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## Consolidated Financial Results for the Year Ended March 31, 2023 [Japanese GAAP]

May 10, 2023

Company name: TOKYU CONSTRUCTION CO., LTD.  
 Stock exchange listing: Tokyo  
 Code number: 1720  
 URL: <https://www.tokyu-cnst.co.jp/>  
 Representative: Mitsuhiro Terada, Representative Director, President  
 Contact: Atsumoto Koike, General Manager, Finance Department  
 Phone: 03(5466)5061  
 Scheduled date of Annual General Meeting of Shareholders: June 27, 2023  
 Scheduled date of commencing dividend payments: June 28, 2023  
 Scheduled date of filing annual securities report: June 28, 2023  
 Availability of supplementary briefing material on annual financial results: Yes  
 Schedule of annual financial results briefing session: Yes

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

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

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2023	288,867	11.9	5,107	-	5,020	-	5,245	-
March 31, 2022	258,083	11.5	(6,078)	-	(5,132)	-	(7,459)	-

(Note) Comprehensive income: Fiscal year ended March 31, 2023: ¥ 5,131 million [-%]  
 Fiscal year ended March 31, 2022: ¥ (7,913) million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2023	49.99	-	5.6	2.1	1.8
March 31, 2022	(71.26)	-	(7.6)	(2.2)	(2.4)

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2023: ¥ 240 million  
 Fiscal year ended March 31, 2022: ¥ 827 million

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	249,164	96,020	38.2	905.99
March 31, 2022	237,811	93,064	38.9	883.11

(Reference) Equity: As of March 31, 2023: ¥ 95,248 million  
 As of March 31, 2022: ¥ 92,490 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 the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2023	20,392	2,398	(2,762)	58,714
March 31, 2022	12,201	(476)	(7,531)	38,648

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2022	-	20.00	-	5.00	25.00	2,626	-	2.7
March 31, 2023	-	18.00	-	18.00	36.00	3,824	72.0	4.0
Fiscal year ending March 31, 2024 (Forecast)	-	18.00	-	18.00	36.00		94.6	

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	307,000	6.3	5,300	3.8	6,200	23.5	4,000	(23.7)	38.05

### \* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name: )  
Exclusion: - (Company name: )

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

- 1) Changes in accounting policies due to the revision of accounting standards: No
- 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, 2023: 106,761,205 shares  
March 31, 2022: 106,761,205 shares

2) Number of treasury shares at the end of the period:

March 31, 2023: 1,629,392 shares  
March 31, 2022: 2,029,142 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2023: 104,934,925 shares  
Fiscal Year ended March 31, 2022: 104,677,477 shares

Note: The number of shares of treasury stock included the shares held by TOKYU CONSTRUCTION Employee Ownership Association Trust and BIP Trust.

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

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

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2023	261,529	7.6	4,398	-	4,426	-	3,825	-
March 31, 2022	243,025	12.4	(6,875)	-	(6,314)	-	(7,494)	-

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2023	36.46	-
March 31, 2022	(71.60)	-

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2023	222,959	79,560	35.7	756.77
March 31, 2022	216,561	78,886	36.4	753.23

(Reference) Equity: As of March 31, 2023: ¥ 79,560 million  
As of March 31, 2022: ¥ 78,886 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

Full year	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	275,000	5.2	3,300	(25.0)	3,500	(20.9)	2,300	(39.9)	21.82

※This document is out of the scope of the quarterly review procedures.

Note: Request for appropriate use of the business outlook and other special remarks:

The forecasts given above are based on information currently available and certain premises regarded as reasonable, and do not include any intent that the company will guarantee its achievement. The actual business result is inherently subject to a variety of risks and uncertainties, and may vary significantly from forecast due to factors including, but not limited to, changes in the economic or business environment and exchange rate fluctuations.

