseas	1	1	0		1	(0)	
(Ratio)	20.4%	26.0%	5.6%		5.0%	(21.0)%	
Gross profit	354	353	(1)	(0.2)	353	(0)	(0.0)
(Ratio)	11.5%	10.0%	(1.5)%		10.2%	0.2%	
SG&A expenses	143	151	7		150	(1)	
Operating profit	211	202	(8)	(3.9)	203	1	0.3
(Ratio)	6.9%	5.7%	(1.2)%		5.9%	0.2%	
Non-operating income - net	7	4	(3)		11	7	
Ordinary profit	218	207	(11)	(5.0)	214	7	3.4
Extraordinary income - net	(16)	2	18		0	(2)	
Profit before income taxes	202	209	7	3.3	214	5	2.6
Income taxes and others	60	60	(0)		66	6	
Profit	142	148	7	4.7	148	(0)	(0.2)