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Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 [Japanese GAAP]



May 12, 2021

Company name: HAZAMA ANDO CORPORATION

Stock exchange listing: Tokyo Stock Exchange

Code number: 1719

URL: <https://www.ad-hzm.co.jp/>

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Scheduled date of ordinary general meeting of shareholders: June 29, 2021

Scheduled date of filing securities report: June 29, 2021

Scheduled date of commencing dividend payments: June 30, 2021

Availability of supplementary briefing material on financial results: Yes

Schedule of financial results briefing session: Yes (For analysts and financial institutions)

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2021	352,000	(6.9)	27,357	10.8	25,891	8.0	17,189	2.3
March 31, 2020	378,135	5.0	24,699	4.3	23,983	6.6	16,803	89.6

(Note) Comprehensive income: Fiscal year ended March 31, 2021: ¥20,494 million [43.3%]

Fiscal year ended March 31, 2020: ¥14,301 million [72.4%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2021	89.80	89.78	12.2	7.6	7.8
March 31, 2020	84.42	84.40	12.5	7.0	6.5

(Reference) Share of loss (profit) of entities accounted for using equity method:

Fiscal year ended March 31, 2021: ¥— million

Fiscal year ended March 31, 2020: ¥— million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2021	339,610	146,676	43.0	782.28
As of March 31, 2020	339,772	136,900	40.0	704.86

(Reference) Equity: As of March 31, 2021: ¥145,915 million

As of March 31, 2020: ¥136,058 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 end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2021	29,154	(3,954)	(12,656)	128,035
March 31, 2020	(3,102)	(3,016)	(13,244)	115,461

2. Dividends

	Annual dividends					Total dividends paid	Dividend payout ratio (consolidated)	Ratio of dividends to equity (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2020	—	15.00	—	15.00	30.00	5,903	35.5	4.4
Fiscal year ended March 31, 2021	—	15.00	—	15.00	30.00	5,704	33.4	4.0
Fiscal year ending March 31, 2022 (Forecast)	—	15.00	—	15.00	30.00		35.4	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	157,000	(13.3)	8,500	(38.7)	7,600	(40.0)	5,100	(40.4)	27.34
Full year	372,000	5.7	24,900	(9.0)	23,400	(9.6)	15,800	(8.1)	84.71

* Notes:

(1) Changes in significant subsidiaries during the fiscal year ended March 31, 2021 (changes in specified subsidiaries resulting in changes in scope of consolidation): No

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

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

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

March 31, 2021: 200,343,397 shares

March 31, 2020: 200,343,397 shares

2) Total number of treasury shares at the end of the period:

March 31, 2021: 13,818,561 shares

March 31, 2020: 7,315,545 shares

3) Average number of shares during the period:

Fiscal year ended March 31, 2021: 191,421,835 shares

Fiscal year ended March 31, 2020: 199,042,034 shares

The Company has adopted a performance-linked stock remuneration plan using a trust. The Company's shares held by the trust (357,131 shares) are included in the total number of treasury shares at the end of the period and the average number of shares during the period is calculated and stated taking into account shares held by the trust.

(Reference) Summary of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)

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

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2021	332,922	(6.6)	25,713	10.3	24,469	7.4	16,199	0.2
March 31, 2020	356,446	7.1	23,302	3.3	22,787	4.9	16,168	90.7

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2021	84.63	84.61
March 31, 2020	81.23	81.21

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2021	318,593	136,649	42.9	732.59
As of March 31, 2020	322,269	129,332	40.1	670.00

(Reference) Equity: As of March 31, 2021: ¥136,646million

As of March 31, 2020: ¥129,328 million

2. Non-Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	147,000	(13.8)	7,900	(41.3)	7,300	(41.4)	5,000	(41.2)	26.81
Full year	350,000	5.1	23,100	(10.2)	22,100	(9.7)	15,100	(6.8)	80.95

* Explanation of the proper use of financial results forecast and other notes

- (1) The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ significantly due to a wide range of factors.

1. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	102,971	129,317
Notes receivable, accounts receivable from completed construction contracts and other	137,730	121,390
Securities	14,000	—
Costs on construction contracts in progress	4,927	5,887
Other inventories	4,686	8,823
Other	13,279	9,023
Allowance for doubtful accounts	(14)	(12)
Total current assets	277,582	274,429
Non-current assets		
Property, plant and equipment		
Buildings and structures	22,297	23,649
Machinery, vehicles, tools, furniture and fixtures	11,421	11,977
Land	15,505	15,799
Other	1,500	852
Accumulated depreciation	(21,576)	(22,723)
Total property, plant and equipment	29,148	29,555
Intangible assets	1,572	1,505
Investments and other assets		
Investment securities	18,698	21,697
Long-term loans receivable	145	132
Deferred tax assets	9,527	7,819
Retirement benefit asset	—	707
Other	3,099	3,765
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	31,469	34,120
Total non-current assets	62,190	65,181
Total assets	339,772	339,610

(Million yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	78,930	70,624
Short-term borrowings	17,391	16,312
Current portion of bonds	341	291
Income taxes payable	4,812	4,907
Advances received on construction contracts in progress	30,862	27,608
Deposits received	27,461	30,512
Provision for warranties for completed construction	2,371	2,129
Provision for bonuses	2,679	2,595
Provision for loss on construction contracts	955	1,248
Provision for loss on damage due to fire	6,699	5,996
Other	6,881	11,756
Total current liabilities	179,386	173,984
Non-current liabilities		
Bonds payable	691	400
Long-term borrowings	8,712	8,271
Deferred tax liabilities	45	37
Retirement benefit liability	12,776	8,857
Provision for environmental measures	148	139
Provision for management board incentive plan trust	93	116
Other	1,016	1,127
Total non-current liabilities	23,485	18,949
Total liabilities	202,872	192,934
Net assets		
Shareholders' equity		
Share capital	17,006	17,006
Capital surplus	19,926	19,919
Retained earnings	103,699	115,086
Treasury shares	(5,284)	(10,187)
Total shareholders' equity	135,348	141,824
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,880	3,754
Foreign currency translation adjustment	116	55
Remeasurements of defined benefit plans	(1,287)	281
Total accumulated other comprehensive income	709	4,091
Share acquisition rights	4	3
Non-controlling interests	837	758
Total net assets	136,900	146,676
Total liabilities and net assets	339,772	339,610

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

(Million yen)

	For the Fiscal year ended March 31, 2020	For the Fiscal year ended March 31, 2021
Net sales		
Net sales of completed construction contracts	358,190	331,549
Sales in other businesses	19,944	20,451
Total net sales	378,135	352,000
Cost of sales		
Cost of sales of completed construction contracts	314,013	287,106
Cost of sales in other businesses	16,905	16,729
Total cost of sales	330,918	303,835
Gross profit		
Gross profit on completed construction contracts	44,177	44,443
Gross profit - other business	3,039	3,722
Total gross profit	47,216	48,165
Selling, general and administrative expenses	22,517	20,808
Operating profit	24,699	27,357
Non-operating income		
Interest income	110	38
Dividend income	315	327
Other	310	103
Total non-operating income	736	469
Non-operating expenses		
Interest expenses	422	333
Commission expenses	135	849
Foreign exchange losses	336	19
Other	558	733
Total non-operating expenses	1,452	1,935
Ordinary profit	23,983	25,891
Extraordinary income		
Gain on reversal of provision for loss on damage due to fire	733	27
Subsidy income	—	354
Gain on sales of non-current assets	86	12
Gain on sales of investment securities	254	160
Total extraordinary income	1,074	555
Extraordinary losses		
Loss on damage due to fire	315	25
Loss on tax purpose reduction entry of non current assets	—	354
Loss on sales of non current assets	30	—
Loss on retirement of non-current assets	—	19
Loss on sales of investment securities	142	—
Loss on valuation of investment securities	69	—
Impairment loss	—	884
Loss on litigation	46	74
Total extraordinary losses	603	1,359
Profit before income taxes	24,454	25,087
Income taxes - current	7,875	7,789
Income taxes - deferred	(147)	138
Total income taxes	7,727	7,928
Profit	16,727	17,159
Loss attributable to non-controlling interests	(76)	(30)
Profit attributable to owners of parent	16,803	17,189

(Consolidated Statements of Comprehensive Income)

(Million yen)

