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Consolidated Financial Results for the First Quarter Ended June 30, 2023 [Japanese GAAP]

August 9, 2023

Company name : Kumagai Gumi Co., Ltd.
 Stock exchange listings : Tokyo Stock Exchange, Prime Market
 Securities code : 1861 URL : <https://www.kumagaigumi.co.jp/>
 Representative : Yasunori Sakurano, President
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Date of filing of quarterly securities report : August 9, 2023
 Scheduled date of dividend payment : —
 Supplemental materials for quarterly financial results : None
 Presentation on quarterly financial results : None

(Rounded down to the nearest million yen)

1. Consolidated Results for the First Quarter Ended June 30, 2023 (April 1, 2023 – June 30, 2023)

(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 1st Quarter	90,891	(0.8)	410	(18.7)	523	(32.1)	68	(88.1)
FY2022 1st Quarter	91,669	3.7	505	(82.1)	771	(74.0)	575	(71.5)

(Note) Comprehensive income FY2023 1st Quarter 3,697 million yen –% FY2022 1st Quarter 150 million yen (79.2)%

	Basic earnings per share		Diluted earnings per share	
	Yen	Yen	Yen	Yen
FY2023 1st Quarter	1.57	—	—	—
FY2022 1st Quarter	12.79	—	—	—

(2) Consolidated Financial Position

	Total assets		Net assets		Capital adequacy ratio	Net assets per share
	Million yen	Million yen	Million yen	Million yen	%	Yen
FY2023 1st Quarter	372,418	167,388	167,388	167,388	44.9	3,851.20
FY2022	376,650	169,860	169,860	169,860	45.1	3,894.11

(Reference) Owner's equity FY2023 1st Quarter 167,388 million yen FY2022 169,860 million yen

2. Dividends

	Annual cash dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Total
FY2022	—	—	—	130.00	130.00
FY2023	—	—	—	—	—
FY2023 (forecast)	—	—	—	130.00	130.00

(Note) Revision to the latest forecasts of cash dividends announced : None

3. Forecast of Consolidated Operating Results for FY2023 (April 1, 2023 – March 31, 2024)

(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
FY2023	433,100	7.3	15,200	32.4	15,700	28.3	10,400	30.4	240.61

(Note) Revision to the latest forecasts of consolidated operating results announced : None

※Basic earnings per share reflects the impact of the "Notice Regarding Acquisition and Cancellation of Own Shares" announced on May 12, 2023.

※ 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) Application of specific accounting for quarterly consolidated financial statements : None
- (3) 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

(4) Number of shares issued (common stock)

(Shares)

① Number of shares issued at the end of the period (including treasury stocks)	FY2023 Q1	43,900,360	FY2022	43,900,360
② Number of treasury stocks at the end of the period	FY2023 Q1	436,436	FY2022	280,432
③ Average number of shares outstanding during the period (quarterly cumulative total)	FY2023 Q1	43,577,161	FY2022 Q1	45,040,706

※ “Kessan Tanshin” is not subject to the quarterly review.

※ 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. Refer to “1. Qualitative Information on Consolidated Operating Results for the First Quarter Ended June 30, 2023; (3) Explanation of information on future forecasts, including the consolidated earnings forecasts” on page 3 of the Attachments for matters related to earnings forecasts.

(Reference) Summary of Nonconsolidated Financial Results

(Rounded down to the nearest million yen)

1. Nonconsolidated Results for the First Quarter Ended June 30, 2023 (April 1, 2023 – June 30, 2023)

(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 1st Quarter	71,545	2.0	337	2.6	1,530	(26.4)	1,060	(43.3)
FY2022 1st Quarter	70,147	0.6	328	(86.8)	2,077	(48.7)	1,872	(42.6)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2023 1st Quarter	24.28	—
FY2022 1st Quarter	41.47	—

(2) Nonconsolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2023 1st Quarter	302,710	131,424	43.4	3,016.47
FY2022	304,522	133,049	43.7	3,042.88

(Reference) Owner's equity FY2023 1st Quarter 131,424million yen FY2022 133,049 million yen

2. Forecast of Nonconsolidated Operating Results for FY2023 (April 1, 2023 – March 31, 2024)

(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
FY2023	311,000	3.9	11,400	12.3	7,800	11.5	180.02

(Note) Revision to the latest forecasts of nonconsolidated operating results announced : None

※Basic earnings per share reflects the impact of the "Notice Regarding Acquisition and Cancellation of Own Shares" announced on May 12, 2023.