## Consolidated Financial Statements

## Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	38,648	58,714
Notes receivable, accounts receivable from completed construction contracts and other	115,860	113,448
Securities	-	1
Costs on construction contracts in progress	6,981	7,667
Costs on real estate business	2	1,034
Real estate for sale	3,801	21
Raw materials and supplies	53	55
Other	8,695	7,035
Allowance for doubtful accounts	(78)	(85)
Total current assets	173,963	187,892
Non-current assets		
Property, plant and equipment		
Buildings and structures	11,783	10,891
Machinery, vehicles, tools, furniture and fixtures	4,170	3,808
Land	20,636	19,336
Leased assets	421	391
Accumulated depreciation	(7,336)	(7,206)
Total property, plant and equipment	29,675	27,220
Intangible assets	1,390	1,480
Investments and other assets		
Investment securities	30,171	28,837
Long-term loans receivable	26	6
Deferred tax assets	130	1,282
Other	2,453	2,444
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	32,782	32,571
Total non-current assets	63,847	61,271
Total assets	237,811	249,164

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	48,699	44,324
Electronically recorded obligations - operating	14,131	21,175
Short-term borrowings	97	20,083
Lease liabilities	92	99
Income taxes payable	1,651	2,276
Advances received on construction contracts in progress	14,536	16,736
Deposits received - real estate business	37	18
Provision for warranties for completed construction	6,625	8,003
Provision for loss on construction contracts	8,777	10,341
Provision for bonuses	2,047	2,602
Provision for losses on sales of shares of subsidiaries and associates	105	-
Deposits received	16,566	15,372
Other	1,637	3,710
Total current liabilities	115,004	144,743
Non-current liabilities		
Long-term borrowings	22,334	1,887
Lease liabilities	134	140
Deferred tax liabilities	141	-
Provision for share awards for directors (and other officers)	46	27
Provision for loss on real estate business and other	5,139	4,883
Retirement benefit liability	697	572
Asset retirement obligations	254	181
Other	994	708
Total non-current liabilities	29,742	8,400
<b>Total liabilities</b>	<b>144,747</b>	<b>153,144</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	16,354	16,354
Capital surplus	4,089	4,093
Retained earnings	67,309	70,112
Treasury shares	(1,282)	(1,019)
Total shareholders' equity	86,471	89,541
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,087	5,284
Foreign currency translation adjustment	11	269
Remeasurements of defined benefit plans	(80)	153
Total accumulated other comprehensive income	6,018	5,707
Non-controlling interests	574	771
<b>Total net assets</b>	<b>93,064</b>	<b>96,020</b>
<b>Total liabilities and net assets</b>	<b>237,811</b>	<b>249,164</b>

## Consolidated Statements of Income and Comprehensive Income

## Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
<b>Net sales</b>		
Net sales of completed construction contracts	255,547	278,776
Net sales in real estate business and other	2,536	10,091
<b>Total net sales</b>	<b>258,083</b>	<b>288,867</b>
<b>Cost of sales</b>		
Cost of sales of completed construction contracts	244,476	259,879
Cost of sales in real estate business and other	3,891	7,109
<b>Total cost of sales</b>	<b>248,367</b>	<b>266,988</b>
<b>Gross profit</b>		
Gross profit on completed construction contracts	11,071	18,897
Gross profit (loss) on real estate business and other	(1,354)	2,981
<b>Total gross profit</b>	<b>9,716</b>	<b>21,879</b>
<b>Selling, general and administrative expenses</b>	<b>15,794</b>	<b>16,771</b>
<b>Operating profit (loss)</b>	<b>(6,078)</b>	<b>5,107</b>
<b>Non-operating income</b>		
Interest income	22	16
Dividend income	172	171
Foreign exchange gains	256	-
Share of profit of entities accounted for using equity method	827	240
Other	132	95
<b>Total non-operating income</b>	<b>1,411</b>	<b>523</b>
<b>Non-operating expenses</b>		
Interest expenses	168	140
Foreign exchange losses	-	71
Administrative expenses for investment partnerships	20	125
Provision for loss on sales of shares of subsidiaries and associates	105	-
Other	171	275
<b>Total non-operating expenses</b>	<b>465</b>	<b>611</b>
<b>Ordinary profit (loss)</b>	<b>(5,132)</b>	<b>5,020</b>
<b>Extraordinary income</b>		
Gain on sale of non-current assets	418	-
Gain on sale of investment securities	-	2,738
<b>Total extraordinary income</b>	<b>418</b>	<b>2,738</b>
<b>Extraordinary losses</b>		
Loss on retirement of non-current assets	40	-
Loss on sale of investment securities	49	-
Loss on valuation of investment securities	39	-
Impairment losses	21	47
<b>Total extraordinary losses</b>	<b>151</b>	<b>47</b>
<b>Profit (loss) before income taxes</b>	<b>(4,864)</b>	<b>7,711</b>
<b>Income taxes - current</b>	<b>2,298</b>	<b>3,314</b>
<b>Income taxes - deferred</b>	<b>239</b>	<b>(1,043)</b>
<b>Total income taxes</b>	<b>2,537</b>	<b>2,271</b>
<b>Profit (loss)</b>	<b>(7,402)</b>	<b>5,439</b>
<b>Profit attributable to non-controlling interests</b>	<b>56</b>	<b>194</b>
<b>Profit (loss) attributable to owners of parent</b>	<b>(7,459)</b>	<b>5,245</b>