	For the Fiscal year ended March 31, 2020	For the Fiscal year ended March 31, 2021
Profit	16,727	17,159
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,602)	1,874
Deferred gains or losses on hedges	3	—
Foreign currency translation adjustment	103	(107)
Remeasurements of defined benefit plans	69	1,568
Total other comprehensive income	(2,425)	3,335
Comprehensive income	14,301	20,494
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,328	20,571
Comprehensive income attributable to non-controlling interests	(27)	(76)

(3) Consolidated Statements of Changes in Equity

(Fiscal year ended March 31, 2020)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	17,006	19,927	92,945	(255)	129,622
Changes in items during period					
Dividends of surplus			(6,004)		(6,004)
Profit attributable to owners of parent			16,803		16,803
Disposal of treasury shares		(0)		37	36
Purchase of treasury shares				(5,065)	(5,065)
Change of scope of consolidation			(44)		(44)
Net changes in items other than shareholders' equity					
Total changes in items during period	—	(0)	10,754	(5,028)	5,726
Balance at end of period	17,006	19,926	103,699	(5,284)	135,348

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	4,482	(3)	62	(1,356)	3,184	4	869	133,682
Changes in items during period								
Dividends of surplus								(6,004)
Profit attributable to owners of parent								16,803
Disposal of treasury shares								36
Purchase of treasury shares								(5,065)
Change of scope of consolidation								(44)
Net changes in items other than shareholders' equity	(2,602)	3	54	69	(2,475)	(0)	(32)	(2,507)
Total changes in items during period	(2,602)	3	54	69	(2,475)	(0)	(32)	3,218
Balance at end of period	1,880	—	116	(1,287)	709	4	837	136,900

(Fiscal year ended March 31, 2021)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	17,006	19,926	103,699	(5,284)	135,348
Changes in items during period					
Dividends of surplus			(5,802)		(5,802)
Profit attributable to owners of parent			17,189		17,189
Disposal of treasury shares		(7)		32	25
Purchase of treasury shares				(4,936)	(4,936)
Net changes in items other than shareholders' equity					
Total changes in items during period	—	(7)	11,386	(4,903)	6,475
Balance at end of period	17,006	19,919	115,086	(10,187)	141,824

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	1,880	116	(1,287)	709	4	837	136,900
Changes in items during period							
Dividends of surplus							(5,802)
Profit attributable to owners of parent							17,189
Disposal of treasury shares							25
Purchase of treasury shares							(4,936)
Net changes in items other than shareholders' equity	1,874	(61)	1,568	3,381	(1)	(79)	3,301
Total changes in items during period	1,874	(61)	1,568	3,381	(1)	(79)	9,776
Balance at end of period	3,754	55	281	4,091	3	758	146,676

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the Fiscal year ended March 31, 2020	For the Fiscal year ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	24,454	25,087
Depreciation	1,814	2,080
Loss on tax purpose reduction entry of non current assets	—	354
Subsidy income	—	(354)
Impairment loss	—	884
Loss on damage due to fire	315	25
Increase (decrease) in allowance for doubtful accounts	2	(1)
Increase (decrease) in provision for warranties for completed construction	484	(241)
Increase (decrease) in provision for loss on construction contracts	(778)	293
Increase (decrease) in provision for loss on damage due to fire	(1,043)	(702)
Increase (decrease) in retirement benefit liability	(87)	(1,912)
Decrease (increase) in retirement benefit asset	—	(447)
Interest and dividend income	(426)	(365)
Interest expenses	422	333
Foreign exchange losses (gains)	188	(73)
Loss (gain) on sales of investment securities	(112)	(160)
Loss (gain) on valuation of investment securities	69	—
Loss (gain) on sales of property, plant and equipment	(56)	(12)
Decrease (increase) in trade receivables	(19,059)	16,317
Decrease (increase) in costs on construction contracts in progress	2,833	(963)
Decrease (increase) in other inventories	339	(4,136)
Decrease (increase) in advances paid	1,224	990
Increase (decrease) in trade payables	6,339	(8,289)
Increase (decrease) in advances received on construction contracts in progress	(15,153)	(3,245)
Increase (decrease) in deposits received	(3,100)	3,050
Increase (decrease) in accrued consumption taxes	280	3,254
Other, net	4,288	5,865
Subtotal	3,239	37,630
Interest and dividends received	446	393
Interest paid	(434)	(356)
Compensation for damage paid	(1,027)	(756)
Income taxes paid	(5,326)	(7,755)
Net cash provided by (used in) operating activities	(3,102)	29,154
Cash flows from investing activities		
Payments into time deposits	(1,474)	(60)
Proceeds from withdrawal of time deposits	1,250	221
Purchase of short-term and long-term investment securities	(855)	(429)
Proceeds from sales of short-term and long-term investment securities	1,144	299
Purchase of property, plant and equipment	(3,805)	(2,934)
Proceeds from sales of property, plant and equipment	234	16
Proceeds from sales of intangible assets	289	—
Payments of leasehold and guarantee deposits	(10)	(955)
Subsidies received	40	354
Other, net	169	(466)
Net cash provided by (used in) investing activities	(3,016)	(3,954)