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1. Qualitative Information on Consolidated Operating Results for the First Quarter Ended June 30, 2023

(1) Explanation of operating results

During the first quarter of the fiscal year under review, the Japanese economy saw signs of a recovery in consumer spending and solid investment in plant and equipment, notably including software, amid improvements in the employment and income environment. Furthermore, corporate earnings remained at a high level overall primarily due to the weakened impact of supply restrictions, a decline in resource prices and a recovery in inbound tourism, all of which contributed to a moderate economic recovery.

In the construction industry, housing construction appeared to be slackening due to rising construction costs and concern over higher interest rates. Even so, the order environment was firm overall, as building investment by private sector enterprises continued to be solid against the backdrop of a rising appetite for capital investment, coupled with the continued robustness of public investment on the back of the execution of related budgets. On the profit front, however, generating a profit remained difficult in certain business areas, chiefly reflecting rising construction costs mainly due to higher materials prices and higher labor costs.

Under such operating conditions, the Kumagai Gumi Group continued to strive for sustainable growth by working together as a team on The Kumagai Gumi Group Medium-Term Management Plan (FY2021-FY2023) – Proactive Measures for Sustainable Growth–, which was formulated in May 2021 and sets (i) deepen the construction business, (ii) accelerate the construction-related peripheral businesses, (iii) develop new business domains, and (iv) strengthen the management foundation as basic policies.

Looking at the consolidated results for the first quarter under review, net sales (completed contracts) declined 0.7 billion yen (0.8%) year on year, to 90.8 billion yen, mainly due to a decrease in a backlog of orders that certain consolidated subsidiaries had at the beginning of the fiscal year. On the profit front, operating profit decreased 0.09 billion yen (18.7%) year on year, to 0.4 billion yen, while ordinary profit fell 0.2 billion yen (32.1%) year on year, to 0.5 billion yen, reflecting a rise in selling, general and administrative expenses, a decline in sales at certain consolidated subsidiaries and a lower gross profit margin (gross profit margin on completed contracts), among other factors. Profit attributable to owners of parent was 0.06 billion yen, down 0.5 billion yen (88.1%) due to income taxes of 0.3 billion yen and other adjustments.

(2) Explanation of the financial position

Total assets at the end of the first quarter came to 372.4 billion yen, a decrease of 4.2 billion yen (1.1%) from the end of the previous fiscal year, mainly due to the collection of receivables such as notes receivable, accounts receivable from completed construction contracts and other and accounts receivable – other, offsetting an increase in cash and deposits.

Total liabilities fell 1.7 billion yen (0.9%) from the end of the previous fiscal year, to 205.0 billion yen, chiefly owing to decreases in notes payable, accounts payable for construction contracts, and other factors. These changes in assets and liabilities are attributable to the fact that, in the construction industry, contract completions/handovers tend to be concentrated on the end of the fiscal year.

Net assets stood at 167.3 billion yen, a decrease of 2.4 billion yen (1.5%) from the end of the previous fiscal year, mainly reflecting a decline in retained earnings due to the payment of dividends, as well as the acquisition of treasury shares, despite the posting of profit attributable to owner of parent. The shareholders' equity ratio was 44.9%, declining 0.2 pt from 45.1% at the end of the previous fiscal year.

(3) Explanation of information on future forecasts, including the consolidated earnings forecasts

Going forward, the Japanese economy is expected to continue to see a moderate recovery in consumer spending and corporate earnings, aided by the effect of a range of government policies and improvements in the employment and income environment. On the other hand, the business outlook still remains uncertain, reflecting risks such as the downturn of overseas economies and rising prices amidst the prolonged Russia-Ukraine crisis and monetary tightening on a global basis.

In the construction industry, building investment by private-sector enterprises is expected to remain on a recovery trend, partly reflecting improvement of corporate earnings. In addition, public investment, for which a budget on par with the year-ago level has been secured in fiscal 2023, will continue to be solid, reflecting systematic investment for the prevention and reduction of disasters, as well as the building of national resilience, amid growing concern over the sustainability of foundations that support people's living and industrial development, given phenomena such as intensifying and increasingly frequent natural disasters and decaying social infrastructure. Meanwhile, attention should be paid to trends in risk factors, for example, high crude oil prices and rising construction material prices, that may cause a deterioration of profitability and a contraction of demand.

In this business environment, the Group will continue to work as one team to implement initiatives to achieve sustainable growth under the Medium-Term Management Plan (FY2021-FY2023).