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Profit (loss)	(7,402)	5,439
Other comprehensive income		
Valuation difference on available-for-sale securities	(981)	(976)
Foreign currency translation adjustment	94	68
Remeasurements of defined benefit plans, net of tax	177	249
Share of other comprehensive income of entities accounted for using equity method	198	350
Total other comprehensive income	(510)	(308)
Comprehensive income	(7,913)	5,131
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(7,967)	4,934
Comprehensive income attributable to non-controlling interests	53	197

## Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	16,354	3,893	77,344	(1,154)	96,437
Changes during period					
Dividends of surplus			(3,142)		(3,142)
Profit (loss) attributable to owners of parent			(7,459)		(7,459)
Purchase of treasury shares				(937)	(937)
Disposal of treasury shares		189		809	999
Purchase of shares of consolidated subsidiaries		6			6
Change of scope of equity method			567		567
Net changes in items other than shareholders' equity					
Total changes during period	-	196	(10,034)	(127)	(9,965)
Balance at end of period	16,354	4,089	67,309	(1,282)	86,471

	Accumulated other comprehensive income				Non-controlling interests	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	7,153	(81)	(545)	6,526	545	103,509
Changes during period						
Dividends of surplus						(3,142)
Profit (loss) attributable to owners of parent						(7,459)
Purchase of treasury shares						(937)
Disposal of treasury shares						999
Purchase of shares of consolidated subsidiaries						6
Change of scope of equity method						567
Net changes in items other than shareholders' equity	(1,066)	92	465	(507)	28	(479)
Total changes during period	(1,066)	92	465	(507)	28	(10,444)
Balance at end of period	6,087	11	(80)	6,018	574	93,064



For the fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	16,354	4,089	67,309	(1,282)	86,471
Changes during period					
Dividends of surplus			(2,443)		(2,443)
Profit (loss) attributable to owners of parent			5,245		5,245
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		3		264	267
Purchase of shares of consolidated subsidiaries		0			0
Net changes in items other than shareholders' equity					
Total changes during period	-	3	2,802	263	3,069
Balance at end of period	16,354	4,093	70,112	(1,019)	89,541

	Accumulated other comprehensive income				Non-controlling interests	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	6,087	11	(80)	6,018	574	93,064
Changes during period						
Dividends of surplus						(2,443)
Profit (loss) attributable to owners of parent						5,245
Purchase of treasury shares						(0)
Disposal of treasury shares						267
Purchase of shares of consolidated subsidiaries						0
Net changes in items other than shareholders' equity	(803)	258	233	(311)	197	(113)
Total changes during period	(803)	258	233	(311)	197	2,956
Balance at end of period	5,284	269	153	5,707	771	96,020

## Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	(4,864)	7,711
Depreciation	1,338	1,203
Impairment losses	21	47
Amortization of goodwill	40	45
Increase (decrease) in allowance for doubtful accounts	30	6
Increase (decrease) in provision for warranties for completed construction	1,875	1,377
Increase (decrease) in provision for loss on construction contracts	6,973	1,564
Increase (decrease) in provision for bonuses	245	555
Increase (decrease) in provision for loss on real estate business and other	939	(256)
Increase in defined benefit asset or liability	(2)	(149)
Interest and dividend income	(194)	(187)
Interest expenses	168	140
Share of loss (profit) of entities accounted for using equity method	(827)	(240)
Loss (gain) on sale of investment securities	49	(2,738)
Loss (gain) on valuation of investment securities	39	-
Provision of allowance for loss on sales of shares of subsidiaries and associates	105	-
Loss (gain) on sale of shares of subsidiaries and associates	-	24
Loss on retirement of non-current assets	40	11
Loss (gain) on sale of non-current assets	(418)	-
Decrease (increase) in trade receivables	(21,742)	2,412
Decrease (increase) in costs on construction contracts in progress	11,007	(676)
Decrease (increase) in inventories	5	2,741
Decrease (increase) in accounts receivable - other	(94)	3,771
Decrease (increase) in advances paid	1,536	(1,071)
Increase (decrease) in trade payables	11,213	2,662
Increase (decrease) in accounts payable - other	(294)	1,849
Increase (decrease) in advances received on construction contracts in progress	1,170	2,181
Increase (decrease) in deposits received	1,706	(1,192)
Other, net	912	986
<b>Subtotal</b>	<b>10,981</b>	<b>22,779</b>
Interest and dividends received	635	481
Interest paid	(170)	(149)
Income taxes paid	(855)	(2,718)
Income taxes refund	1,610	-
<b>Net cash provided by (used in) operating activities</b>	<b>12,201</b>	<b>20,392</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(1,958)	(665)
Proceeds from sale of property, plant and equipment and intangible assets	2,150	-
Purchase of investment securities	(766)	(763)
Proceeds from sale of investment securities	81	3,721
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	-	84
Other, net	16	21
<b>Net cash provided by (used in) investing activities</b>	<b>(476)</b>	<b>2,398</b>

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(5,106)	(14)
Proceeds from long-term borrowings	936	-
Repayments of long-term borrowings	(152)	(446)
Net decrease (increase) in treasury shares	61	267
Dividends paid	(3,142)	(2,443)
Repayments of lease liabilities	(99)	(66)
Other, net	(28)	(59)
Net cash provided by (used in) financing activities	(7,531)	(2,762)
Effect of exchange rate change on cash and cash equivalents	280	37
Net increase (decrease) in cash and cash equivalents	4,474	20,066
Cash and cash equivalents at beginning of period	34,173	38,648
Cash and cash equivalents at end of period	38,648	58,714

## Non-consolidated Financial Statements

## Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	32,354	52,457
Notes receivable - trade	1,381	287
Accounts receivable from completed construction contracts	108,787	102,744
Accounts receivable - real estate business	141	99
Securities	-	1
Costs on construction contracts in progress	6,382	7,323
Costs on real estate business	2	1,018
Real estate for sale	3,801	21
Raw materials and supplies	18	19
Prepaid expenses	387	403
Other	8,175	6,414
Allowance for doubtful accounts	(99)	(70)
<b>Total current assets</b>	<b>161,333</b>	<b>170,719</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings	10,929	10,439
Accumulated depreciation	(3,093)	(3,461)
Buildings, net	7,835	6,978
Structures	220	239
Accumulated depreciation	(182)	(186)
Structures, net	37	52
Machinery and equipment	1,295	1,253
Accumulated depreciation	(1,075)	(1,088)
Machinery and equipment, net	219	165
Vehicles	70	54
Accumulated depreciation	(65)	(49)
Vehicles, net	5	4
Tools, furniture and fixtures	2,206	2,185
Accumulated depreciation	(1,961)	(1,959)
Tools, furniture and fixtures, net	244	226
Land	20,535	19,231
Leased assets	253	226
Accumulated depreciation	(152)	(74)
Leased assets, net	101	152
<b>Total property, plant and equipment</b>	<b>28,980</b>	<b>26,812</b>
<b>Intangible assets</b>		
Software	874	983
Leased assets	32	24
Other	90	90
<b>Total intangible assets</b>	<b>996</b>	<b>1,097</b>

