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Consolidated Financial Results for the Year Ended March 31, 2025 [Japanese GAAP]

May 14, 2025

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 Listing: Tokyo Stock Exchange
 Securities code: 1833
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 Scheduled date of annual general meeting of shareholders: June 27, 2025
 Scheduled date to commence dividend payments: June 30, 2025
 Scheduled date to file annual securities report: June 27, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	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, 2025	298,222	3.5	9,731	(29.0)	8,926	(40.0)	2,722	(78.2)
March 31, 2024	288,146	15.5	13,708	15.7	14,878	15.3	12,493	10.9

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ (6,374) million [-%]
 Fiscal year ended March 31, 2024: ¥ 26,897 million [137.3%]

	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
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	74.01	-	1.5	2.3	3.3
March 31, 2024	339.30	-	6.9	4.1	4.8

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: ¥ - million
 Fiscal year ended March 31, 2024: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	393,466	172,455	45.1	4,894.08
March 31, 2024	384,750	191,573	49.0	5,123.61

(Reference) Equity: As of March 31, 2025: ¥ 177,285 million
 As of March 31, 2024: ¥ 188,691 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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	(11,828)	(1,492)	12,070	27,440
March 31, 2024	(17,139)	1,458	(4,304)	28,917

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, 2024	-	77.00	-	160.00	237.00	8,793	70.4	4.9
March 31, 2025	-	113.00	-	103.00	216.00	7,953	292.1	4.3
Fiscal year ending March 31, 2026 (Forecast)	-	110.00	-	110.00	220.00		70.4	

Note: The total amount of dividends includes dividends on the Company's shares held in the trust account of Employee Share Award Plan (¥59 million and ¥65 million in the fiscal years ended March 31, 2025 and 2024, respectively). The payout ratio is calculated by dividing the total amount of dividends by profit attributable to owners of parent, while the dividend on net assets ratio is calculated by dividing the total amount of dividends by the average amount of consolidated net assets during the period. Please refer to "1. Overview of Operating Results, etc. (5) Basic Policy on Distribution of Profits and Dividends for the Year under Review and the Following Year" on page 6 of the Attachment for details of the status of dividends.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	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	298,500	0.1	10,800	11.0	12,700	42.3	11,300	315.0	315.04

* Notes:

(1) Significant changes in the scope of consolidation during the period:

None

Newly included: - (Company name:)

Excluded: - (Company name:)

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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(3) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2025: 38,665,226 shares

March 31, 2024: 38,665,226 shares

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

March 31, 2025: 2,440,729 shares

March 31, 2024: 1,837,409 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2025: 36,791,922 shares

Fiscal Year ended March 31, 2024: 36,820,129 shares

Note: The Company has introduced the Employee Share Award Plan. Shares of the Company held in the plan's trust account are included in the number of treasury shares at the end of the period (273,700 shares and 275,000 shares as of March 31, 2025 and 2024, respectively). Shares of the Company held in the plan's trust account are also included in the number of treasury shares deducted when calculating the average number of shares outstanding during the period (274,225 shares and 275,000 shares in the fiscal years ended March 31, 2025 and 2024, respectively).

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

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, 2025	290,359	5.8	13,416	3.9	13,910	(6.6)	6,956	(44.7)
March 31, 2024	274,460	13.3	12,918	6.9	14,895	7.4	12,568	6.8

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2025	189.08	-
March 31, 2024	341.35	-

(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, 2025	360,065	169,795	47.2	4,687.32
March 31, 2024	342,384	180,119	52.6	4,890.84

(Reference) Equity: As of March 31, 2025: ¥ 169,795 million

As of March 31, 2024: ¥ 180,119 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

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
	292,000	0.6	13,200	(1.6)	13,800	(0.8)	11,500	65.3	320.62

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

At the meeting of the Board of Directors held on February 12, 2025, the Company resolved on matters concerning the purchase of treasury shares based on the provisions of Article 156 of the Companies Act as applied mutatis mutandis pursuant to Article 165, Paragraph 3 of the Companies Act. The amounts shown in “Fiscal year ending March 31, 2026 (Forecast)” under “2. Dividends” and “Basic earnings per share” under “3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026” and “[Reference] Overview of non-consolidated financial results 2. Non-consolidated financial result forecasts for the fiscal year ending March 31, 2026” take into account the effect of this purchase of treasury shares.

The performance forecasts and other forward-looking statements contained in this document are based on information available at the time of publication and certain assumptions considered reasonable by the Company. The Company does not provide any guarantee that these forecasts will be achieved, and actual results may differ significantly due to various factors. Please refer to “1. Overview of Operating Results, etc. (4) Future Outlook” on page 5 of the Attachment for details of the conditions assumed in the financial results forecast and precautions regarding the use of the financial results forecast.

The Company plans to hold a financial results briefing for analysts and institutional investors on Thursday, May 15, 2025. The materials used in this briefing will be posted on the Company’s website today (in Japanese only).

The Company’s FACT BOOK (financial results supplementary materials) will be disclosed through TDnet and posted on the Company’s website today.

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1. Overview of Operating Results, etc.

(Results and Impact of the Investigation by the Internal Investigation Committee)

As disclosed on October 24, 2024, in “Notice Concerning the Establishment of an Internal Investigation Committee” (in Japanese), an incident of improper cost management (hereinafter the “Incident”) has come to light in which costs incurred in a construction project contracted to the Company were not recorded under the relevant construction project but transferred to another project (cost reassignment). The Company therefore established an internal investigation committee composed primarily of external experts for purposes including determining the facts of the Incident, checking for any similar incidents, clarifying the causes, and formulating measures to prevent any recurrence. The committee proceeded to engage in investigations.

As disclosed on January 15, 2025, in “Notice Concerning the Receipt of the Investigation Report by the Internal Investigation Committee and the Establishment of Measures to Prevent Recurrence” (in Japanese), the Company received the report of the internal investigation committee on January 15, 2025. The Company has examined the committee’s findings, together with recommendations for preventive measures based on the analysis of the facts and causes, very earnestly. At the meeting of the Board of Directors held the same day, the Company resolved to implement measures to prevent recurrence, while also deciding to reduce executive compensation to clarify management responsibility.

As the Incident has no material impact on past consolidated financial statements, the Company has decided not to amend its annual securities reports, quarterly securities reports, internal control reports, or consolidated financial results disclosures for prior periods. Please refer to “3. Consolidated Financial Statements and Principal Notes (5) Notes to Consolidated Financial Statements (Additional information) (Impact of improper cost management)” for the impact on the consolidated financial statements for the fiscal year ended March 31, 2025.

The Company regards this matter very seriously and will work to restore the trust of its shareholders and other stakeholders by steadily implementing these measures to prevent recurrence and further strengthening compliance through guidance and training for officers and employees.