In view of the conditions described above and business results for the first quarter ended June 30, 2023, there are currently no changes to the consolidated earnings forecasts and the non-consolidated earnings forecasts for the fiscal year ending March 31, 2024 announced on May 12, 2023.

2. Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheet

	(millions of yen)	
	Prior Fiscal Year (As of March 31, 2023)	Current 1st Quarter (As of June 30, 2023)
Assets		
Current assets		
Cash and deposits	40,977	58,159
Notes receivable, accounts receivable from completed construction contracts and other	225,453	201,002
Costs on construction contracts in progress	10,437	9,928
Accounts receivable – other	19,169	17,456
Other	2,295	3,496
Allowance for doubtful accounts	(56)	(44)
Total current assets	298,276	289,998
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,704	9,597
Land	17,053	17,055
Other, net	2,551	2,428
Total property, plant and equipment	29,309	29,081
Intangible assets	1,478	1,502
Investments and other assets		
Investment securities	34,131	39,760
Deferred tax assets	6,914	5,265
Other	6,701	6,971
Allowance for doubtful accounts	(160)	(161)
Total investments and other assets	47,586	51,835
Total non-current assets	78,374	82,419
Total assets	376,650	372,418

(millions of yen)

	Prior Fiscal Year (As of March 31, 2023)	Current 1st Quarter (As of June 30, 2023)
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	83,341	68,631
Electronically recorded obligations – operating	27,107	30,385
Short-term borrowings	3,893	3,893
Income taxes payable	766	456
Advances received on construction contracts in progress	12,789	19,208
Deposits received	26,043	33,412
Provision for warranties for completed construction	550	602
Provision for loss on construction contracts	994	706
Provision for contingent loss	4	4
Provision for bonuses	4,057	1,916
Other	11,372	10,033
Total current liabilities	170,922	169,251
Non-current liabilities		
Long-term borrowings	18,303	18,243
Provision for share awards	250	235
Retirement benefit liability	16,711	16,732
Other	601	566
Total non-current liabilities	35,867	35,778
Total liabilities	206,789	205,030
Net assets		
Shareholders' equity		
Share capital	30,108	30,108
Capital surplus	17,133	17,133
Retained earnings	117,498	111,867
Treasury shares	(626)	(1,097)
Total shareholders' equity	164,113	158,011
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,512	8,008
Foreign currency translation adjustment	1,372	1,499
Remeasurements of defined benefit plans	(137)	(131)
Total accumulated other comprehensive income	5,747	9,376
Total net assets	169,860	167,388
Total liabilities and net assets	376,650	372,418

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income
Quarterly consolidated statement of income (Cumulative total)

(millions of yen)

	FY2022 1st Quarter (Apr 1, 2022—Jun 30, 2022)	FY2023 1st Quarter (Apr 1, 2023—Jun 30, 2023)
Net sales of completed construction contracts	91,669	90,891
Cost of sales of completed construction contracts	86,034	85,060
Gross profit on completed construction contracts	5,634	5,830
Selling, general and administrative expenses	5,129	5,420
Operating profit	505	410
Non-operating income		
Interest income	4	14
Dividend income	60	71
Share of profit of entities accounted for using equity method	53	22
Foreign exchange gains	215	94
Other	23	20
Total non-operating income	357	222
Non-operating expenses		
Interest expenses	44	66
Commission for syndicated loans	10	7
Loss on investments in investment partnerships	22	22
Other	13	13
Total non-operating expenses	90	109
Ordinary profit	771	523
Extraordinary income		
Gain on sales of non-current assets	2	1
Gain on sales of memberships	64	—
Compensation for damage income	81	—
Total extraordinary income	147	1
Extraordinary losses		
Loss on retirement of non-current assets	14	2
Compensation for damage	3	112
Infectious disease related costs	12	—
Other	1	28
Total extraordinary losses	31	142
Profit before income taxes	886	382
Income taxes – current	215	212
Income taxes – deferred	95	101
Total income taxes	310	314
Profit	575	68
Profit attributable to owners of parent	575	68

Quarterly consolidated statement of comprehensive income (Cumulative total)

(millions of yen)

	FY2022 1st Quarter (Apr 1, 2022—Jun 30, 2022)	FY2023 1st Quarter (Apr 1, 2023—Jun 30, 2023)
Profit	575	68
Other comprehensive income		
Valuation difference on available-for-sale securities	(663)	3,495
Foreign currency translation adjustment	231	127
Remeasurements of defined benefit plans, net of tax	6	5
Share of other comprehensive income of entities accounted for using equity method	(1)	0
Total other comprehensive income	(425)	3,629
Comprehensive income	150	3,697
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	150	3,697
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes to Quarterly Consolidated Financial Statements

(Notes related to the going concern assumption)

Not applicable

(Notes in the case of significant changes in shareholders' equity)

The Company has been proceeding with the acquisition of own shares based on a resolution at the meeting of the Board of Directors held on May 12, 2023. During the first three months of the fiscal year under review, it has acquired 165,800 treasury shares. Due to this acquisition, the value of Company's treasury shares has increased 500 million yen.

