

Year Ended March 31, 2023

Supplementary Materials for Financial Results

Create Value, Build the Future

May 12, 2023



1-1 Financial Results for Fiscal Year Ended March 31, 2023

(Unit: Billions of yen)	2022/3		2023/3				YoY change	
	Consolidated	Unconsolidated	Consolidated	YoY	Unconsolidated	YoY	Consolidated	Unconsolidated
New orders received	-	191.5	-		295.4	54.3 %		103.9
Net sales	219.8	210.7	213.5	(2.8)%	203.2	(3.6)%	(6.2)	(7.4)
Gross profit	21.3	19.2	18.0	(15.7)%	16.3	(15.4)%	(3.3)	(2.9)
Margin	9.7%	9.2%	8.4%		8.0%		(1.3)	(1.2)
SG&A	11.5	10.6	11.4	(0.2)%	10.5	(0.6)%	(0.0)	(0.0)
Margin	5.2%	5.0%	5.4%		5.2%		0.2	0.2
Operating profit	9.8	8.6	6.5	(33.6)%	5.7	(33.5)%	(3.3)	(2.9)
Non-operating income	0.7	0.7	0.5	(24.0)%	0.6	(19.3)%	(0.1)	(0.1)
Non-operating expenses	0.4	0.4	0.5	5.3 %	0.5	7.3 %	0.0	0.0
Ordinary profit	10.1	8.9	6.6	(34.8)%	5.8	(34.5)%	(3.5)	(3.0)
Extraordinary income	0.2	0.2	0.5	128.1 %	0.5	153.7 %	0.3	0.3
Extraordinary losses	0.0	0.0	0.0	(61.1)%	0.0	(64.0)%	(0.0)	(0.0)
Profit before income taxes	10.2	9.0	7.1	(30.8)%	6.3	(30.0)%	(3.1)	(2.7)
Profit*	7.3	6.5	4.8	(34.5)%	4.4	(32.3)%	(2.5)	(2.1)

* Consolidated is "Profit attributable to owners of parent"

Net assets	86.7	75.2	89.3	3.0 %	76.7	2.0 %	2.6	1.4
ROE	9.1%	9.3%	5.5%		5.8%		(3.6)	(3.5)

Financial results [Consolidated]

□ New orders received:

295.4 billion yen [unconsolidated]

- All three business sectors, domestic civil engineering, domestic building construction and overseas, exceeded their plan, increasing 54.3% year-on-year.

□ Net sales: 213.5 billion yen

- Decreased by 2.8% year-on-year.

□ Gross profit: 18 billion yen

(Gross margin: 8.4%)

- Due to the impact of raw material price hikes, etc., decreased 15.7% from the previous year (profit ratio down 1.3 percentage points).

□ Profit: 4.8 billion yen

- Gain on sales of investment securities recorded as extraordinary income.
- Net income decreased 34.5% year-on-year due to a decline in gross profit.

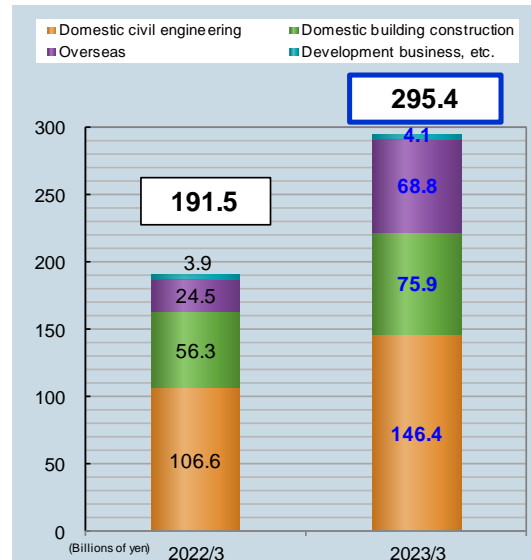
Financial indicator [Consolidated]