(1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year ended March 31, 2025 (the “fiscal year under review”), the Japanese economy continued to recover moderately amid progressive improvements in the employment and income environment, with an upturn in capital investment and an increase in inbound demand.

The construction industry faced a difficult business environment, due partly to the upward pressure on construction costs due to factors such as persistently high material and equipment prices and the tight supply of labor, despite strong construction investment in both the public and private sectors.

At the Group, net sales increased by 3.5% year on year to ¥298,222 million, due mainly to steady progress in the Building Business on projects carried over from the previous fiscal year.

Gross profit increased year on year in Building, with the completion of large-scale, high-profit projects. However, gross profit decreased in Civil Engineering, due mainly to the impact of recording a substantial provision for loss on construction contracts, as soaring construction material and equipment prices and labor expenses led to higher total estimated costs in specific large-scale projects in Japan, with no prospect of an improvement in profitability. Gross profit fell significantly in Investment Development, etc., due primarily to the explosion that occurred in the power generation equipment at ISHIKARI BIO ENERGY GODO KAISHA, a consolidated subsidiary of the Company, in July 2024, resulting in the suspension of commercial operation and an increase in expenses required to maintain and manage the power generation equipment. As a result, the Group’s operating profit decreased by 29.0% year on year to ¥9,731 million. Non-operating expenses included losses on the mark-to-market valuation of forward exchange contracts concluded to hedge the risk of foreign exchange rate fluctuations in fuel purchase transactions by ISHIKARI BIO ENERGY GODO KAISHA. This was partially responsible for a 40.0% decline in ordinary profit, to ¥8,926 million. The Company also recorded extraordinary losses, including impairment losses on the non-current assets held by ISHIKARI BIO ENERGY GODO KAISHA, reducing the book value of these assets to the estimated future recoverable amount, resulting in a decrease of 78.2% in profit attributable to owners of parent to ¥2,722 million.

As a result of several careful discussions with the Accounting Auditor, Deloitte Touche Tohmatsu LLC, regarding the interpretation of cash flow arising from forward exchange contracts under the Accounting Standard for Impairment of Fixed Assets, it was concluded that the Company should record impairment losses associated with explosion at ISHIKARI BIO ENERGY GODO KAISHA as extraordinary losses.

After the explosion, ISHIKARI BIO ENERGY GODO KAISHA established an accident investigation committee with the participation of outside experts. The committee has investigated and analyzed the causes of the accident, compiled measures to prevent recurrence, and is currently working toward restarting operations. The Company believes that the business of ISHIKARI BIO ENERGY GODO KAISHA is potentially profitable in the long term, and after the restart of operations, operating profit is expected to improve significantly due to the decrease in depreciation expenses resulting from the impairment losses recorded this time. This, in turn, will boost the Group's performance.

Operating results by segment are as follows.

(Civil Engineering)

Net sales decreased by 4.0% year on year to ¥99,024 million. While the profitability of the backlog of projects from the previous fiscal year improved with orders awarded for additional work overall, substantial losses were incurred on specific large-scale projects in Japan. As a result, operating profit decreased by 50.6% to ¥4,722 million.

Orders received increased by 82.2% year on year to ¥192,888 million due mainly to orders for large-scale projects overseas.

(Building)

Net sales increased by 12.3% year on year to ¥185,551 million due to progress largely as planned on the backlog of projects from the previous fiscal year. Operating profit increased by 624.3% to ¥6,623 million due mainly to orders awarded for additional work overall and higher profitability resulting from lower costs, in addition to the completion of large-scale high-profitability projects.

Orders received decreased by 20.5% year on year to ¥183,756 million.

(Investment Development)

The Investment Development Business comprises business related to the sale and leasing of real estate and the renewable energy business. Net sales decreased by 44.6% year on year to ¥7,875 million, and the segment recorded an operating loss of ¥2,109 million (compared to an operating profit of ¥2,605 million in the previous fiscal year). The decline in operating profit was mainly due to a decrease in net sales associated with the suspension of commercial operation by ISHIKARI BIO ENERGY GODO KAISHA, a consolidated subsidiary, as well as costs incurred to investigate the cause of the explosion and maintenance and management expenses for the power generation equipment.

(Other)

Other business refers to the manufacture and sale of construction machinery, equipment, etc. Net sales increased by 3.2% year on year to ¥5,771 million, and operating profit decreased by 25.9% to ¥455 million.

(2) Overview of Financial Position for the Fiscal Year under Review

(Assets)

Current assets amounted to ¥241,135 million, an increase of ¥20,717 million from the end of the previous fiscal year. This was due mainly to an increase in notes receivable, accounts receivable from completed construction contracts and other, despite a decrease in cash and deposits.

Non-current assets amounted to ¥152,330 million, a decrease of ¥12,001 million from the end of the previous fiscal year. This was due mainly to decreases in machinery, vehicles, tools, furniture and fixtures, and investment securities.

As a result, total assets amounted to ¥393,466 million, an increase of ¥8,716 million from the end of the previous fiscal year.

(Liabilities)

Current liabilities amounted to ¥174,967 million, an increase of ¥28,599 million from the end of the previous fiscal year. This was due mainly to increases in short-term borrowings.

Non-current liabilities amounted to ¥46,043 million, a decrease of ¥765 million from the end of the previous fiscal year. This was due mainly to a decrease in non-recourse borrowings, despite an increase in deferred tax liabilities.

As a result, total liabilities amounted to ¥221,010 million, an increase of ¥27,833 million from the end of the previous fiscal year.

(Net assets)

Total net assets amounted to ¥172,455 million, a decrease of ¥19,117 million from the end of the previous fiscal year. This was due mainly to a decrease in retained earnings resulting mainly from payment of dividends, as well as a decrease in valuation difference on available-for-sale securities.

(3) Overview of Cash Flows for the Fiscal Year under Review

Regarding cash flows during the fiscal year under review, financing activities provided net cash of ¥12,070 million, but operating activities and investing activities used net cash of ¥11,828 million and ¥1,492 million, respectively. As a result, cash and cash equivalents at end of period amounted to ¥27,440 million, a decrease of ¥1,477 million from the end of the previous fiscal year.

(Cash flows from operating activities)

Net cash used in operating activities amounted to ¥11,828 million, due mainly to an increase in trade receivables. (Net cash used in operating activities was ¥17,139 million in the previous fiscal year.)

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥1,492 million, due mainly to purchase of property, plant and equipment and intangible assets, against an increase due mainly to the sale and redemption of short-term and long-term investment securities. (Net cash provided by investing activities was ¥1,458 million in the previous fiscal year.)

