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## Consolidated Financial Results for the Nine Months Ended December 31, 2024 [Japanese GAAP]

February 13, 2025

Company name : Kumagai Gumi Co., Ltd.  
Listing : Tokyo Stock Exchange, Prime Market  
Securities code : 1861 URL : <https://www.kumagaigumi.co.jp/>  
Representative : Shin Ueda, President  
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Scheduled date to commence dividend payments : —  
Preparation of supplementary material on financial results : None  
Holding of financial results briefing : None

(Rounded down to the nearest million yen)

### 1. Consolidated Results for the Nine Months Ended December 31, 2024 (April 1, 2024 – December 31, 2024)

#### (1) Consolidated Operating Results (Percentage figures are changes from the same period in the previous fiscal year)

	Net sales of completed construction contracts		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2024	330,709	7.5	1,581	(82.9)	1,575	(83.1)	583	(90.1)
December 31, 2023	307,754	7.8	9,253	60.8	9,350	46.8	5,919	48.4

(Note) Comprehensive income For the nine months ended December 31, 2024 : 1,107 million yen [ (91.2)% ]  
For the nine months ended December 31, 2023 : 12,581 million yen [ 128.0% ]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2024	13.57	—
December 31, 2023	136.69	—

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2024	440,860	175,181	39.7	4,081.21
March 31, 2024	467,232	180,014	38.5	4,185.54

(Reference) Equity As of December 31, 2024 : 175,181 million yen  
As of March 31, 2024 : 180,014 million yen

### 2. Dividends

	Annual cash dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	—	—	130.00	130.00
Fiscal year ending March 31, 2025	—	—	—		
Fiscal year ending March 31, 2025 (Forecast)				130.00	130.00

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

### 3. Forecast of Consolidated Operating Results for FY2024 (April 1, 2024 – March 31, 2025)

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

	Net sales of completed construction contracts		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	490,000	10.6	11,800	(6.7)	12,000	(8.0)	7,700	(7.4)	179.22

(Note) Revision to the latest forecasts of consolidated operating results announced : Yes

※For full-year earnings forecasts, please refer to "1. Overview of Operating Results, etc. ; (3) Explanation of information on future forecasts, including the consolidated earnings forecasts" on page 3 of the attachment.

※ Notes

(1) Significant changes in the scope of consolidation during the period : None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

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

- ① Changes in accounting policies due to revisions to accounting standards and other regulations : Yes
- ② Changes in accounting policies due to other reasons : None
- ③ Changes in accounting estimates : None
- ④ Restatement : None

(Note) For details, please refer to “1. Quarterly Consolidated Financial Statements; (3) Notes to Quarterly Consolidated Financial Statements (Notes on changes in accounting policies)” on page 6 of the Attachments.

(4) Number of shares issued (common stock)

① Number of shares issued at the end of the period (including own shares)

As of December 31, 2024	43,285,560 shares	As of March 31, 2024	43,285,560 shares
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② Number of treasury stocks at the end of the period

As of December 31, 2024	361,729 shares	As of March 31, 2024	276,992 shares
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③ Average number of shares outstanding during the period

Nine months ended December 31, 2024	42,977,574 shares	Nine months ended December 31, 2023	43,306,379 shares
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※ Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

※ Explanation regarding the appropriate use of forecasts of operating results, and other specific comments

The financial forecast of operating results in this document are based on information available at present and logical assessments. Actual results may be materially different from expectations due to a variety of factors. Refer to “1. Overview of Operating Results, etc. ; (3) Explanation of information on future forecasts, including the consolidated earnings forecasts” on page 3 of the Attachments for matters related to earnings forecasts.