(Segment Information)

FY2022 1st Quarter (Apr 1, 2022—Jun 30, 2022)

Reportable segment sales, profit or loss and revenue breakdown information

(millions of yen)

	Reportable segments				Adjustments (Note1)	Amounts on Quarterly consolidated statement of income (Note2)
	Civil engineering	Building construction	Subsidiaries	Total		
Net Sales						
Revenue from contracts with customers	19,022	51,088	21,201	91,311	—	91,311
Other revenue	—	32	324	357	—	357
Sales to customers	19,022	51,121	21,526	91,669	—	91,669
Intersegment sales and transfers	—	3	2,446	2,450	(2,450)	—
Total	19,022	51,125	23,972	94,119	(2,450)	91,669
Segment profit (loss)	(587)	915	172	500	4	505

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

(Note2) Segment profit (loss) is adjusted with operating profit recorded under the quarterly consolidated statement of income.

(Note3) Other revenue is a rental income based on the Accounting Standard for Lease Transactions (ASBJ statement No. 13 issued on March 30, 2007).

FY2023 1st Quarter (Apr 1, 2023—Jun 30, 2023)

Reportable segment sales, profit or loss and revenue breakdown information

(millions of yen)

	Reportable segments				Adjustments (Note1)	Amounts on Quarterly consolidated statement of income (Note2)
	Civil engineering	Building construction	Subsidiaries	Total		
Net Sales						
Revenue from contracts with customers	20,518	50,949	19,003	90,472	—	90,472
Other revenue	—	76	342	418	—	418
Sales to customers	20,518	51,026	19,346	90,891	—	90,891
Intersegment sales and transfers	—	0	2,142	2,143	(2,143)	—
Total	20,518	51,026	21,489	93,034	(2,143)	90,891
Segment profit (loss)	(444)	781	56	393	17	410

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

(Note2) Segment profit (loss) is adjusted with operating profit recorded under the quarterly consolidated statement of income.

(Note3) Other revenue is a rental income based on the Accounting Standard for Lease Transactions (ASBJ statement No. 13 issued on March 30, 2007).

3. Quarterly Nonconsolidated Financial Statements

(1) Quarterly nonconsolidated balance sheet

	(millions of yen)	
	Prior Fiscal Year (As of March 31, 2023)	Current 1st Quarter (As of June 30, 2023)
Assets		
Current assets		
Cash and deposits	18,586	28,449
Notes receivable, accounts receivable from completed construction contracts and other	191,139	178,044
Costs on construction contracts in progress	9,174	8,509
Other	19,333	17,741
Allowance for doubtful accounts	(20)	(19)
Total current assets	238,215	232,726
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,663	5,601
Land	14,096	14,098
Other, net	1,202	1,117
Total property, plant and equipment	20,962	20,816
Intangible assets	1,378	1,401
Investments and other assets		
Investment securities	9,943	10,484
Deferred tax assets	5,548	3,757
Other	28,474	33,525
Total investments and other assets	43,966	47,766
Total non-current assets	66,307	69,984
Total assets	304,522	302,710

(millions of yen)

	Prior Fiscal Year (As of March 31, 2023)	Current 1st Quarter (As of June 30, 2023)
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	60,409	49,139
Electronically recorded obligations – operating	23,170	26,950
Short-term borrowings	5,693	3,693
Lease obligations	4	3
Advances received on construction contracts in progress	10,763	17,174
Deposits received	24,135	31,042
Provision for warranties for completed construction	518	571
Provision for loss on construction contracts	964	636
Provision for bonuses	2,746	1,334
Other	10,161	7,922
Total current liabilities	138,567	138,470
Non-current liabilities		
Long-term borrowings	18,303	18,243
Lease obligations	7	6
Provision for stock payments	250	235
Provision for retirement benefits	14,078	14,068
Other	264	261
Total non-current liabilities	32,904	32,816
Total liabilities	171,472	171,286
Net assets		
Shareholders' equity		
Share capital	30,108	30,108
Capital surplus	17,133	17,133
Retained earnings	81,817	77,179
Treasury shares	(499)	(970)
Total shareholders' equity	128,560	123,450
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	4,489	7,973
Total valuation and translation adjustments	4,489	7,973
Total net assets	133,049	131,424
Total liabilities and net assets	304,522	302,710