(Cash flows from financing activities)

Net cash provided by financing activities amounted to ¥12,070 million, due mainly to increases in borrowings, against a decrease due to dividends paid. (Net cash used in financing activities was ¥4,304 million in the previous fiscal year.)

(Reference) Trends in cash flow indices

Year ended March 31,	2021	2022	2023	2024	2025
Equity ratio (%)	51.4	50.2	50.0	49.0	45.1
Equity ratio, based on market value (%)	33.8	32.9	33.5	48.7	39.1
Ratio of interest-bearing debt to cash flow (%)	129,402.4	194.9	222.5	–	–
Interest coverage ratio (times)	0.1	65.8	47.7	–	–

Notes: 1. The formulae for calculation of trends in cash flow indices and the numerical bases used in those calculations are as follows:

Equity ratio	Shareholders' equity / total assets
Equity ratio, based on market value	Total market value of shares / total assets * Total market value of shares = Closing share price at the balance sheet date x (number of shares issued – number of treasury shares)
Ratio of interest-bearing debt to cash flow	Interest-bearing debt / operating cash flows
Interest coverage ratio	Operating cash flows / interest expenses

“Interest-bearing debt” refers to all those debts recorded on the Consolidated Balance Sheet on which the Company pays interest.

For “operating cash flows,” cash flows from operating activities in the Consolidated Statement of Cash Flows are used. For “interest expenses,” “interest paid” in the Consolidated Statement of Cash Flows is used.

2. Ratio of interest-bearing debt to cash flow and interest coverage ratio are not stated for the fiscal years ended March 31, 2024 and March 31, 2025 as cash flows from operating activities were negative amounts in those years.

(4) Future Outlook

The Japanese economy is expected to show a gradual recovery trend backed by improvements in the employment and income environment. However, the situation will remain unpredictable, as business conditions come under pressure from rising prices and the impact of policy trends in other countries.

Construction investment is expected to remain firm in the construction industry. However, we anticipate that the business environment will remain less than optimistic amid concerns over rising construction costs.

Under these circumstances, the Group's full-year forecast for orders received in the construction business is a decrease of 25.7% year on year to ¥280,000 million. Consolidated net sales are forecast to increase by 0.1% year on year to ¥298,500 million, while operating profit is forecast to rise by 11.0% to ¥10,800 million and ordinary profit to rise by 42.3% to ¥12,700 million. Profit attributable to owners of parent is forecast to increase by 315.0% year on year to ¥11,300 million.

Valuation gains and losses on forward exchange contracts recorded by ISHIKARI BIO ENERGY GODO KAISHA, a consolidated subsidiary, are not included in non-operating income and expenses in the consolidated financial results forecast. The Company's consolidated financial result may be significantly impacted by movements in foreign exchange markets in the future.

- (5) Basic Policy on Distribution of Profits and Dividends for the Year under Review and the Following Year
The Company aims to increase medium- to long-term corporate value by working to improve return on equity (ROE), while maintaining a sound financial condition.
The Company recognizes the distribution of profits as one of the most important managerial issues, and has adopted the following shareholder return policy.

Basic Policy

To distribute profits in line with business performance and flexibly implement the purchase of treasury stock, premised on the continuation of stable dividends.

Policy during the Medium-Term Business Plan (FY2022–2024)

Consolidated payout ratio of 70% or more

(Dividend on equity (DOE)* ratio of 2.0% or more, regardless of business performance.)

* DOE = Total annual dividends (interim + year-end) / equity

During the fiscal year under review, the Company has recorded substantial extraordinary losses on both a consolidated and non-consolidated basis. However, considering the Company's strong non-consolidated financial results apart from the deterioration in profitability in specific large-scale civil engineering projects in Japan, as well as the background to these extraordinary losses and the Company's basic policy for shareholder returns, the Company plans to pay an annual dividend of ¥216 per share (consolidated payout ratio: 292.1%) for the fiscal year under review. Subtracting the interim dividend of ¥113 from this amount, the year-end dividend will be ¥103.

Regarding dividends for the next fiscal year, based on the Group's environment and the "Vision toward 2030" announced in April 2019, the Company has revised its shareholder return policy for the period of the Medium-Term Business Plan (FY2025–2027), beginning in the fiscal year ending March 31, 2026, as described below. The Company plans to pay an annual dividend of ¥220 per share (including an interim dividend of ¥110 per share). The consolidated payout ratio of the annual dividend of ¥220 will be 70.4% against the full-year financial results forecast.

Basic Policy

To distribute profits in line with business performance and flexibly implement the purchase of treasury stock, premised on the continuation of stable dividends.

Policy during the Medium-Term Business Plan (FY2025–2027)

Consolidated payout ratio*¹ of 70% or more

(Dividend on equity (DOE)*² ratio of 2.0% or more, regardless of business performance.)

*1: Consolidated payout ratio = Total annual dividends (interim + year-end) / profit attributable to owners of parent

[Excluding the impact of one-off special factors (valuation gains and losses on forward exchange contracts)]

*2: DOE = Total annual dividends (interim + year-end) / equity

2. Basic Policy on Selection of Accounting Standards

The Group's policy is to prepare its consolidated financial statements based on Japanese standards for the time being, considering the comparability of consolidated financial statements among periods and among companies. Regarding the application of the IFRS (International Financial Reporting Standards), its policy is to respond appropriately, considering the various conditions inside and outside Japan.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	*5 30,248	*5 28,714
Notes receivable, accounts receivable from completed construction contracts and other	*1,*9 172,323	*1 190,568
Real estate for sale	933	493
Costs on construction contracts in progress	*7 3,695	*7 5,340
Costs on real estate investment, development business and other	1,960	2,247
Work in process	926	815
Raw materials and supplies	582	675
Other	9,937	12,479
Allowance for doubtful accounts	(189)	(199)
Total current assets	220,418	241,135
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	*3,*5 22,279	*3,*5 20,989
Machinery, vehicles, tools, furniture and fixtures, net	*3 17,235	*3 7,513
Land	*5 35,149	*5 36,296
Leased assets, net	*3 17	*3 19
Construction in progress	794	345
Total property, plant and equipment	75,476	65,164
Intangible assets		
Goodwill	348	-
Other	1,457	1,544
Total intangible assets	1,806	1,544
Investments and other assets		
Investment securities	*4,*5 68,732	*4,*5 60,397
Long-term loans receivable	58	59
Retirement benefit asset	5,525	8,519
Deferred tax assets	2	4
Other	14,661	18,567
Allowance for doubtful accounts	(1,930)	(1,926)
Total investments and other assets	87,049	85,621
Total non-current assets	164,332	152,330
Total assets	384,750	393,466