(Reference) Summary of Nonconsolidated Financial Results

(Rounded down to the nearest million yen)

1. Nonconsolidated Results for the Nine Months Ended December 31, 2024 (April 1, 2024 – December 31, 2024)

(1) Nonconsolidated Operating Results

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

	Net sales of completed construction contracts		Operating profit		Ordinary profit		Profit	
Nine months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2024	242,244	4.2	(2,366)	—	(1,103)	—	(871)	—
December 31, 2023	232,513	9.5	6,113	50.3	7,141	17.4	4,862	14.1

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2024	(20.24)	—
December 31, 2023	112.01	—

(2) Nonconsolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
December 31, 2024	363,576	133,558	36.7	3,103.88
March 31, 2024	382,906	139,563	36.4	3,237.08

(Reference) Equity As of December 31, 2024 : 133,558 million yen

As of March 31, 2024 : 139,563 million yen

2. Forecast of Nonconsolidated Operating Results for FY2024 (April 1, 2024 – March 31, 2025)

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

	Net sales of completed construction contracts		Ordinary profit		Profit		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Yen
	372,800	13.7	7,600	(3.3)	5,200	(2.1)	120.73

(Note) Revision to the latest forecasts of nonconsolidated operating results announced : Yes

※For full-year earnings forecasts, please refer to “1. Overview of Operating Results, etc. ; (3) Explanation of information on future forecasts, including the consolidated earnings forecasts” on page 3 of the attachment.

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## 1. Overview of Operating Results, etc.

### (1) Overview of operating results

During the first nine months of the fiscal year under review, the Japanese economy was trending moderately upward. This reflected signs of a recovery in consumer spending and solid investments in plant and equipment, particularly in software, amid an improvement in the employment and income environments. Nonetheless, there is still some stagnation due partly to the rise of the price of goods.

In the construction industry, while housing construction investment remained flat, private sector construction investment was trending mildly upward amid the improvement in corporate revenue and business sentiment, as well as the return of production bases to Japan. Additionally, with public investment remaining solid due to the implementation of related budgets, the environment for receiving orders remained favorable. In terms of profitability, however, conditions remained difficult in part, mainly due to the cost of materials and labor staying high.

Under these operating conditions, the Kumagai Gumi Group is pursuing initiatives for sustainable growth by moving forward as a team with The Kumagai Gumi Group Medium-Term Management Plan (FY2024–FY2026) – A New Path toward Sustainable Growth – which was adopted in May 2024. The plan highlights the basic policies of (i) strengthening the construction business, (ii) accelerating peripheral businesses, and (iii) enhancing management base.

Looking at the consolidated results for the first nine months under review, net sales (completed contracts) rose 22.9 billion yen (7.5%) year on year, to 330.7 billion yen, mainly attributable to progress in the execution of increased order backlogs that were carried over from the previous fiscal year.

Operating profit decreased 7.6 billion yen (82.9%) year on year to 1.5 billion yen as a result of a fall in the gross profit margin (gross profit margin on completed contracts). Ordinary profit slid 7.7 billion yen (83.1%) year on year to 1.5 billion yen. Profit attributable to owners of parent was 0.5 billion yen, down 5.3 billion yen (90.1%) due to income taxes of 0.7 billion yen and other adjustments.

The fall in gross profit margin resulted chiefly from delays in the acquisition of additional design changes due mainly to the extension of the construction period, as well as the additional posting of a provision for loss construction contracts linked to measures taken to deal with time-pressed construction schedules, in certain projects in the building construction business.

### (2) Overview of financial condition

Total assets at the end of the first nine months of the fiscal year under review were 440.8 billion yen, down 26.3 billion yen (5.6%) from the end of the previous fiscal year. This was attributed mainly to a decrease in cash and deposits for the repayment of commercial paper, payment of dividends and other reasons and a decline in notes receivable, accounts receivable from completed construction contracts and other after collection.

Total liabilities fell 21.5 billion yen (7.5%) from the end of the previous fiscal year, to 265.6 billion yen, chiefly owing to the payment of payables such as notes payable, accounts payable for construction contracts and other, as well as the redemption of commercial papers.