(2) Quarterly nonconsolidated statement of income (Cumulative total)

(millions of yen)

	FY2022 1st Quarter (Apr 1, 2022—Jun 30, 2022)	FY2023 1st Quarter (Apr 1, 2023—Jun 30, 2023)
Net sales of completed construction contracts	70,147	71,545
Cost of sales of completed construction contracts	66,029	67,102
Gross profit on completed construction contracts	4,117	4,443
Selling, general and administrative expenses	3,788	4,105
Operating profit	328	337
Non-operating income		
Interest income	1	5
Dividend income	1,623	1,198
Foreign exchange gains	195	80
Other	17	18
Total non-operating income	1,837	1,303
Non-operating expenses		
Interest expenses	43	70
Commission for syndicated loans	10	7
Loss on investments in investment partnerships	22	22
Other	11	10
Total non-operating expenses	88	110
Ordinary profit	2,077	1,530
Extraordinary income		
Gain on sales of non-current assets	2	—
Gain on sales of memberships	64	—
Total extraordinary income	66	—
Extraordinary losses		
Compensation for damage	3	112
Infectious disease related costs	9	—
Loss on litigation	—	12
Other	0	0
Total extraordinary losses	13	125
Profit before income taxes	2,130	1,404
Income taxes – current	70	91
Income taxes – deferred	187	252
Total income taxes	257	344
Profit	1,872	1,060

4. Supplementary Information

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

(millions of yen)

	FY2022 1st Quarter Apr 1, 2022—Jun 30, 2022		FY2023 1st Quarter Apr 1, 2023—Jun 30, 2023		Change	
	Amount	Composition ratio %	Amount	Composition ratio %	Amount	%
Public	8,829	23.4	9,960	15.3	1,130	12.8
Private	7,823	20.8	6,331	9.7	(1,492)	(19.1)
Domestic	16,653	44.2	16,291	25.0	(361)	(2.2)
Overseas	—	—	—	—	—	—
Civil engineering	16,653	44.2	16,291	25.0	(361)	(2.2)
Public	932	2.5	436	0.6	(495)	(53.2)
Private	20,062	53.2	48,529	74.4	28,466	141.9
Domestic	20,995	55.7	48,966	75.0	27,971	133.2
Overseas	27	0.1	3	0.0	(23)	(87.3)
Building construction	21,022	55.8	48,969	75.0	27,947	132.9
Public	9,762	25.9	10,397	15.9	634	6.5
Private	27,886	74.0	54,860	84.1	26,974	96.7
Domestic	37,649	99.9	65,258	100.0	27,609	73.3
Overseas	27	0.1	3	0.0	(23)	(87.3)
Orders received—Total	37,676	100	65,261	100	27,585	73.2
Public	8,420	12.0	10,284	14.4	1,864	22.1
Private	10,601	15.1	10,234	14.3	(367)	(3.5)
Domestic	19,022	27.1	20,518	28.7	1,496	7.9
Overseas	—	—	—	—	—	—
Civil engineering	19,022	27.1	20,518	28.7	1,496	7.9
Public	3,170	4.5	4,353	6.1	1,183	37.3
Private	47,586	67.9	46,310	64.7	(1,275)	(2.7)
Domestic	50,756	72.4	50,664	70.8	(91)	(0.2)
Overseas	368	0.5	361	0.5	(6)	(1.9)
Building construction	51,125	72.9	51,026	71.3	(98)	(0.2)
Public	11,590	16.5	14,638	20.5	3,048	26.3
Private	58,187	83.0	56,544	79.0	(1,643)	(2.8)
Domestic	69,778	99.5	71,183	99.5	1,405	2.0
Overseas	368	0.5	361	0.5	(6)	(1.9)
Net sales—Total	70,147	100	71,545	100	1,398	2.0
Public	58,617	12.9	81,321	15.4	22,704	38.7
Private	122,786	27.1	109,560	20.7	(13,225)	(10.8)
Domestic	181,403	40.0	190,882	36.1	9,478	5.2
Overseas	—	—	—	—	—	—
Civil engineering	181,403	40.0	190,882	36.1	9,478	5.2
Public	38,750	8.6	52,740	10.0	13,990	36.1
Private	231,702	51.1	284,970	53.9	53,268	23.0
Domestic	270,452	59.7	337,711	63.9	67,258	24.9
Overseas	1,217	0.3	0	0.0	(1,217)	(100.0)
Building construction	271,670	60.0	337,711	63.9	66,041	24.3
Public	97,367	21.5	134,062	25.4	36,694	37.7
Private	354,488	78.2	394,531	74.6	40,042	11.3
Domestic	451,856	99.7	528,593	100.0	76,737	17.0
Overseas	1,217	0.3	0	0.0	(1,217)	(100.0)
Carried-forward—Total	453,074	100	528,593	100	75,519	16.7