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	52,074	56,999
Short-term borrowings	16,701	43,801
Lease liabilities	6	7
Income taxes payable	3,385	2,083
Advances received on construction contracts in progress	*2 19,161	*2 18,133
Provision for warranties for completed construction	627	662
Provision for bonuses	3,641	3,084
Provision for bonuses for directors (and other officers)	39	21
Provision for loss on construction contracts	*7 859	*7 2,327
Asset retirement obligations	86	-
Suspense receipt of consumption taxes	23,960	29,928
Other	*5 25,824	*5 17,917
Total current liabilities	146,367	174,967
Non-current liabilities		
Long-term borrowings	5,108	5,006
Non-recourse borrowings	*6 22,333	*6 20,172
Lease liabilities	15	16
Deferred tax liabilities	18,740	19,876
Provision for share awards	150	348
Asset retirement obligations	393	479
Other	67	143
Total non-current liabilities	46,809	46,043
Total liabilities	193,176	221,010
Net assets		
Shareholders' equity		
Share capital	19,838	19,838
Capital surplus	26,466	26,510
Retained earnings	107,684	100,276
Treasury shares	(5,316)	(7,972)
Total shareholders' equity	148,673	138,653
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	34,976	30,212
Deferred gains or losses on hedges	3,840	5,396
Remeasurements of defined benefit plans	1,201	3,023
Total accumulated other comprehensive income	40,017	38,631
Non-controlling interests	2,882	(4,829)
Total net assets	191,573	172,455
Total liabilities and net assets	384,750	393,466

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

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales		
Net sales of completed construction contracts	268,340	284,575
Net sales of real estate investment, development business and other	19,805	13,647
Total net sales	*1 288,146	*1 298,222
Cost of sales		
Cost of sales of completed construction contracts	*2 238,012	*2 253,369
Cost of real estate investment, development business and other	14,942	13,165
Total cost of sales	252,954	266,534
Gross profit		
Gross profit on completed construction contracts	30,328	31,206
Gross profit on real estate investment, development business and other	4,863	481
Total gross profit	35,191	31,688
Selling, general and administrative expenses	*3,*4 21,483	*3,*4 21,956
Operating profit	13,708	9,731
Non-operating income		
Interest income	73	95
Dividend income	1,226	1,361
Foreign exchange gains	351	-
Other	243	302
Total non-operating income	1,894	1,759
Non-operating expenses		
Interest expenses	606	807
Foreign exchange losses	-	368
Loss on valuation of forward exchange contracts	-	701
Other	118	686
Total non-operating expenses	724	2,563
Ordinary profit	14,878	8,926
Extraordinary income		
Gain on sale of investment securities	3,205	3,599
Other	710	24
Total extraordinary income	3,915	3,624
Extraordinary losses		
Impairment losses	-	*5 13,234
Other	622	742
Total extraordinary losses	622	13,977
Profit (loss) before income taxes	18,171	(1,426)
Income taxes - current	5,770	4,957
Income taxes - deferred	237	160
Total income taxes	6,008	5,118
Profit (loss)	12,163	(6,545)
Loss attributable to non-controlling interests	(329)	(9,268)
Profit attributable to owners of parent	12,493	2,722

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit (loss)	12,163	(6,545)
Other comprehensive income		
Valuation difference on available-for-sale securities	10,175	(4,763)
Deferred gains or losses on hedges	4,020	3,112
Remeasurements of defined benefit plans, net of tax	538	1,821
Total other comprehensive income	14,734	170
Comprehensive income	26,897	(6,374)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	25,217	1,337
Comprehensive income attributable to non-controlling interests	1,680	(7,711)

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	19,838	26,240	103,827	(5,185)	144,720
Changes during period					
Dividends of surplus			(8,635)		(8,635)
Profit attributable to owners of parent			12,493		12,493
Purchase of treasury shares				(971)	(971)
Disposal of treasury shares		226		839	1,066
Net changes in items other than shareholders' equity					
Total changes during period	-	226	3,857	(131)	3,952
Balance at end of period	19,838	26,466	107,684	(5,316)	148,673

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	24,801	1,829	662	27,293	1,201	173,215
Changes during period						
Dividends of surplus						(8,635)
Profit attributable to owners of parent						12,493
Purchase of treasury shares						(971)
Disposal of treasury shares						1,066
Net changes in items other than shareholders' equity	10,175	2,010	538	12,724	1,680	14,404
Total changes during period	10,175	2,010	538	12,724	1,680	18,357
Balance at end of period	34,976	3,840	1,201	40,017	2,882	191,573

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	19,838	26,466	107,684	(5,316)	148,673
Changes during period					
Dividends of surplus			(10,131)		(10,131)
Profit attributable to owners of parent			2,722		2,722
Purchase of treasury shares				(2,711)	(2,711)
Disposal of treasury shares		43		55	99
Net changes in items other than shareholders' equity					
Total changes during period	-	43	(7,408)	(2,655)	(10,019)
Balance at end of period	19,838	26,510	100,276	(7,972)	138,653

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	34,976	3,840	1,201	40,017	2,882	191,573
Changes during period						
Dividends of surplus						(10,131)
Profit attributable to owners of parent						2,722
Purchase of treasury shares						(2,711)
Disposal of treasury shares						99
Net changes in items other than shareholders' equity	(4,763)	1,556	1,821	(1,385)	(7,711)	(9,097)
Total changes during period	(4,763)	1,556	1,821	(1,385)	(7,711)	(19,117)
Balance at end of period	30,212	5,396	3,023	38,631	(4,829)	172,455

(4)Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit (loss) before income taxes	18,171	(1,426)
Depreciation	4,340	4,123
Impairment losses	-	13,234
Amortization of goodwill	29	29
Increase (decrease) in allowance for doubtful accounts	34	5
Decrease (increase) in retirement benefit asset	(313)	(311)
Increase (decrease) in provision for warranties for completed construction	122	35
Increase (decrease) in provision for bonuses	178	(557)
Increase (decrease) in provision for bonuses for directors (and other officers)	1	(17)
Increase (decrease) in provision for loss on construction contracts	(706)	1,467
Increase (decrease) in provision for share awards	150	198
Interest and dividend income	(1,300)	(1,456)
Interest expenses	606	807
Loss (gain) on sale of short-term and long-term investment securities	(3,205)	(3,599)
Loss (gain) on valuation of forward exchange contracts	-	701
Decrease (increase) in trade receivables	(39,868)	(18,244)
Decrease (increase) in costs on construction contracts in progress	(514)	(1,645)
Decrease (increase) in other inventories	(672)	171
Increase (decrease) in trade payables	1,920	2,479
Increase (decrease) in advances received on construction contracts in progress	6,566	(1,028)
Other, net	1,863	(1,027)
Subtotal	(12,595)	(6,060)
Interest and dividends received	1,300	1,456
Interest paid	(445)	(612)
Income taxes refund (paid)	(5,398)	(6,611)
Net cash provided by (used in) operating activities	(17,139)	(11,828)
Cash flows from investing activities		
Net decrease (increase) in time deposits	205	-
Purchase of short-term and long-term investment securities	(208)	(174)
Proceeds from sale and redemption of short-term and long-term investment securities	4,209	5,728
Purchase of property, plant and equipment and intangible assets	(2,992)	(6,635)
Proceeds from sale of property, plant and equipment and intangible assets	354	0
Loan advances	(3)	(12)
Proceeds from collection of loans receivable	13	47
Other, net	(119)	(448)
Net cash provided by (used in) investing activities	1,458	(1,492)