(Million yen)

	For the Fiscal year ended March 31, 2020	For the Fiscal year ended March 31, 2021
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	9	(91)
Proceeds from long-term borrowings	5,304	4,107
Repayments of long-term borrowings	(7,398)	(5,534)
Proceeds from issuance of bonds	358	—
Redemption of bonds	(393)	(341)
Purchase of treasury shares	(5,065)	(4,936)
Dividends paid	(6,004)	(5,802)
Dividends paid to non-controlling interests	(5)	(2)
Other, net	(48)	(52)
Net cash provided by (used in) financing activities	(13,244)	(12,656)
Effect of exchange rate change on cash and cash equivalents	(184)	28
Net increase (decrease) in cash and cash equivalents	(19,547)	12,573
Cash and cash equivalents at beginning of period	135,093	115,461
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(84)	—
Cash and cash equivalents at end of period	115,461	128,035

2. Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

(Million yen)

	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	95,467	122,029
Notes receivable - trade	184	296
Electronically recorded monetary claims - operating	2,597	6,547
Accounts receivable from completed construction contracts	132,080	111,900
Accounts receivable- other business	836	854
Securities	14,000	—
Real estate for sale	511	511
Costs on construction contracts in progress	4,555	5,530
Costs on other business	740	948
Raw materials and supplies	3	3
Prepaid expenses	67	81
Other	12,907	8,528
Allowance for doubtful accounts	(13)	(12)
Total current assets	263,937	257,220
Non-current assets		
Property, plant and equipment		
Buildings	18,041	18,334
Accumulated depreciation	(9,547)	(10,051)
Buildings, net	8,493	8,282
Structures	2,174	2,174
Accumulated depreciation	(1,797)	(1,829)
Structures, net	377	345
Machinery and equipment	3,744	3,767
Accumulated depreciation	(2,864)	(3,087)
Machinery and equipment, net	879	679
Vehicles	227	186
Accumulated depreciation	(180)	(148)
Vehicles, net	47	37
Tools, furniture and fixtures	3,718	3,780
Accumulated depreciation	(3,221)	(3,244)
Tools, furniture and fixtures, net	497	535
Land	13,559	12,984
Leased assets	353	334
Accumulated depreciation	(166)	(141)
Leased assets, net	187	192
Construction in progress	495	—
Total property, plant and equipment	24,538	23,058

(Million yen)

	As of March 31, 2020	As of March 31, 2021
Intangible assets		
Leasehold interests in land	106	106
Software	1,093	966
Other	132	181
Total intangible assets	1,332	1,254
Investments and other assets		
Investment securities	18,452	21,399
Shares of subsidiaries and associates	2,688	2,679
Investments in capital	24	25
Investments in capital of subsidiaries and associates	111	111
Long-term loans receivable	16	12
Long-term loans receivable from employees	40	43
Long-term loans receivable from subsidiaries and associates	88	1,630
Claims provable in bankruptcy, claims provable in rehabilitation and other	1	1
Long-term prepaid expenses	31	98
Prepaid pension costs	—	447
Deferred tax assets	8,370	7,378
Other	2,634	3,231
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	32,460	37,060
Total non-current assets	58,331	61,373
Total assets	322,269	318,593
Liabilities		
Current liabilities		
Notes payable - trade	2,107	2,325
Electronically recorded obligations - operating	12,531	9,954
Accounts payable for construction contracts	63,556	56,091
Accounts payable - other business	408	378
Short-term borrowings	17,305	16,226
Current portion of bonds	341	291
Lease obligations	71	71
Accounts payable - other	2,500	2,248
Accrued expenses	37	35
Income taxes payable	4,319	4,524
Advances received on construction contracts in progress	29,999	27,210
Advances received on other business	351	337
Deposits received	26,718	29,454
Unearned revenue	5	2
Provision for warranties for completed construction	2,369	2,128
Provision for bonuses	2,561	2,459
Provision for loss on construction contracts	953	1,248
Provision for loss on damage due to fire	6,699	5,996
Other	154	3,475
Total current liabilities	172,991	164,463