Net assets stood at 175.1 billion yen, a decrease of 4.8 billion yen (2.7%) from the end of the previous fiscal year, mainly reflecting a decline in retained earnings due to the payment of dividends, despite the posting of profit attributable to owners of parent. The shareholders' equity ratio was 39.7%, improving 1.2 pt from 38.5% at the end of the previous fiscal year.

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

Looking ahead, the Japanese economy is expected to continue to recover moderately due to the effects of a range of measures implemented by the government amid improvements in the employment and income environments. Nonetheless, there are risks that may cause a downturn in overseas economies, such as the impact of persistently high interest rates in Europe and the United States and the continued stagnation of the real estate market in China. In addition, careful attention should be paid to geopolitical issues such as the situation in the Middle East, as well as the effects of other developments including price increases, U.S. policy trends and fluctuations in financial and capital markets.

In the construction industry, building investment by private-sector enterprises is expected to remain firm, partly due to improvement of corporate earnings. Moreover, with the FY2024 budget and FY2025 initial draft budget on par with the respective year-ago levels being secured, public investment is likely to remain solid, reflecting systematic investment for the prevention and reduction of disasters, as well as the building of national resilience, amid growing concern over the sustainability of foundations that support people's living and industrial development, given phenomena such as intensifying and increasingly frequent natural disasters and decaying social infrastructure. Meanwhile, attention should be paid to trends in risk factors that may cause profitability to deteriorate and demand to contract, including high crude oil prices, rising prices of construction materials, a tight labor supply-demand situation and regulations regarding overtime working hours coming into force.

Under these conditions, the Group developed The Kumagai Gumi Group Medium-Term Management Plan (FY2024–FY2026) – A New Path toward Sustainable Growth– in May 2024. As a leader in the construction service industry that is sought by society, the Group will follow the long-term vision it set out in the previous plan while also setting FY2026 financial targets of consolidated net sales of 500 billion yen, consolidated ordinary profit of 30 billion yen and the ROE of 10% or higher, as it seeks to realize a society in which limited resources are recycled and people, society, and nature continue to prosper. The Group will continue striving for sustainable growth by working as a team on this plan.

In view of the conditions described above and business results for the first nine months under review, the Company has decided to make the following revisions to the consolidated earnings forecasts and the non-consolidated earnings forecasts for the fiscal year ending March 31, 2025 announced on November 12, 2024.

On a consolidated basis, the Company expects net sales to increase 10.6% year on year, to 490.0 billion yen (up 27.8 billion yen from the previous forecast), operating profit to decrease 6.7%, to 11.8 billion yen (down 3.2 billion yen from the previous forecast), ordinary profit to fall 8.0%, to 12.0 billion yen (down 3.4 billion yen from the previous forecast) and profit attributable to owners of parent to decline 7.4%, to 7.7 billion yen (down 2.4 billion yen from the previous forecast).

On a non-consolidated basis, the Company expects orders to increase 1.2% year on year, to 380.0 billion yen (up 32.0 billion yen from the previous forecast), net sales to increase 13.7%, to 372.8 billion yen (up 27.8 billion yen from the previous forecast), ordinary profit to decrease 3.3%, to 7.6 billion yen (down 3.4 billion yen from the previous forecast), and profit to fall 2.1%, to 5.2 billion yen (down 2.4 billion yen from the previous forecast).

The profit margin improved due to steady progress in the order backlog in the domestic civil engineering business. Meanwhile, in the domestic building construction business, net sales from completed contracts are expected to exceed the initial plan by more than 10% due to progress in the backlog from the previous fiscal year, including several large construction projects, as well as strong orders. On the profitability side, however, the profit margin declined, primarily reflecting higher costs due to increases in the cost of materials and labor, as well as measures taken to deal with tight construction schedules, involving certain large projects for which orders had been received in previous years.

With respect to dividends for the fiscal year ending March 31, 2025, the Company plans to pay 130 yen per share as initially expected, based on the basic policy of returning profits to shareholders properly and stably, although it has revised the initial profit plan downward.