□ ROE: 5.5%

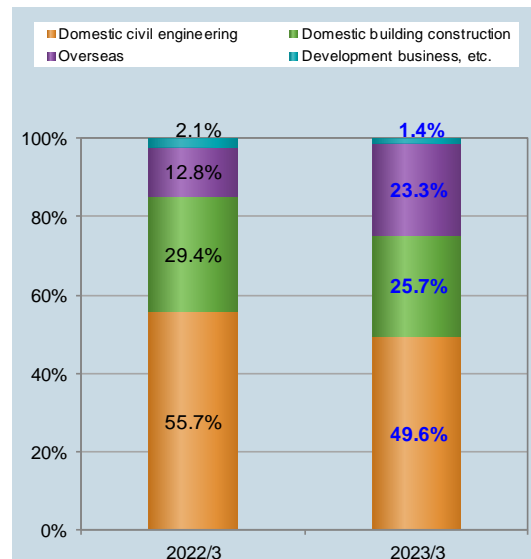
1-2 New Orders Received by Business Unit (Unconsolidated)

New orders (Unit: Billions of yen)	2022/3		2023/3	
	Results	Results	YoY	
Government	79.7	126.5	58.7 %	
	Private	26.8	19.9	(25.9)%
Total domestic civil engineering	106.6	146.4	37.4 %	
Government	11.4	7.5	(34.6)%	
	Private	44.8	68.4	52.4 %
Total domestic building construction	56.3	75.9	34.7 %	
Total domestic	163.0	222.4	36.4 %	
Civil engineering	22.9	67.9	196.8 %	
	Building construction	1.6	0.8	(45.9)%
Total overseas	24.5	68.8	180.5 %	
Civil engineering	129.5	214.4	65.5 %	
	Building construction	58.0	76.8	32.4 %
Total construction business	187.5	291.3	55.3 %	
Development business, etc.	3.9	4.1	5.8 %	
Total	191.5	295.4	54.3 %	

Comparison of actual orders received (amount)



Comparison of actual orders received (share)



For details of new orders received by business unit, please refer to "3-1 New Orders Received Over the Past Five Years by Business Unit"

New orders received:

295.4 billion yen

- Plan at beginning of the term: 223 billion yen

Domestic civil engineering:

146.4 billion yen

- Plan at beginning of the term: 120.8 billion yen
- Although on-land civil engineering decreased from the previous fiscal year, total increased by 37.4% due to order for large-scale port and harbor construction work.

Domestic building construction:

75.9 billion yen

- Plan at beginning of the term: 58 billion yen
- Amid the trend toward larger projects, we successfully increased orders for factories, etc. in addition to our specialty areas of warehouse/distribution facilities and condominiums, and increased orders by 34.7% year-on-year while diversifying our business.

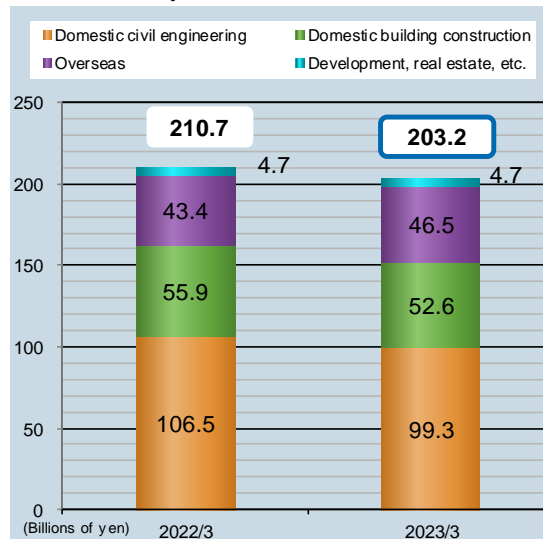
Overseas: 68.8 billion yen

- Plan at beginning of the term: 40 billion yen
- Increased orders in Southeast Asia, where we have a good track record, mainly in Singapore, Indonesia, and the Philippines, and increased 180.5% year-on-year.