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	9,993	26,000
Proceeds from long-term borrowings	2,000	1,000
Repayments of long-term borrowings	(4,001)	(1)
Repayments of non-recourse borrowings	(3,669)	(2,161)
Purchase of treasury shares	(13)	(2,712)
Proceeds from sale of treasury shares	0	6
Dividends paid	(8,610)	(10,053)
Other, net	(2)	(7)
Net cash provided by (used in) financing activities	(4,304)	12,070
Effect of exchange rate change on cash and cash equivalents	110	(225)
Net increase (decrease) in cash and cash equivalents	(19,875)	(1,477)
Cash and cash equivalents at beginning of period	48,792	28,917
Cash and cash equivalents at end of period	28,917	27,440

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Additional information)

(Impact of improper cost management)

With regard to the incident in which costs incurred in a construction project contracted to the Company were not recorded under the relevant construction project but transferred to another project (cost reassignment), the Company received the report of its internal investigation committee on January 15, 2025.

It was determined, upon consideration, that the net sales, cost of sales, and other items recorded in association with the cost reassignment have had no material impact on the consolidated financial statements for past fiscal years or the fiscal year under review. The Company has therefore not made retrospective amendments but has treated the matter in the consolidated financial statements for the fiscal year under review.

(Financial covenants)

The Company has recognized a breach in the financial covenants for non-recourse borrowings by ISHIKARI BIO ENERGY GODO KAISHA, a consolidated subsidiary. The Company has concluded an additional loan agreement with ISHIKARI BIO ENERGY GODO KAISHA to support its day-to-day cash flow. The lender has not exercised its right to demand early repayment.

(Consolidated Balance Sheet)

*1 Of notes receivable, accounts receivable from completed construction contracts and other, the amounts for trade receivables and contract assets generated by contracts with customers are as follows.

	As of March 31, 2024	As of March 31, 2025
Notes receivable - trade	1,799 million yen	0 million yen
Electronically recorded monetary claims - operating	1,862	2,673
Accounts receivable from completed construction contracts and other	52,693	65,071
Contract assets	115,962	122,817

*2 The value of contract liabilities included in advances received on construction contracts in progress is as follows.

	As of March 31, 2024	As of March 31, 2025
	18,799 million yen	17,806 million yen

*3 The value of accumulated depreciation of property, plant and equipment is as follows.

	As of March 31, 2024	As of March 31, 2025
	23,418 million yen	26,823 million yen

*4 The amounts for non-consolidated subsidiaries and affiliates are as follows.

	As of March 31, 2024	As of March 31, 2025
Investment securities	248 million yen	173 million yen

- *5 The value of assets pledged as collateral and corresponding collateralized debt obligations are as follows.
The following assets are pledged as collateral for the debt obligations below.

	As of March 31, 2024	As of March 31, 2025
Buildings	894 million yen	853 million yen
Land	1,479	1,479
Total	2,373	2,333
Current liabilities "Other" (Deposits received)	325 million yen	315 million yen

The following assets are pledged as collateral for the contract performance obligations in the PFI business.

	As of March 31, 2024	As of March 31, 2025
Investment securities	15 million yen	15 million yen

The following assets are pledged as collateral for borrowings of subsidiaries and affiliates.

	As of March 31, 2024	As of March 31, 2025
Investment securities	58 million yen	50 million yen

The following assets are pledged as collateral for the performance obligations of construction contracts, etc.

	As of March 31, 2024	As of March 31, 2025
Cash and deposits (time deposits)	1,208 million yen	1,151 million yen

Assets corresponding for non-recourse debt obligations are included in "6. Assets corresponding to non-recourse debt obligations."

- *6 The value of assets corresponding to non-recourse debt obligations is as follows.

	As of March 31, 2024	As of March 31, 2025
Value of business assets of consolidated subsidiaries engaged in the renewable energy business corresponding to non-recourse borrowings	41,865 million yen	26,863 million yen

- *7 Costs on construction contracts in progress and work in process related to construction contracts, etc. where losses are expected to occur and provision for loss on construction contracts are presented separately, without offsetting them against each other.

Of costs on construction contracts in progress related to construction contracts, etc. where losses are expected to occur, the value of provision for loss on construction contracts is as follows.

	As of March 31, 2024	As of March 31, 2025
	1 million yen	237 million yen

- 8 The Company has concluded commitment line agreements with three banks for the efficient financing of working capital.

The contract limits and outstanding borrowings at the end of the fiscal year are as follows.

	As of March 31, 2024	As of March 31, 2025
Contract limits	8,000 million yen	8,000 million yen
Outstanding borrowings	–	–
Balance	8,000	8,000

- *9 Notes, etc. maturing on the last day of the fiscal year are settled as of the note exchange date or the settlement date.

As the last day of the previous fiscal year fell on a financial institution holiday, the following notes, etc. maturing on the last day of the fiscal year were included in the balance at the end of the previous fiscal year.

	As of March 31, 2024	As of March 31, 2025
Notes receivable - trade	11 million yen	– million yen
Electronically recorded monetary claims - operating	1	–

(Consolidated Statement of Income)

- *1 Revenue from contracts with customers

For net sales, we do not distinguish revenue from contracts with customers from other revenues. The amount of revenue from contracts with customers is stated in “(Segment information, etc.)”

- *2 Provision (reversal) for loss on construction contracts included in cost of sales is as follows.

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
	(99) million yen	2,337 million yen

- *3 The major items and their amounts under selling, general and administrative expenses are as follows.

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Employees' salaries and allowances	7,639 million yen	7,571 million yen
Provision for bonuses	1,397	1,022
Provision for bonuses for directors (and other officers)	39	21
Retirement benefit expenses	250	297
Provision of allowance for doubtful accounts	34	5

- *4 The total amount of research and development costs included in selling, general and administrative expenses is as follows.

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
	1,804 million yen	1,774 million yen

*5 Impairment losses

The Group recorded impairment losses on the following asset groups in the fiscal year under review.