	As of March 31, 2020	As of March 31, 2021
Non-current liabilities		
Bonds payable	691	400
Long-term borrowings	8,155	7,799
Lease obligations	124	132
Provisions for retirement benefits	9,899	7,957
Provision for environmental measures	148	139
Provision for management board incentive plan trust	93	116
Asset retirement obligations	493	578
Other	337	355
Total non-current liabilities	19,944	17,479
Total liabilities	192,936	181,943
Net assets		
Shareholders' equity		
Share capital	17,006	17,006
Capital surplus		
Legal capital surplus	17,123	17,123
Other capital surplus	2,868	2,861
Total capital surpluses	19,992	19,984
Retained earnings		
Other retained earning		
Reserve for specified shares	—	25
Retained earnings brought forward	95,737	106,108
Total retained earnings	95,737	106,133
Treasury shares	(5,284)	(10,187)
Total shareholders' equity	127,451	132,936
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,876	3,709
Total valuation and translation adjustments	1,876	3,709
Share acquisition rights	4	3
Total net assets	129,332	136,649
Total liabilities and net assets	322,269	318,593

(2) Non-Consolidated Statements of Income

(Million yen)

	For the Fiscal year ended March 31, 2020	For the Fiscal year ended March 31, 2021
Net sales		
Net sales of completed construction contracts	351,527	328,044
Sales in other businesses	4,918	4,878
Total net sales	356,446	332,922
Cost of sales		
Cost of sales of completed construction contracts	308,352	284,007
Cost of sales in other businesses	4,074	4,162
Total cost of sales	312,427	288,170
Gross profit		
Gross profit on completed construction contracts	43,174	44,036
Gross profit - other business	844	715
Total gross profit	44,019	44,751
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	257	257
Provision for management board incentive plan trust	22	46
Employees' salaries and allowances	6,753	5,966
Provision for bonuses	2,125	2,008
Retirement benefit expenses	650	619
Legal welfare expenses	1,299	1,204
Welfare expenses	330	337
Repair and maintenance expenses	281	330
Stationery expenses	430	390
Communication and transportation expenses	1,347	890
Power utilities expenses	102	85
Research study expenses	2,741	2,683
Advertising expenses	183	136
Provision of allowance for doubtful accounts	3	(1)
Entertainment expenses	284	185
Donations	42	75
Rent expenses on land and buildings	950	794
Depreciation	890	1,037
Taxes and dues	1,095	1,116
Insurance expenses	70	122
Miscellaneous expenses	851	749
Selling, general and administrative expenses	20,716	19,038
Operating profit	23,302	25,713

	For the Fiscal year ended March 31, 2020	For the Fiscal year ended March 31, 2021
Non-operating income		
Interest income	73	29
Interest on securities	2	0
Dividend income	562	523
Other	267	102
Total non-operating income	906	656
Non-operating expenses		
Interest expenses	399	314
Interest on bonds	11	8
Commission expenses	135	849
Foreign exchange losses	337	18
Other	536	708
Total non-operating expenses	1,421	1,900
Ordinary profit	22,787	24,469
Extraordinary income		
Gain on reversal of provision for loss on damage due to fire	733	27
Subsidy income	—	354
Gain on sales of non-current assets	57	12
Gain on sales of investment securities	144	160
Gain on sales of shares of subsidiaries and associates	110	—
Total extraordinary income	1,045	555
Extraordinary losses		
Loss on damage due to fire	315	25
Loss on tax purpose reduction entry of non current assets	—	354
Loss on sales of non-current assets	30	—
Loss on sales of investment securities	142	—
Loss on valuation of investment securities	69	—
Impairment loss	—	884
Loss on litigation	46	74
Total extraordinary losses	603	1,339
Profit before income taxes	23,228	23,685
Income taxes - current	7,187	7,346
Income taxes - deferred	(127)	140
Total income taxes	7,060	7,486
Profit	16,168	16,199