1-3 Net Sales and Profit by Business Unit (Unconsolidated)

Net sales (Unit: Billions of yen)	2022/3		2023/3	
	Results	Results	YoY	
Domestic civil engineering	106.5	99.3	(6.8)%	
Domestic building construction	55.9	52.6	(5.9)%	
Total domestic	162.4	151.9	(6.5)%	
Overseas	Civil engineering	43.0	45.9	6.7 %
	Building construction	0.3	0.5	50.6 %
	Total	43.4	46.5	7.1 %
Construction business	Civil engineering	149.6	145.2	(2.9)%
	Building construction	56.3	53.2	(5.5)%
	Total	205.9	198.4	(3.6)%
Development business, etc.	3.9	3.5	(11.0)%	
Real estate, etc.	0.8	1.1	48.9 %	
Total	210.7	203.2	(3.6)%	

Net sales comparison



Net sales: 203.2 billion yen

Domestic civil engineering: 99.3 billion yen

- Down 6.8% YoY, mainly due to a decrease in large-scale completed construction projects compared to the previous year.

Domestic building construction: 52.6 billion yen

- Down 5.9% year-on-year due to delays in the start of some construction projects, etc.

Overseas: 46.5 billion yen

- 7.1% increase year-on-year due to steady progress in large-scale construction projects in Africa and Southeast Asia.

Gross profit: 16.3 billion yen

Domestic civil engineering: 11.5 billion yen

- Profit margin declined 0.9 percentage points year-on-year to 11.6% due to unprofitable construction work in some projects.
- Decrease due to lower sales and profit margin

Domestic building construction: 1.9 billion yen

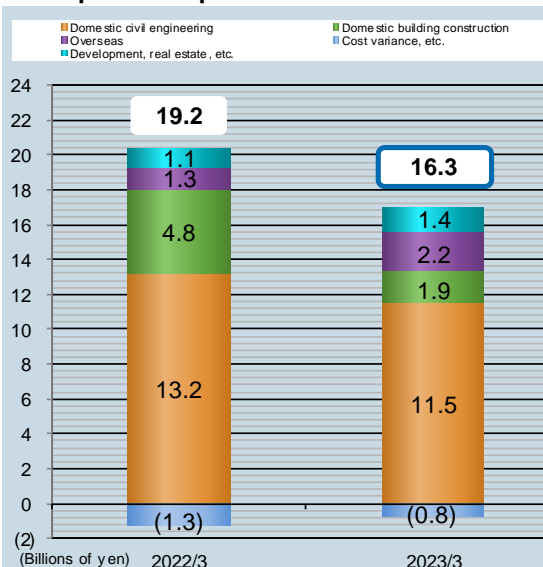
- Profit margin declined 5.1 percentage points year-on-year to 3.6% due to soaring raw material prices and deteriorating profitability of some construction projects.
- Decrease due to lower sales and profit margin

Overseas: 2.2 billion yen

- Profit margin increased by 1.8 percentage points to 4.9% as large-scale construction projects with high profit margins progressed steadily
- Increase due to higher revenue and profit margins

Top row: Gross profit Bottom row: Gross margin (Unit: Top - Billions of yen/ Bottom - %, points)	2022/3		2023/3	
	Results	Results	YoY	
Domestic civil engineering	13.2	11.5	(13.2)%	
	12.5%	11.6%	(0.9)	
Domestic building construction	4.8	1.9	(60.8)%	
	8.7%	3.6%	(5.1)	
Total domestic	18.1	13.4	(25.9)%	
	11.2%	8.8%	(2.4)	
Overseas	1.3	2.2	69.6%	
	3.1%	4.9%	1.8	
(Cost variance, etc.)	(1.3)	(0.8)		
Construction business	18.1	14.9	(17.9)%	
	8.8%	7.5%	(1.3)	
Development business, etc.	0.7	0.8	15.7%	
	18.0%	23.4%	5.4	
Real estate, etc.	0.4	0.5	39.9%	
	51.2%	48.1%	(3.1)	
Total	19.2	16.3	(15.4)%	
	9.2%	8.0%	(1.2)	