Looking ahead to the next fiscal year (fiscal year ending March 31, 2026), the current order environment is improving sharply in both the civil engineering and the building construction businesses, while the impact of low-margin

construction is expected to be extremely limited in the domestic construction business. Taking these factors into account, the Company expects that the projected gross profit margin on completed contracts presented in the Medium-Term Management Plan will be achieved and dividends will be increased as planned.

In addition, the Company plans to introduce an interim dividend system to enhance shareholder returns as announced in the Notice of Introduction of Interim Dividend System, which has been released today (February 13, 2025).

## 2. Quarterly Consolidated Financial Statements

### (1) Quarterly consolidated balance sheet

(millions of yen)

	As of March 31, 2024	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	70,073	39,817
Notes receivable, accounts receivable from completed construction contracts and other	266,541	249,694
Costs on construction contracts in progress	8,460	11,646
Accounts receivable – other	22,117	31,307
Other	2,331	3,721
Allowance for doubtful accounts	(64)	(63)
Total current assets	369,460	336,123
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,760	9,744
Land	17,897	17,899
Other, net	2,144	2,538
Total property, plant and equipment	29,803	30,182
Intangible assets	1,592	1,639
Investments and other assets		
Investment securities	48,586	53,348
Deferred tax assets	3,547	3,312
Other	14,439	16,466
Allowance for doubtful accounts	(196)	(212)
Total investments and other assets	66,376	72,913
Total non-current assets	97,771	104,736
Total assets	467,232	440,860



(millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	100,457	79,826
Electronically recorded obligations – operating	29,158	37,595
Short-term borrowings	10,906	11,938
Commercial papers	14,999	—
Income taxes payable	3,439	280
Advances received on construction contracts in progress	23,130	35,643
Deposits received	36,669	35,202
Provision for warranties for completed construction	522	549
Provision for loss on construction contracts	3,820	3,866
Provision for bonuses	4,097	2,092
Other	16,260	6,704
Total current liabilities	243,460	213,700
Non-current liabilities		
Long-term borrowings	26,474	34,592
Provision for share awards	292	246
Retirement benefit liability	16,433	16,491
Deferred tax liabilities	—	37
Other	556	609
Total non-current liabilities	43,757	51,978
Total liabilities	287,218	265,679
Net assets		
Shareholders' equity		
Share capital	30,108	30,108
Capital surplus	15,170	15,170
Retained earnings	120,115	115,080
Treasury shares	(657)	(979)
Total shareholders' equity	164,737	159,380
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,437	14,284
Deferred gains or losses on hedges	3	(42)
Foreign currency translation adjustment	1,887	1,603
Remeasurements of defined benefit plans	(50)	(45)
Total accumulated other comprehensive income	15,276	15,800
Total net assets	180,014	175,181
Total liabilities and net assets	467,232	440,860

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

(millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales of completed construction contracts	307,754	330,709
Cost of sales of completed construction contracts	281,478	311,598
Gross profit on completed construction contracts	26,276	19,110
Selling, general and administrative expenses	17,022	17,529
Operating profit	9,253	1,581
Non-operating income		
Interest income	68	164
Dividend income	479	536
Share of profit of entities accounted for using equity method	79	75
Foreign exchange gains	27	73
Other	156	66
Total non-operating income	810	917
Non-operating expenses		
Interest expenses	256	394
Commission for syndicated loans	262	227
Loss on investments in investment partnerships	88	204
Other	105	96
Total non-operating expenses	713	923
Ordinary profit	9,350	1,575
Extraordinary income		
Gain on sales of non-current assets	4	4
Gain on sale of investment securities	0	1
Gain on sales of memberships	0	1
Total extraordinary income	4	6
Extraordinary losses		
Loss on retirement of non-current assets	7	9
Compensation for damage	189	102
Provision of allowance for doubtful accounts	0	19
Loss on litigation	0	75
Other	97	1
Total extraordinary losses	295	209
Profit before income taxes	9,059	1,373
Income taxes – current	2,249	879
Income taxes – deferred	890	(89)
Total income taxes	3,140	790
Profit	5,919	583
Profit attributable to owners of parent	5,919	583