Location	Use	Type	Impairment losses
Ishikari City, Hokkaido	Biomass power generation equipment	Machinery, vehicles, tools, furniture and fixtures, net	12,915 million yen
Ishikari City, Hokkaido	–	Goodwill	319 million yen

The Group is engaged in the biomass power generation business through ISHIKARI BIO ENERGY GODO KAISHA, a consolidated subsidiary of the Company. The Group treats ISHIKARI BIO ENERGY GODO KAISHA as a unit for grouping assets, based on the management accounting classifications by which it monitors revenues and expenses for business-use assets on an ongoing basis.

The impairment losses shown above were recorded, as extraordinary losses, as the result of reducing the book value of the assets of ISHIKARI BIO ENERGY GODO KAISHA and the goodwill recorded upon its acquisition to the recoverable amounts, due to a decline in profitability resulting from the explosion at its power plant.

The recoverable amount was measured as value in use, with future cash flow discounted at 5.0%.

(Segment information, etc.)

[Segment information]

1. Overview of reportable segments

The Group's reportable segments are those for which separate financial information is available among the constituent units of the Company and its consolidated subsidiaries and regular reviews are performed by the Board of Directors to determine the allocation of management resources and evaluate earnings performance.

The Group is mainly engaged in the construction business, comprising the civil engineering business and the building business. As a concurrent business, it also conducts an investment development business including the real estate business and the renewable energy business. Therefore, the Group has set three reportable segments, namely "Civil Engineering," "Building," and "Investment Development."

Civil Engineering and Building involve civil engineering, building, and other construction overall, and Investment Development involves the sale and leasing of real estate and the renewable energy business, etc.

2. Method of calculation of net sales, income (loss), assets, liabilities and other items by reportable segment

The accounting methods for business segments reported are the same as those adopted for the preparation of the consolidated financial statements. Profit figures for the reportable segments are on an operating profit basis. Inter-segment net sales are based on prevailing market prices.

Assets for the reportable segments are not presented as there are no assets allocated to the business segments.

3. Information on net sales, income (loss), assets, liabilities and other items and breakdown of earnings by reportable segment

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Consolidated Statement of Income (Note 3)
	Civil Engineering	Building	Investment Development	Total				
Net sales								
Domestic public agencies	61,492	23,087	23	84,602	66	84,668	—	84,668
Domestic non-government	32,743	142,098	10,081	184,922	5,220	190,143	—	190,143
Overseas	8,918	—	—	8,918	308	9,226	—	9,226
Revenue from contracts with customers	103,154	165,185	10,104	278,444	5,594	284,039	—	284,039
Revenue from other sources	—	—	4,107	4,107	—	4,107	—	4,107
Net sales to external customers	103,154	165,185	14,211	282,551	5,594	288,146	—	288,146
Inter-segment net sales or transfers	—	—	37	37	2,020	2,057	(2,057)	—
Total	103,154	165,185	14,248	282,589	7,615	290,204	(2,057)	288,146
Segment profit	9,552	914	2,605	13,072	614	13,686	21	13,708
Other								
Depreciation	511	692	3,088	4,292	55	4,347	(7)	4,340
Amortization of goodwill	—	—	29	29	—	29	—	29

Notes. 1. The "Other" category is a business segment not included in reportable segments. It includes such operations as the manufacture and sale of construction machinery, equipment, etc.

2. The segment profit adjustment of ¥21 million is mainly eliminations of inter-segment transactions.

3. Segment profit is adjusted to the operating profit figure on the Consolidated Statement of Income.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment				Other (Note 2)	Total	Adjustment (Note 3)	Amount recorded in Consolidated Statement of Income (Note 4)
	Civil Engineering	Building	Investment Development (Note 1)	Total				
Net sales								
Domestic public agencies	62,849	33,119	79	96,048	32	96,080	–	96,080
Domestic non-government	29,659	152,431	3,724	185,815	5,656	191,472	–	191,472
Overseas	6,515	–	–	6,515	82	6,597	–	6,597
Revenue from contracts with customers	99,024	185,551	3,803	288,379	5,771	294,151	–	294,151
Revenue from other sources	–	–	4,071	4,071	–	4,071	–	4,071
Net sales to external customers	99,024	185,551	7,875	292,451	5,771	298,222	–	298,222
Inter-segment net sales or transfers	–	–	37	37	1,265	1,303	(1,303)	–
Total	99,024	185,551	7,913	292,488	7,037	299,526	(1,303)	298,222
Segment profit (loss)	4,722	6,623	(2,109)	9,236	455	9,691	40	9,731
Other								
Depreciation	483	723	2,856	4,064	65	4,130	(7)	4,123
Amortization of goodwill	–	–	29	29	–	29	–	29

- Notes. 1. Impairment losses on goodwill of ¥319 million were recorded in the Investment Development segment.
2. The “Other” category is a business segment not included in reportable segments. It includes such operations as the manufacture and sale of construction machinery, equipment, etc.
3. The segment profit (loss) adjustment of ¥40 million is mainly eliminations of inter-segment transactions.
4. Segment profit (loss) is adjusted to the operating profit figure on the Consolidated Statement of Income.

[Relevant information]

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

1. Information by product and service

Omitted, as the same information is disclosed in the segment information.

2. Information by region

(1) Net sales

Omitted, as net sales to external customers in Japan account for over 90% of net sales in the Consolidated Statement of Income.

(2) Property, plant and equipment

Omitted, as the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment on the Consolidated Balance Sheet.

3. Information by major customer

Omitted, as there are no counterparties in net sales to external customers that account for 10% or more of net sales on the Consolidated Statement of Income.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

1. Information by product and service

Omitted, as the same information is disclosed in the segment information.

2. Information by region

(1) Net sales

Omitted, as net sales to external customers in Japan account for over 90% of net sales in the Consolidated Statement of Income.

(2) Property, plant and equipment

Omitted, as the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment on the Consolidated Balance Sheet.

3. Information by major customer

Omitted, as there are no counterparties in net sales to external customers that account for 10% or more of net sales on the Consolidated Statement of Income.

[Information about impairment loss on non-current assets by reportable segment]

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

Not applicable.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

Impairment losses on non-current assets of ¥12,915 million were recorded in the Investment Development business segment.

[Information about amortized amount and unamortized balance of goodwill by reportable segment]

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

Amortized amount during the fiscal year ¥29 million

Balance as of March 31, 2024 ¥348 million

Note: Goodwill is not allocated to business segments.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

Amortized amount during the fiscal year ¥29 million

Balance as of March 31, 2025 ¥- million

Notes: 1. Goodwill is not allocated to business segments.