Gross profit comparison



2-1 Forecast for Fiscal Year Ending March 31, 2024

(Unit: Billions of yen)	2023/3 Results		2024/3 Forecast				YoY Change	
	①		②				② - ①	
	Consolidated	Unconsolidated	Consolidated	YoY	Unconsolidated	YoY	Consolidated	Unconsolidated
New orders received	-	295.4	-		250.0	(15.4)%		(45.4)
Net sales	213.5	203.2	253.0	18.5 %	243.0	19.6 %	39.4	39.7
Gross profit	18.0	16.3	22.4	24.2 %	20.6	26.2 %	4.3	4.2
Margin	8.4%	8.0%	8.9%		8.5%		0.5	0.5
SG&A	11.4	10.5	12.7	10.7 %	11.8	11.9 %	1.2	1.2
Margin	5.4%	5.2%	5.0%		4.9%		(0.4)	(0.3)
Operating profit	6.5	5.7	9.7	48.0 %	8.8	52.5 %	3.1	3.0
Non-operating income	0.5	0.6	0.4	(20.9)%	0.4	(33.5)%	(0.1)	(0.2)
Non-operating expenses	0.5	0.5	0.6	27.4 %	0.6	16.2 %	0.1	0.0
Ordinary profit	6.6	5.8	9.5	43.6 %	8.6	46.8 %	2.8	2.7
Extraordinary income	0.5	0.5	0.0	(100.0)%	0.0	(100.0)%	(0.5)	(0.5)
Extraordinary losses	0.0	0.0	0.0	(100.0)%	0.0	(100.0)%	(0.0)	(0.0)
Profit before income taxes	7.1	6.3	9.5	33.4 %	8.6	35.5 %	2.3	2.2
Profit*	4.8	4.4	6.6	36.5 %	6.0	35.6 %	1.7	1.5

Financial results [Consolidated]

□ New orders received:

250 billion yen [unconsolidated]

- Although new orders are expected to decrease year-on-year, they are expected to remain at a high level due to firm orders for disaster prevention/mitigation measures and security-related infrastructure development.

□ Net sales: 253 billion yen

- 18.5% increase year-on-year as large projects are now able to post full-scale sales

□ Gross profit: 22.4 billion yen (Gross margin: 8.9%)

□ Operating profit: 9.7 billion yen

□ Profit: 6.6 billion yen

- Increase due to improved profit margin, especially in building construction, despite the lingering impact of high material costs in some areas

2-2 New Orders Forecast by Business Unit (Unconsolidated)

New orders (Unit: Billions of yen)	2023/3	2024/3	
	Results	Forecast	YoY
Government	126.5	82.0	(35.2)%
	19.9	35.5	78.4 %
Total domestic civil engineering	146.4	117.5	(19.8)%
Government	7.5	4.0	(46.8)%
	68.4	79.0	15.5 %
Total domestic building construction	75.9	83.0	9.3 %
Total domestic	222.4	200.5	(9.9)%
Civil engineering	67.9	42.6	(37.3)%
	0.8	4.4	392.7 %
Total overseas	68.8	47.0	(31.8)%
Civil engineering	214.4	160.1	(25.4)%
	76.8	87.4	13.8 %
Total construction	291.3	247.5	(15.0)%
Development business, etc.	4.1	2.5	(40.2)%
Total	295.4	250.0	(15.4)%

Domestic civil engineering:

117.5 billion yen (down 19.8% year-on-year)

- Expect large projects in both government and private sectors, despite a reactionary decline from large port construction project in the previous fiscal year