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

FY2022 1st Quarter : Increased by 88 million yen FY2023 1st Quarter : Increased by 35 million yen

(2) Financial Highlights

Consolidated

(100 millions of yen)

(Operating Results)

	A FY2022 1st Quarter	B FY2023 1st Quarter	B - A	
				%
Net sales	917	909	(8)	(0.8)
Gross profit	56	58	2	3.5
(Ratio)	6.1%	6.4%	0.3%	
SG&A expenses	51	54	3	
Operating profit	5	4	(1)	(18.7)
(Ratio)	0.6%	0.5%	(0.1)%	
Non-operating income - net	3	1	(2)	
Ordinary profit	8	5	(2)	(32.1)
Extraordinary income - net	1	(1)	(3)	
Profit before income taxes	9	4	(5)	(56.9)
Income taxes and others	3	3	0	
Profit attributable to owners of parent	6	1	(5)	(88.1)

(Forecasts of Operating Results for Full year)

	C FY2022 Result	D FY2023 (Forecasts)	D - C	
				%
	4,035	4,331	296	7.3
	332	378	46	13.8
	8.2%	8.7%	0.5%	
	217	226	9	
	115	152	37	32.4
	2.8%	3.5%	0.7%	
	8	5	(3)	
	122	157	35	28.3
	(2)	(1)	1	
	120	156	36	29.7
	41	52	11	
	80	104	24	30.4

Nonconsolidated

(Operating Results)

	A FY2022 1st Quarter	B FY2023 1st Quarter	B - A	
				%
Civil engineering	167	163	(4)	
Building construction	210	490	280	
Domestic	376	653	276	
Overseas	0	0	(0)	
Orders received	377	653	276	73.2
Civil engineering	190	205	15	
Building construction	508	507	(1)	
Domestic	698	712	14	
Overseas	4	4	(0)	
Net sales	701	715	14	2.0
Civil engineering	9	12	3	
(Ratio)	4.9%	6.0%	1.1%	
Building construction	33	32	(1)	
(Ratio)	6.4%	6.3%	(0.1)%	
Domestic	42	44	2	
(Ratio)	6.0%	6.2%	0.2%	
Overseas	(1)	0	1	
(Ratio)	(22.5)%	2.2%	24.7%	
Gross profit	41	44	3	7.9
(Ratio)	5.9%	6.2%	0.3%	
SG&A expenses	38	41	3	
Operating profit	3	3	0	2.6
(Ratio)	0.5%	0.5%	0.0%	
Non-operating income - net	17	12	(6)	
Ordinary profit	21	15	(5)	(26.4)
Extraordinary income - net	1	(1)	(2)	
Profit before income taxes	21	14	(7)	(34.1)
Income taxes and others	3	3	1	
Profit	19	11	(8)	(43.3)

(Forecasts of Operating Results for Full year)

	C FY2022 Result	D FY2023 (Forecasts)	D - C	
				%
	1,013	1,100	87	
	2,472	2,450	(22)	
	3,485	3,550	65	
	1	180	179	
	3,486	3,730	244	7.0
	899	900	1	
	2,081	2,200	119	
	2,980	3,100	120	
	13	10	(3)	
	2,993	3,110	117	3.9
	85	90	5	
	9.4%	10.0%	0.6%	
	160	178	18	
	7.7%	8.1%	0.4%	
	244	268	24	
	8.2%	8.6%	0.4%	
	1	1	(0)	
	8.7%	10.0%	1.3%	
	246	269	23	9.5
	8.2%	8.6%	0.4%	
	165	169	4	
	80	100	20	24.3
	2.7%	3.2%	0.5%	
	21	14	(7)	
	102	114	12	12.3
	(2)	0	2	
	99	114	15	14.9
	29	36	7	
	70	78	8	11.5