(3) Non-Consolidated Statements of Changes in Equity

(Fiscal year ended March 31, 2020)

(Million yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at beginning of period	17,006	17,123	2,869	19,992	85,573	85,573	(255)	122,316
Changes in item during period								
Dividends of surplus					(6,004)	(6,004)		(6,004)
Profit					16,168	16,168		16,168
Disposal of treasury shares			(0)	(0)			37	36
Purchase of treasury shares							(5,065)	(5,065)
Net changes in items other than shareholders' equity								
Total changes in items during period	—	—	(0)	(0)	10,164	10,164	(5,028)	5,135
Balance at end of period	17,006	17,123	2,868	19,992	95,737	95,737	(5,284)	127,451

	Valuation and translation adjustments		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	4,478	4,478	4	126,798
Changes in item during period				
Dividends of surplus				(6,004)
Profit				16,168
Disposal of treasury shares				36
Purchase of treasury shares				(5,065)
Net changes in items other than shareholders' equity	(2,601)	(2,601)	(0)	(2,601)
Total changes in items during period	(2,601)	(2,601)	(0)	2,533
Balance at end of period	1,876	1,876	4	129,332

(Fiscal year ended March 31, 2021)

(Million yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		Total retained earnings		
					Reserve for specified shares	Retained earnings brought forward			
Balance at beginning of period	17,006	17,123	2,868	19,992	—	95,737	95,737	(5,284)	127,451
Changes in item during period									
Dividends of surplus						(5,802)	(5,802)		(5,802)
Profit						16,199	16,199		16,199
Disposal of treasury shares			(7)	(7)				32	25
Purchase of treasury shares								(4,936)	(4,936)
Reserve for specified shares					25	(25)	—		—
Net changes in items other than shareholders' equity									
Total changes in items during period	—	—	(7)	(7)	25	10,371	10,396	(4,903)	5,485
Balance at end of period	17,006	17,123	2,861	19,984	25	106,108	106,133	(10,187)	132,936

	Valuation and translation adjustments		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	1,876	1,876	4	129,332
Changes in item during period				
Dividends of surplus				(5,802)
Profit				16,199
Disposal of treasury shares				25
Purchase of treasury shares				(4,936)
Reserve for specified shares				—
Net changes in items other than shareholders' equity	1,833	1,833	(1)	1,831
Total changes in items during period	1,833	1,833	(1)	7,317
Balance at end of period	3,709	3,709	3	136,649

3. Supplementary Information

(1) Results for the fiscal year ended March 31, 2021 and forecasts for the six months ending September 30, 2021 and full year

1. Non-consolidated

(Unit: Million yen. Rounded down to the unit)

Items		Results for the fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021		Fiscal year ending March 31, 2022	
			Forecasts for the fiscal year ended March 31, 2021 (announced in August 2020)	Results for the fiscal year ended March 31, 2021	Forecasts for the six months ending September 30, 2021	Full year forecasts
Orders received	Civil engineering	193,575	120,000	101,527	50,000	125,000
	Building construction	186,706	215,000	199,341	110,000	210,000
	Total orders received	380,281	335,000	300,869	160,000	335,000
Net sales of completed construction contracts	Civil engineering	124,314	135,000	135,932	62,000	140,000
	Building construction	227,213	200,000	192,111	80,000	200,000
	Total net sales of completed construction contracts	351,527	335,000	328,044	142,000	340,000
Gross profit on completed construction contracts	Civil engineering	21,960 [17.7%]	21,900 [16.2%]	23,303 [17.1%]	10,100 [16.3%]	22,700 [16.2%]
	Building construction	21,214 [9.3%]	18,400 [9.2%]	20,732 [10.8%]	6,700 [8.4%]	17,900 [9.0%]
	Total gross profit on completed construction contracts	43,174 [12.3%]	40,300 [12.0%]	44,036 [13.4%]	16,800 [11.8%]	40,600 [11.9%]
Gross sales		356,446	342,000	332,922	147,000	350,000
Gross profit		44,019 [12.3%]	41,100 [12.0%]	44,751 [13.4%]	17,300 [11.8%]	41,600 [11.9%]
Selling, general and administrative expenses		20,716	19,000	19,038	9,400	18,500
Operating profit		23,302 [6.5%]	22,100 [6.5%]	25,713 [7.7%]	7,900 [5.4%]	23,100 [6.6%]
Non-operating income/expenses [Interest income/expenses]		(515) [227]	(1,500) [50]	(1,244) [230]	(600) [100]	(1,000) [150]
Ordinary profit		22,787 [6.4%]	20,600 [6.0%]	24,469 [7.3%]	7,300 [5.0%]	22,100 [6.3%]
Extraordinary income/losses		441	—	(783)	—	—
Profit before income taxes		23,228 [6.5%]	20,600 [6.0%]	23,685 [7.1%]	7,300 [5.0%]	22,100 [6.3%]
Tax expenses		7,060	6,500	7,486	2,300	7,000
Profit		16,168 [4.5%]	14,100 [4.1%]	16,199 [4.9%]	5,000 [3.4%]	15,100 [4.3%]