Quarterly consolidated statement of comprehensive income (Cumulative total)

(millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	5,919	583
Other comprehensive income		
Valuation difference on available-for-sale securities	6,087	848
Deferred gains or losses on hedges	7	(45)
Foreign currency translation adjustment	550	(283)
Remeasurements of defined benefit plans, net of tax	17	5
Share of other comprehensive income of entities accounted for using equity method	0	(0)
Total other comprehensive income	6,662	524
Comprehensive income	12,581	1,107
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,581	1,107
Comprehensive income attributable to non-controlling interests	—	—

### (3) Notes to Quarterly Consolidated Financial Statements

(Notes on changes in accounting policies)

(Application of the Accounting Standard for Current Income Taxes, etc.)

The Company has applied Accounting Standard for Current Income Taxes (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; hereinafter referred to as the "Revised Accounting Standard 2022") effective from beginning of the first three months of the fiscal year under review.

The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "Revised Implementation Guidance 2022"). This change in accounting policies has no impact on the quarterly consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred or tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of the first three months of the fiscal year under review. This change in accounting policies is applied retroactively, and the change is reflected in the quarterly consolidated financial statements and consolidated financial statements for the previous fiscal year. This change in accounting policies has no impact on the quarterly consolidated financial statements and consolidated financial statements for the previous fiscal year.

#### (Notes on Segment Information)

Nine months ended December 31, 2023 (Apr 1, 2023—Dec 31, 2023)

Reportable segment sales, profit or loss and revenue breakdown information

(millions of yen)

	Reportable segments				Adjustments (Note1)	Amounts on Quarterly consolidated statement of income (Note2)
	Civil engineering	Building construction	Subsidiaries	Total		
Net Sales						
Revenue from contracts with customers	72,871	159,411	74,179	306,462	—	306,462
Other revenue	—	230	1,061	1,291	—	—
Sales to customers	72,871	159,641	75,241	307,754	—	307,754
Intersegment sales and transfers	—	0	6,751	6,751	(6,751)	—
Total	72,871	159,642	81,992	314,506	(6,751)	307,754
Segment profit	2,338	3,774	3,119	9,232	21	9,253

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

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

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

Nine months ended December 31, 2024 (Apr 1, 2024—Dec 31, 2024)

Reportable segment sales, profit or loss and revenue breakdown information

(millions of yen)

	Reportable segments				Adjustments (Note1)	Amounts on Quarterly consolidated statement of income (Note2)
	Civil engineering	Building construction	Subsidiaries	Total		
Net Sales						
Revenue from contracts with customers	74,253	167,690	87,481	329,425	—	329,425
Other revenue	—	299	984	1,283	—	1,283
Sales to customers	74,253	167,990	88,465	330,709	—	330,709
Intersegment sales and transfers	—	0	6,982	6,982	(6,982)	—
Total	74,253	167,990	95,447	337,692	(6,982)	330,709
Segment profit (loss)	3,775	(6,141)	3,931	1,564	17	1,581

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

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

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

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

Not applicable

(Notes related to the going concern assumption)

Not applicable

(Notes on quarterly consolidated statements of cash flows)

The Company did not prepare quarterly consolidated statements of cash flows for the first nine months of the fiscal year under review. Depreciation (including amortization of intangible assets excluding goodwill) for the first nine months of the fiscal year under review is as follows.