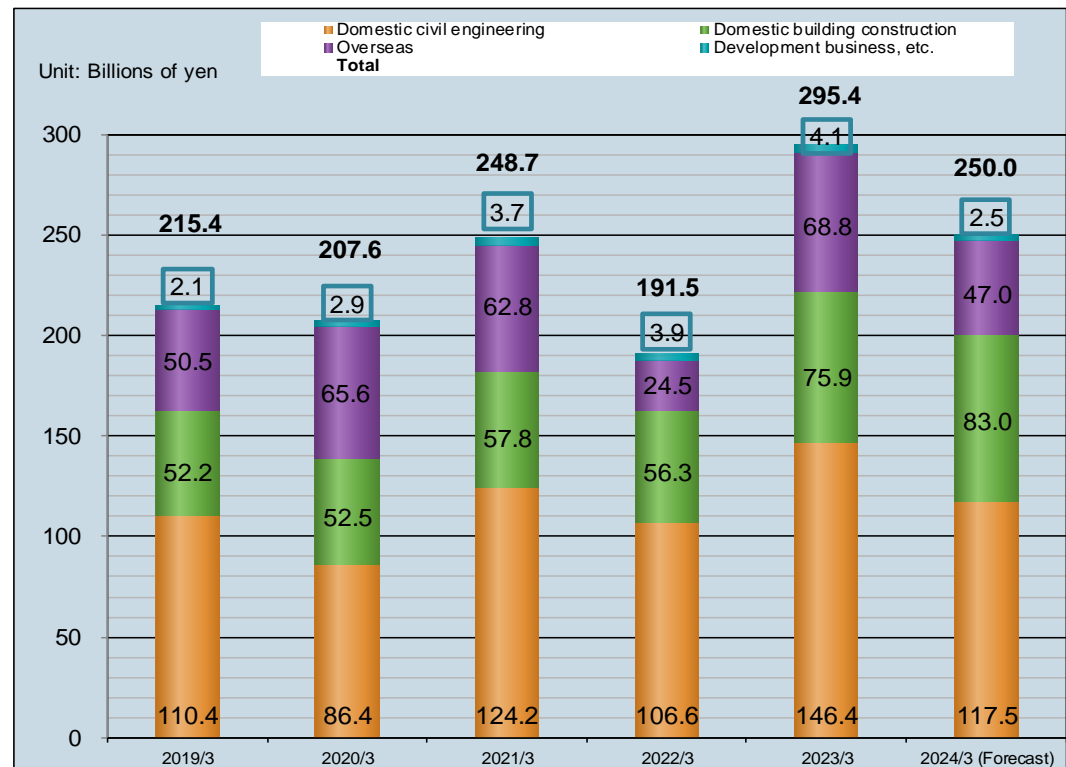
Domestic building construction:

83 billion yen (up 9.3% year-on-year)

- Expanding this business domain by focusing on the logistics field as well as working in the office and medical/welfare fields

Overseas: 47 billion yen (down 31.8% year-on-year)

- Expanding new orders in South Asia and strengthening non-ODA initiatives
- Diversifying business fields by focusing on the building construction as well.



2-3 Net Sales and Gross Profit Forecast by Business Unit (Unconsolidated)

Net sales (Unit: Billions of yen)	2023/3	2024/3	
	Results	Forecast	YoY
Domestic civil engineering	99.3	124.5	25.3 %
Domestic building construction	52.6	69.5	32.0 %
Total domestic	151.9	194.0	27.7 %
Overseas	Civil engineering	45.9	43.8 (4.7)%
	Building construction	0.5	1.2 112.8 %
Total	46.5	45.0 (3.3)%	
Construction business	Civil engineering	145.2	168.3 15.8 %
	Building construction	53.2	70.7 32.9 %
Total	198.4	239.0 20.4 %	
Development business, etc.	4.7	4.0 (15.6)%	
Total	203.2	243.0 19.6 %	

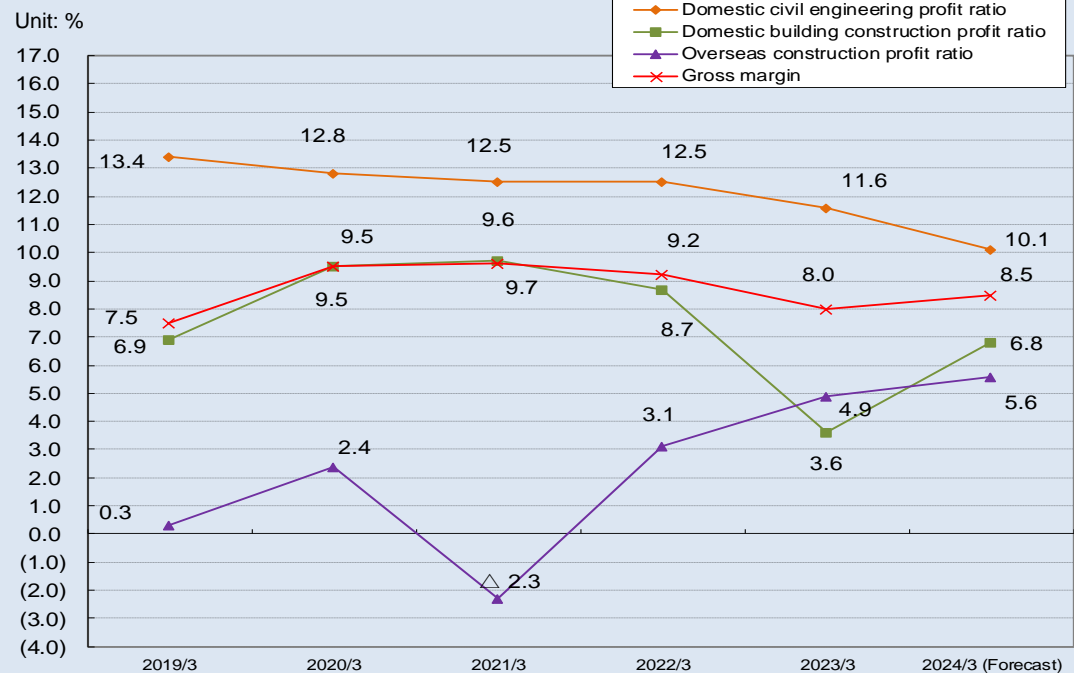
Net sales: 243 billion yen (up 19.6% year-on-year)