2. Impairment losses on goodwill of ¥319 million were recorded in the Investment Development business segment.

[Information about gain on negative goodwill by reportable segment]

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

Not applicable.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

Not applicable.

(Per share information)

	For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)	For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)
Net assets per share	¥5,123.61	¥4,894.08
Profit per share	¥339.30	¥74.01

Notes. 1. Diluted profit per share is not stated because there are no potential shares.

2. The basis of calculation of profit per share is as follows:

	For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)	For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)
Profit attributable to owners of parent (million yen)	12,493	2,722
Profit not attributable to common shareholders (million yen)	-	-
Profit attributable to owners of parent available to common stock (million yen)	12,493	2,722
Average number of shares of common stock during the fiscal year (thousand shares)	36,820	36,791

(*) The Company has introduced an Employee Share Award Plan. For the purposes of calculating profit per share for the fiscal year under review, the Company's shares held by the trust account under this plan are included in treasury shares, which are subtracted in the calculation of the average number of common shares during the year. The average number of those treasury shares during the year was 1,845 thousand shares in the fiscal year ended March 31, 2024 and 1,873 thousand shares in the fiscal year under review. Of those, the average number of the Company's shares during the year held by the trust account under this plan was 275 thousand shares in the fiscal year ended March 31, 2024 and 274 thousand shares in the fiscal year under review.

3. The basis for the calculation of net assets per share is as follows.

	As of March 31, 2024	As of March 31, 2025
Total amount in net assets (million yen)	191,573	172,455
Amount subtracted from total amount in net assets (million yen) [Of which, non-controlling interests]	2,882 [2,882]	(4,829) [(4,829)]
Net assets available to common stock at the end of the fiscal year (million yen)	188,691	177,285
Number of shares of common stock at the end of the fiscal year used in calculation of net assets per share (thousand shares)	36,827	36,224

(*) The Company has introduced an Employee Share Award Plan. For the purposes of calculating net assets per share for the fiscal year under review, the Company's shares held by the trust account under this plan are included in treasury shares, which are subtracted from the number of issued shares at the end of the fiscal year. The number of those treasury shares at the end of the fiscal year was 1,837 thousand shares in the fiscal year ended March 31, 2024 and 2,440 thousand shares in the fiscal year under review. Of those, the number of the Company's shares held by the trust account under this plan was 275 thousand shares as of March 31, 2024, and 273 thousand shares as of March 31, 2025.

(Significant subsequent events)

Not applicable.

4. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	27,063	26,890
Notes receivable - trade	1,798	0
Electronically recorded monetary claims - operating	1,548	2,411
Accounts receivable from completed construction contracts	165,632	186,158
Real estate for sale	933	493
Costs on construction contracts in progress	3,801	5,447
Costs on real estate investment, development business and other	1,960	2,247
Raw materials and supplies	9	50
Prepaid expenses	25	23
Other	10,337	12,218
Allowance for doubtful accounts	(176)	(198)
Total current assets	212,933	235,743
Non-current assets		
Property, plant and equipment		
Buildings	23,812	28,098
Accumulated depreciation	(10,836)	(11,472)
Buildings, net	12,975	16,626
Structures	1,430	1,570
Accumulated depreciation	(1,100)	(1,128)
Structures, net	329	442
Machinery and equipment	4,123	4,329
Accumulated depreciation	(3,637)	(3,782)
Machinery and equipment, net	485	547
Vehicles	67	67
Accumulated depreciation	(58)	(61)
Vehicles, net	9	5
Tools, furniture and fixtures	2,693	3,221
Accumulated depreciation	(2,203)	(2,421)
Tools, furniture and fixtures, net	489	800
Land	30,012	31,159
Leased assets	8	14
Accumulated depreciation	(2)	(5)
Leased assets, net	5	9
Construction in progress	786	12
Total property, plant and equipment	45,094	49,603
Intangible assets		
Patent right	-	6
Leasehold interests in land	33	33
Trademark right	-	1
Software	1,034	1,122
Other	21	30
Total intangible assets	1,088	1,194

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Investments and other assets		
Investment securities	66,547	58,596
Shares of subsidiaries and associates	401	326
Investments in capital	42	42
Investments in capital of subsidiaries and associates	2,351	873
Long-term loans receivable	3	15
Long-term loans receivable from employees	9	7
Long-term loans receivable from subsidiaries and associates	8,886	10,286
Long-term prepaid expenses	660	1,698
Prepaid pension costs	3,794	4,106
Other	2,510	2,504
Allowance for doubtful accounts	(1,939)	(4,933)
Total investments and other assets	83,268	73,523
Total non-current assets	129,451	124,321
Total assets	342,384	360,065
Liabilities		
Current liabilities		
Notes payable - trade	1,962	2,169
Accounts payable for construction contracts	47,713	53,420
Short-term borrowings	19,821	46,454
Lease liabilities	2	3
Accounts payable - other	709	1,227
Accrued expenses	1,859	1,393
Income taxes payable	3,186	1,963
Advances received on construction contracts in progress	19,122	18,096
Deposits received	19,005	10,801
Provision for warranties for completed construction	607	640
Provision for bonuses	3,562	3,024
Provision for bonuses for directors (and other officers)	35	19
Provision for loss on construction contracts	859	2,327
Asset retirement obligations	18	-
Suspense receipt of consumption taxes	23,960	29,928
Other	48	20
Total current liabilities	142,476	171,491
Non-current liabilities		
Long-term borrowings	5,108	5,006
Lease liabilities	3	6
Deferred tax liabilities	14,267	13,068
Provision for share awards	150	344
Asset retirement obligations	192	208
Other	67	143
Total non-current liabilities	19,789	18,778
Total liabilities	162,265	190,269

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Net assets		
Shareholders' equity		
Share capital	19,838	19,838
Capital surplus		
Legal capital surplus	25,322	25,322
Other capital surplus	226	270
Total capital surplus	25,548	25,592
Retained earnings		
Legal retained earnings	4,959	4,959
Other retained earnings		
Reserve for investment loss on developing new business	108	106
Reserve for tax purpose reduction entry of non-current assets	3,708	3,629
General reserve	87,800	91,400
Retained earnings brought forward	9,631	2,937
Total retained earnings	106,207	103,033
Treasury shares	(5,316)	(7,972)
Total shareholders' equity	146,278	140,492
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	33,840	29,303
Total valuation and translation adjustments	33,840	29,303
Total net assets	180,119	169,795
Total liabilities and net assets	342,384	360,065