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Depreciation	1,522 million yen	1,517 million yen

### 3. Quarterly Nonconsolidated Financial Statements

#### (1) Quarterly nonconsolidated balance sheet

(millions of yen)

	As of March 31, 2024	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	39,226	19,868
Notes receivable, accounts receivable from completed construction contracts and other	228,758	214,346
Costs on construction contracts in progress	7,389	10,038
Other	22,935	27,014
Allowance for doubtful accounts	(25)	(23)
Total current assets	298,284	271,245
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,848	5,929
Land	14,939	14,941
Other, net	947	1,188
Total property, plant and equipment	21,736	22,060
Intangible assets	1,409	1,484
Investments and other assets		
Investment securities	10,853	10,117
Shares of subsidiaries and associates	36,289	39,248
Deferred tax assets	2,274	2,396
Other	12,060	17,023
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	61,476	68,785
Total non-current assets	84,622	92,330
Total assets	382,906	363,576

(millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	69,287	53,543
Electronically recorded obligations – operating	28,203	35,005
Short-term borrowings	10,706	15,738
Commercial papers	14,999	—
Lease obligations	3	17
Advances received on construction contracts in progress	21,816	33,535
Deposits received	34,896	31,801
Provision for warranties for completed construction	465	492
Provision for loss on construction contracts	3,787	3,764
Provision for bonuses	2,718	1,364
Other	15,397	5,498
Total current liabilities	202,280	180,761
Non-current liabilities		
Long-term borrowings	26,474	34,592
Lease obligations	4	69
Provision for stock payments	292	246
Provision for retirement benefits	13,966	13,974
Other	324	372
Total non-current liabilities	41,062	49,255
Total liabilities	243,342	230,017
Net assets		
Shareholders' equity		
Share capital	30,108	30,108
Capital surplus	15,170	15,170
Retained earnings	81,428	74,938
Treasury shares	(527)	(849)
Total shareholders' equity	126,179	119,368
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	13,381	14,232
Deferred gains or losses on hedges	3	(42)
Total valuation and translation adjustments	13,384	14,190
Total net assets	139,563	133,558
Total liabilities and net assets	382,906	363,576

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

(millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales of completed construction contracts	232,513	242,244
Cost of sales of completed construction contracts	213,350	231,212
Gross profit on completed construction contracts	19,163	11,032
Selling, general and administrative expenses	13,049	13,399
Operating profit (loss)	6,113	(2,366)
Non-operating income		
Interest income	30	108
Dividend income	1,603	1,957
Foreign exchange gains	16	83
Other	117	55
Total non-operating income	1,767	2,205
Non-operating expenses		
Interest expenses	288	419
Commission for syndicated loans	262	227
Loss on investments in investment partnerships	88	204
Other	99	90
Total non-operating expenses	739	942
Ordinary profit (loss)	7,141	(1,103)
Extraordinary income		
Gain on sales of non-current assets	0	0
Gain on sale of investment securities	0	1
Gain on sales of memberships	—	1
Total extraordinary income	0	3
Extraordinary losses		
Loss on retirement of non-current assets	1	3
Compensation for damage	189	45
Loss on litigation	0	75
Other	0	—
Total extraordinary losses	191	124
Profit (loss) before income taxes	6,950	(1,224)
Income taxes – current	1,531	130
Income taxes – deferred	556	(482)
Total income taxes	2,087	(352)
Profit (loss)	4,862	(871)



#### 4. Supplementary Information

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

(millions of yen)