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Investments and other assets</b>		
Investment securities	16,983	14,875
Shares of subsidiaries and associates	4,242	3,736
Investments in other securities of subsidiaries and associates	586	828
Long-term loans receivable from employees	11	6
Long-term loans receivable from subsidiaries and associates	564	849
Long-term prepaid expenses	22	12
Deferred tax assets	1,014	2,377
Other	2,282	2,265
Allowance for doubtful accounts	(456)	(621)
<b>Total investments and other assets</b>	<b>25,250</b>	<b>24,329</b>
<b>Total non-current assets</b>	<b>55,227</b>	<b>52,239</b>
<b>Total assets</b>	<b>216,561</b>	<b>222,959</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable - trade	2,461	2,429
Electronically recorded obligations - operating	14,276	21,324
Accounts payable for construction contracts	42,733	36,514
Accounts payable - real estate business	95	20
Short-term borrowings	-	20,000
Lease liabilities	51	58
Accounts payable - other	1,074	2,928
Accrued expenses	381	481
Income taxes payable	1,459	1,576
Advances received on construction contracts in progress	13,542	16,543
Deposits received - real estate business	-	2
Deposits received	16,611	15,148
Unearned revenue	54	50
Provision for warranties for completed construction	6,625	7,106
Provision for loss on construction contracts	8,772	9,473
Provision for bonuses	1,927	2,498
<b>Total current liabilities</b>	<b>110,067</b>	<b>136,157</b>
<b>Non-current liabilities</b>		
Long-term borrowings	20,905	658
Lease liabilities	94	135
Provision for retirement benefits	200	413
Provision for share awards for directors (and other officers)	46	27
Provision for loss on real estate business and other	5,139	4,883
Provision for loss on business of subsidiaries and associates	-	181
Asset retirement obligations	177	181
Other	1,044	759
<b>Total non-current liabilities</b>	<b>27,607</b>	<b>7,241</b>
<b>Total liabilities</b>	<b>137,674</b>	<b>143,398</b>

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Net assets		
Shareholders' equity		
Share capital	16,354	16,354
Capital surplus		
Legal capital surplus	3,893	3,893
Other capital surplus	189	193
Total capital surplus	4,083	4,087
Retained earnings		
Legal retained earnings	194	194
Other retained earnings		
Reserve for tax purpose reduction to promote open innovation	-	74
Retained earnings brought forward	54,067	55,376
Total retained earnings	54,262	55,645
Treasury shares	(1,282)	(1,019)
Total shareholders' equity	73,418	75,068
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	5,468	4,492
Total valuation and translation adjustments	5,468	4,492
Total net assets	78,886	79,560
Total liabilities and net assets	216,561	222,959