- Domestic civil engineering: 25.3% year-on-year increase due to steady progress in large-scale port and harbor construction project, etc.
- Domestic building construction: Secured high level of net sales due to seamless completion of previously awarded projects.
- Overseas: Net sales at almost the same level as the previous fiscal year due to steady completion of previously awarded projects.

Gross profit: 20.6 billion yen (up 26.2% year-on-year)

- Domestic civil engineering: Gross margin will decline (-1.5 points), but profit will increase due to higher sales
- Domestic building construction: Increase due to higher revenue and profit margin (up 3.2 points)
- Overseas: Increase due to higher profit margin (up 0.7 points)

Top row: Gross profit Bottom row: Gross margin (Unit: Top - Billions of yen/ Bottom - %, points)	2023/3	2024/3	
	Results	Forecast	YoY
Domestic civil engineering	11.5	12.5	8.7%
	11.6%	10.1%	(1.5)
Domestic building construction	1.9	4.7	147.9%
	3.6%	6.8%	3.2
Total domestic	13.4	17.2	28.4%
	8.8%	8.9%	0.1
Overseas	2.2	2.5	10.0%
	4.9%	5.6%	0.7
(Cost variance, etc.)	(0.8)	(0.1)	
Construction business	14.9	19.5	31.3%
	7.5%	8.2%	0.7
Development business, etc.	1.4	1.0	(27.6)%
	29.6%	25.4%	(4.2)
Total	16.3	20.6	26.2%
	8.0%	8.5%	0.5



3-1 New Orders Received Over the Past Five Years by Business Unit

		FY2018	FY2019	FY2020	FY2021	FY2022	
New orders received (Billions of yen)	Domestic civil engineering						
	Construction type	Marine	57.9	69.3	70.1	58.0	122.4
		On-land	52.5	17.0	54.0	48.5	24.0
	Government or private	Government	89.3	64.2	91.3	79.7	126.5
		Private	21.1	22.1	32.8	26.8	19.9
	Total domestic civil engineering		110.4	86.4	124.2	106.6	146.4
	Domestic building construction						
	Use	Warehousing and distribution facilities	13.1	29.7	24.4	26.6	31.5
		Housing	12.5	9.1	22.4	10.7	22.7
		Other	26.5	13.6	10.9	18.9	21.6
	Government or private	Government	9.1	4.5	4.0	11.4	7.5
		Private	43.0	47.9	53.8	44.8	68.4
	Total domestic building construction		52.2	52.5	57.8	56.3	75.9
	Overseas						
	Region	Southeast Asia	45.4	26.8	14.6	17.6	53.7
South Asia		0	26.7	0.1	2.7	6.9	
Middle East		1.2	3.1	0.5	1.6	0.3	
Africa		2.6	8.8	47.5	2.5	7.8	
Other		1.2	0	0	0	0	
Total overseas		50.5	65.6	62.8	24.5	68.8	

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Please be advised that future results may differ from the planned figures in this document due to changes in the business environment and other factors.