			Nine months ended December 31, 2023		Nine months ended December 31, 2024		Change	
			Amount	Composition ratio %	Amount	Composition ratio %	Amount	%
		Public	33,778	12.7	38,339	13.3	4,561	13.5
		Private	28,767	10.8	30,875	10.6	2,107	7.3
		Domestic	62,545	23.5	69,215	23.9	6,669	10.7
		Overseas	14,220	5.3	538	0.2	(13,681)	(96.2)
		<b>Civil engineering</b>	76,765	28.8	69,753	24.1	(7,012)	(9.1)
		Public	21,224	7.9	11,388	3.9	(9,836)	(46.3)
		Private	168,821	63.3	204,478	70.6	35,657	21.1
		Domestic	190,046	71.2	215,867	74.5	25,820	13.6
		Overseas	26	0.0	4,103	1.4	4,077	—
		<b>Building construction</b>	190,072	71.2	219,970	75.9	29,898	15.7
		Public	55,003	20.6	49,728	17.2	(5,274)	(9.6)
		Private	197,588	74.1	235,353	81.2	37,765	19.1
		Domestic	252,591	94.7	285,082	98.4	32,490	12.9
		Overseas	14,246	5.3	4,641	1.6	(9,604)	(67.4)
		<b>Orders received—Total</b>	266,838	100	289,723	100	22,885	8.6
		Public	38,887	16.7	39,793	16.4	906	2.3
		Private	33,654	14.5	31,682	13.1	(1,971)	(5.9)
		Domestic	72,541	31.2	71,476	29.5	(1,065)	(1.5)
		Overseas	329	0.1	2,777	1.2	2,447	742.0
		<b>Civil engineering</b>	72,871	31.3	74,253	30.7	1,382	1.9
		Public	21,274	9.2	18,823	7.8	(2,451)	(11.5)
		Private	137,998	59.3	149,153	61.5	11,154	8.1
		Domestic	159,272	68.5	167,976	69.3	8,703	5.5
		Overseas	369	0.2	14	0.0	(354)	(96.1)
		<b>Building construction</b>	159,642	68.7	167,990	69.3	8,348	5.2
		Public	60,162	25.9	58,616	24.2	(1,545)	(2.6)
		Private	171,652	73.8	180,835	74.6	9,183	5.4
		Domestic	231,814	99.7	239,452	98.8	7,638	3.3
		Overseas	699	0.3	2,791	1.2	2,092	299.2
		<b>Net sales—Total</b>	232,513	100	242,244	100	9,730	4.2
		Public	76,536	13.4	72,904	11.6	(3,632)	(4.7)
		Private	108,576	19.1	112,703	17.9	4,127	3.8
		Domestic	185,113	32.5	185,608	29.5	494	0.3
		Overseas	13,468	2.4	11,328	1.8	(2,140)	(15.9)
		<b>Civil engineering</b>	198,581	34.9	196,936	31.3	(1,645)	(0.8)
		Public	56,608	10.0	48,490	7.7	(8,117)	(14.3)
		Private	313,574	55.1	380,687	60.4	67,113	21.4
		Domestic	370,182	65.1	429,178	68.1	58,995	15.9
		Overseas	24	0.0	4,089	0.6	4,064	—
		<b>Building construction</b>	370,207	65.1	433,267	68.7	63,060	17.0
		Public	133,144	23.4	121,394	19.3	(11,749)	(8.8)
		Private	422,151	74.2	493,391	78.3	71,240	16.9
		Domestic	555,296	97.6	614,786	97.6	59,490	10.7
		Overseas	13,492	2.4	15,417	2.4	1,924	14.3
		<b>Carried-forward—Total</b>	568,788	100	630,204	100	61,415	10.8

(Note) The carried-forward amount of foreign currency denominated project has been translated at the closing rate.

Nine months ended December 31, 2023: Decreased by 377 million yen

Nine months ended December 31, 2024: Increased by 310 million yen

## (2) Financial Highlights

Consolidated

(100 millions of yen)

(Operating Results)

	A Nine months ended December 31, 2023	B Nine months ended December 31, 2024	B - A	
				%
Net sales	3,078	3,307	230	7.5
Gross profit	263	191	(72)	(27.3)
(Ratio)	8.5%	5.8%	(2.7)%	
SG&A expenses	170	175	5	
Operating profit	93	16	(77)	(82.9)
(Ratio)	3.0%	0.5%	(2.5)%	
Non-operating income - net	1	(0)	(1)	
Ordinary profit	94	16	(78)	(83.1)
Extraordinary income - net	(3)	(2)	1	
Profit before income taxes	91	14	(77)	(84.8)
Income taxes and others	31	8	(24)	
Profit attributable to owners of parent	59	6	(53)	(90.1)

(Forecasts of Operating Results for Full year)