(2)Non-consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales		
Net sales of completed construction contracts	268,340	284,575
Net sales of real estate investment, development business and other	6,119	5,784
Total net sales	274,460	290,359
Cost of sales		
Cost of sales of completed construction contracts	238,224	253,459
Cost of real estate investment, development business and other	2,785	2,659
Total cost of sales	241,009	256,119
Gross profit		
Gross profit on completed construction contracts	30,116	31,116
Gross profit on real estate investment, development business and other	3,334	3,124
Total gross profit	33,450	34,240
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	241	249
Employees' salaries and allowances	7,430	7,343
Provision for bonuses	1,342	994
Provision for bonuses for directors (and other officers)	35	19
Retirement benefit expenses	243	291
Legal welfare expenses	1,270	1,224
Welfare expenses	382	468
Repair and maintenance expenses	236	207
Stationery expenses	270	230
Communication and transportation expenses	1,105	1,089
Power utilities expenses	103	112
Research study expenses	1,800	1,773
Advertising expenses	1,017	981
Provision of allowance for doubtful accounts	26	16
Entertainment expenses	215	187
Donations	143	147
Rent expenses on land and buildings	432	593
Depreciation	586	621
Taxes and dues	989	1,410
Insurance expenses	32	39
Miscellaneous expenses	2,624	2,820
Total selling, general and administrative expenses	20,532	20,824
Operating profit	12,918	13,416

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Non-operating income		
Interest income	360	193
Interest on securities	1	1
Dividend income	1,361	1,462
Foreign exchange gains	329	-
Other	231	192
Total non-operating income	2,284	1,849
Non-operating expenses		
Interest expenses	199	431
Foreign exchange losses	-	363
Other	107	560
Total non-operating expenses	307	1,355
Ordinary profit	14,895	13,910
Extraordinary income		
Gain on sale of investment securities	3,205	3,599
Other	610	24
Total extraordinary income	3,815	3,623
Extraordinary losses		
Loss on business of subsidiaries and associates	-	5,014
Other	522	619
Total extraordinary losses	522	5,633
Profit before income taxes	18,189	11,900
Income taxes - current	5,440	4,780
Income taxes - deferred	180	163
Total income taxes	5,620	4,943
Profit	12,568	6,956

(3)Non-consolidated Statements of Changes in Equity
For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity			
	Share capital	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	19,838	25,322	-	25,322
Changes during period				
Provision of general reserve				
Dividends of surplus				
Profit				
Purchase of treasury shares				
Disposal of treasury shares			226	226
Provision of reserve for investment loss on developing new business				
Reversal of reserve for investment loss on developing new business				
Provision of reserve for tax purpose reduction entry of non-current assets				
Reversal of reserve for tax purpose reduction entry of non-current assets				
Net changes in items other than shareholders' equity				
Total changes during period	-	-	226	226
Balance at end of period	19,838	25,322	226	25,548

(Millions of yen)

	Shareholders' equity					
	Retained earnings					
	Legal retained earnings	Other retained earnings				Total retained earnings
		Reserve for investment loss on developing new business	Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward	
Balance at beginning of period	4,959	134	3,565	87,000	6,615	102,274
Changes during period						
Provision of general reserve				800	(800)	-
Dividends of surplus					(8,635)	(8,635)
Profit					12,568	12,568
Purchase of treasury shares						
Disposal of treasury shares						
Provision of reserve for investment loss on developing new business		108			(108)	-
Reversal of reserve for investment loss on developing new business		(134)			134	-
Provision of reserve for tax purpose reduction entry of non-current assets			176		(176)	-
Reversal of reserve for tax purpose reduction entry of non-current assets			(32)		32	-
Net changes in items other than shareholders' equity						
Total changes during period	-	(26)	143	800	3,015	3,933
Balance at end of period	4,959	108	3,708	87,800	9,631	106,207

(Millions of yen)

	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	(5,185)	142,250	24,403	24,403	166,653
Changes during period					
Provision of general reserve		-			-
Dividends of surplus		(8,635)			(8,635)
Profit		12,568			12,568
Purchase of treasury shares	(971)	(971)			(971)
Disposal of treasury shares	839	1,066			1,066
Provision of reserve for investment loss on developing new business		-			-
Reversal of reserve for investment loss on developing new business		-			-
Provision of reserve for tax purpose reduction entry of non-current assets		-			-
Reversal of reserve for tax purpose reduction entry of non-current assets		-			-
Net changes in items other than shareholders' equity			9,437	9,437	9,437
Total changes during period	(131)	4,028	9,437	9,437	13,465
Balance at end of period	(5,316)	146,278	33,840	33,840	180,119

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity			
	Share capital	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	19,838	25,322	226	25,548
Changes during period				
Provision of general reserve				
Dividends of surplus				
Profit				
Purchase of treasury shares				
Disposal of treasury shares			43	43
Provision of reserve for investment loss on developing new business				
Reversal of reserve for investment loss on developing new business				
Provision of reserve for tax purpose reduction entry of non-current assets				
Reversal of reserve for tax purpose reduction entry of non-current assets				
Net changes in items other than shareholders' equity				
Total changes during period	-	-	43	43
Balance at end of period	19,838	25,322	270	25,592

(Millions of yen)

	Shareholders' equity					
	Retained earnings					
	Legal retained earnings	Other retained earnings				Total retained earnings
		Reserve for investment loss on developing new business	Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward	
Balance at beginning of period	4,959	108	3,708	87,800	9,631	106,207
Changes during period						
Provision of general reserve				3,600	(3,600)	-
Dividends of surplus					(10,131)	(10,131)
Profit					6,956	6,956
Purchase of treasury shares						
Disposal of treasury shares						
Provision of reserve for investment loss on developing new business		106			(106)	-
Reversal of reserve for investment loss on developing new business		(108)			108	-
Provision of reserve for tax purpose reduction entry of non-current assets			0		(0)	-
Reversal of reserve for tax purpose reduction entry of non-current assets			(79)		79	-
Net changes in items other than shareholders' equity						
Total changes during period	-	(1)	(79)	3,600	(6,693)	(3,174)
Balance at end of period	4,959	106	3,629	91,400	2,937	103,033

(Millions of yen)

	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	(5,316)	146,278	33,840	33,840	180,119
Changes during period					
Provision of general reserve		-			-
Dividends of surplus		(10,131)			(10,131)
Profit		6,956			6,956
Purchase of treasury shares	(2,711)	(2,711)			(2,711)
Disposal of treasury shares	55	99			99
Provision of reserve for investment loss on developing new business		-			-
Reversal of reserve for investment loss on developing new business		-			-
Provision of reserve for tax purpose reduction entry of non-current assets		-			-
Reversal of reserve for tax purpose reduction entry of non-current assets		-			-
Net changes in items other than shareholders' equity			(4,537)	(4,537)	(4,537)
Total changes during period	(2,655)	(5,786)	(4,537)	(4,537)	(10,323)
Balance at end of period	(7,972)	140,492	29,303	29,303	169,795