## Non-consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
<b>Net sales</b>		
Net sales of completed construction contracts	241,294	252,377
Net sales in real estate business and other	1,731	9,151
Total net sales	243,025	261,529
<b>Cost of sales</b>		
Cost of sales of completed construction contracts	231,692	235,148
Cost of sales in real estate business and other	3,224	6,317
Total cost of sales	234,916	241,465
<b>Gross profit</b>		
Gross profit on completed construction contracts	9,601	17,229
Gross profit (loss) on real estate business and other	(1,492)	2,833
Total gross profit	8,108	20,063
<b>Selling, general and administrative expenses</b>		
Remuneration for directors (and other officers)	232	188
Employees' salaries and allowances	5,095	5,328
Provision for bonuses	574	748
Retirement payments	34	16
Retirement benefit expenses	302	313
Legal welfare expenses	970	999
Welfare expenses	310	326
Repair and maintenance expenses	36	40
Stationery expenses	614	712
Communication and transportation expenses	414	521
Power utilities expenses	19	23
Research study expenses	1,092	1,028
Advertising expenses	93	101
Provision of allowance for doubtful accounts	30	(14)
Entertainment expenses	170	251
Donations	24	41
Rent expenses on land and buildings	926	965
Depreciation	373	318
Taxes and dues	522	593
Insurance expenses	20	26
Miscellaneous expenses	3,126	3,135
Total selling, general and administrative expenses	14,984	15,665
Operating profit (loss)	(6,875)	4,398

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
<b>Non-operating income</b>		
Interest income	13	21
Interest on securities	0	0
Dividend income	613	464
Gain on sale of investment securities	6	-
Foreign exchange gains	252	-
Other	80	94
Total non-operating income	966	581
<b>Non-operating expenses</b>		
Interest expenses	150	135
Foreign exchange losses	-	62
Loss on investments in investment partnerships	24	166
Other	230	187
Total non-operating expenses	405	552
Ordinary profit (loss)	(6,314)	4,426
<b>Extraordinary income</b>		
Gain on sale of non-current assets	418	-
Gain on sale of investment securities	-	2,738
Total extraordinary income	418	2,738
<b>Extraordinary losses</b>		
Loss on retirement of non-current assets	37	-
Loss on sale of investment securities	49	-
Loss on valuation of investment securities	136	490
Loss on valuation of securities of subsidiaries and affiliates	-	648
Provision of allowance for doubtful accounts	-	621
Provision for loss on business of subsidiaries and associates	-	181
Impairment losses	19	47
Total extraordinary losses	243	1,989
Profit (loss) before income taxes	(6,138)	5,175
Income taxes - current	1,912	2,358
Income taxes - deferred	(556)	(1,008)
Total income taxes	1,356	1,349
Profit (loss)	(7,494)	3,825



## Non-consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity							Valuation and translation adjustments	Total net assets
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders equity	Valuation difference on available-for-sale securities	
		Legal capital surplus	Other capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward				
Balance at beginning of period	16,354	3,893	-	194	64,705	(1,154)	83,993	6,448	90,442
Changes during period									
Dividends of surplus					(3,142)		(3,142)		(3,142)
Profit (loss)					(7,494)		(7,494)		(7,494)
Purchase of treasury shares						(937)	(937)		(937)
Disposal of treasury shares			189			809	999		999
Net changes in items other than shareholders' equity								(980)	(980)
Total changes during period	-	-	189	-	(10,637)	(127)	(10,575)	(980)	(11,555)
Balance at end of period	16,354	3,893	189	194	54,067	(1,282)	73,418	5,468	78,886

For the fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity								Valuation and translation adjustments	Total net assets
	Share capital	Capital surplus		Retained earnings			Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	
		Legal capital surplus	Other capital surplus	Legal retained earnings	Reserve for tax purpose reduction to promote open innovation	Retained earnings brought forward				
Balance at beginning of period	16,354	3,893	189	194	-	54,067	(1,282)	73,418	5,468	78,886
Changes during period										
Dividends of surplus						(2,443)		(2,443)		(2,443)
Provision of reserve for reserve for tax purpose reduction to promote open innovation					74	(74)		-		-
Profit (loss)						3,825		3,825		3,825
Purchase of treasury shares							(0)	(0)		(0)
Disposal of treasury shares			3				264	267		267
Net changes in items other than shareholders' equity									(976)	(976)
Total changes during period	-	-	3	-	74	1,308	263	1,649	(976)	673
Balance at end of period	16,354	3,893	193	194	74	55,376	(1,019)	75,068	4,492	79,560