C Fiscal year ended March 31, 2024	D Fiscal year ending March 31, 2025 (Previous Forecast)	E Fiscal year ending March 31, 2025 (Revised Forecast)	E - C		E - D	
				%		%
4,432	4,622	4,900	468	10.6	278	6.0
361	395	363	2	0.6	(32)	(8.1)
8.1%	8.5%	7.4%	(0.7)%		(1.1)%	
234	245	245	11		—	
126	150	118	(8)	(6.7)	(32)	(21.3)
2.9%	3.2%	2.4%	(0.5)%		(0.8)%	
4	4	2	(2)		(2)	
130	154	120	(10)	(8.0)	(34)	(22.1)
(4)	(1)	(2)	2		(1)	
126	153	118	(8)	(6.3)	(35)	(22.9)
43	52	41	(2)		(11)	
83	101	77	(6)	(7.4)	(24)	(23.8)

Nonconsolidated

(Operating Results)

	A Nine months ended December 31, 2023	B Nine months ended December 31, 2024	B - A	
				%
Civil engineering	625	692	67	
Building construction	1,900	2,159	258	
Domestic	2,526	2,851	325	
Overseas	142	46	(96)	
Orders received	2,668	2,897	229	8.6
Civil engineering	725	715	(11)	
Building construction	1,593	1,680	87	
Domestic	2,318	2,395	76	
Overseas	7	28	21	
Net sales	2,325	2,422	97	4.2
Civil engineering	80	98	18	
(Ratio)	11.0%	13.7%	2.7%	
Building construction	111	10	(100)	
(Ratio)	6.9%	0.6%	(6.3)%	
Domestic	190	108	(82)	
(Ratio)	8.2%	4.5%	(3.7)%	
Overseas	1	2	1	
(Ratio)	16.5%	6.6%	(9.9)%	
Gross profit	192	110	(81)	(42.4)
(Ratio)	8.2%	4.6%	(3.6)%	
SG&A expenses	130	134	3	
Operating profit (loss)	61	(24)	(85)	(138.7)
(Ratio)	2.6%	(1.0)%	(3.6)%	
Non-operating income - net	10	13	2	
Ordinary profit (loss)	71	(11)	(82)	(115.4)
Extraordinary income - net	(2)	(1)	1	
Profit (loss) before income taxes	70	(12)	(82)	(117.6)
Income taxes and others	21	(4)	(24)	
Profit (loss)	49	(9)	(57)	(117.9)

(Forecasts of Operating Results for Full year)

C Fiscal year ended March 31, 2024	D Fiscal year ending March 31, 2025 (Previous Forecast)	E Fiscal year ending March 31, 2025 (Revised Forecast)	E - C		E - D	
				%		%
922	1,000	1,050	128		50	
2,691	2,400	2,700	9		300	
3,613	3,400	3,750	137		350	
142	80	50	(92)		(30)	
3,756	3,480	3,800	44	1.2	320	9.2
994	1,000	1,000	6		—	
2,274	2,400	2,700	426		300	
3,268	3,400	3,700	432		300	
11	50	28	17		(22)	
3,279	3,450	3,728	449	13.7	278	8.1
123	130	140	17		10	
12.4%	13.0%	14.0%	1.6%		1.0%	
122	150	110	(12)		(40)	
5.4%	6.3%	4.1%	(1.3)%		(2.2)%	
245	280	250	5		(30)	
7.5%	8.2%	6.8%	(0.7)%		(1.4)%	
1	4	2	1		(2)	
11.4%	8.0%	7.1%	(4.3)%		(0.9)%	
246	284	252	6	2.3	(32)	(11.3)
7.5%	8.2%	6.8%	(0.7)%		(1.4)%	
180	188	188	8		—	
66	96	64	(2)	(3.3)	(32)	(33.3)
2.0%	2.8%	1.7%	(0.3)%		(1.1)%	
12	14	12	(0)		(2)	
79	110	76	(3)	(3.3)	(34)	(30.9)
(3)	0	(1)	2		(1)	
76	110	75	(1)	(1.3)	(35)	(31.8)
23	34	23	0		(11)	
53	76	52	(1)	(2.1)	(24)	(31.6)