2. Consolidated

(Unit: Million yen. Rounded down to the unit)

Items	Results for the fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021		Fiscal yearending March 31, 2022	
		Forecasts for the fiscal year ended March 31, 2021 (announced in August 2020)	Results for the fiscal year ended March 31, 2021	Forecasts for the six months ending September 30, 2021	Full year Forecasts
Gross sales	378,135	365,000	352,000	157,000	372,000
Selling, general and administrative expenses	22,517	20,500	20,808	10,300	20,300
Operating profit	24,699 [6.5%]	23,600 [6.5%]	27,357 [7.8%]	8,500 [5.4%]	24,900 [6.7%]
Ordinary profit	23,983 [6.3%]	21,900 [6.0%]	25,891 [7.4%]	7,600 [4.8%]	23,400 [6.3%]
Profit attributable to owners of parent	16,803 [4.4%]	14,800 [4.1%]	17,189 [4.9%]	5,100 [3.2%]	15,800 [4.2%]

(2) Non-consolidated orders received, net sales, and year-end backlog

(Orders received for the construction business)

(Unit: Million yen, %)

Category		For the fiscal year ended March 31, 2020		For the fiscal year ended March 31, 2021		Increase/decrease	
		Amount	%	Amount	%	Amount	% change
Domestic civil engineering	Government sector	71,828	[40.9]	66,969	[66.3]	(4,859)	(6.8)
	Private sector	103,899	[59.1]	33,978	[33.7]	(69,921)	(67.3)
	Total	175,727	46.2	100,947	33.6	(74,780)	(42.6)
Domestic building construction	Government sector	8,713	[5.1]	42,475	[21.7]	33,761	387.5
	Private sector	163,580	[94.9]	153,272	[78.3]	(10,307)	(6.3)
	Total	172,293	45.3	195,747	65.1	23,453	13.6
Domestic	Government sector	80,541	[23.1]	109,444	[36.9]	28,902	35.9
	Private sector	267,479	[76.9]	187,251	[63.1]	(80,228)	(30.0)
	Total	348,021	91.5	296,695	98.6	(51,326)	(14.7)
Overseas	Civil engineering	17,847	[55.3]	579	[13.9]	(17,267)	(96.8)
	Building construction	14,412	[44.7]	3,593	[86.1]	(10,818)	(75.1)
	Total	32,259	8.5	4,173	1.4	(28,085)	(87.1)
Sum total	Civil engineering	193,575	[50.9]	101,527	[33.7]	(92,047)	(47.6)
	Building construction	186,706	[49.1]	199,341	[66.3]	12,635	6.8
	Total	380,281	100.0	300,869	100.0	(79,411)	(20.9)

(Net sales for the construction business)

(Unit: Million yen, %)

Category		For the fiscal year ended March 31, 2020		For the fiscal year ended March 31, 2021		Increase/decrease	
		Amount	%	Amount	%	Amount	% change
Domestic civil engineering	Government sector	78,588	[68.6]	85,019	[66.1]	6,431	8.2
	Private sector	35,982	[31.4]	43,638	[33.9]	7,655	21.3
	Total	114,570	32.6	128,657	39.2	14,087	12.3
Domestic building construction	Government sector	30,130	[14.3]	18,591	[10.2]	(11,539)	(38.3)
	Private sector	180,720	[85.7]	164,052	[89.8]	(16,667)	(9.2)
	Total	210,850	60.0	182,644	55.7	(28,206)	(13.4)
Domestic	Government sector	108,718	[33.4]	103,611	[33.3]	(5,107)	(4.7)
	Private sector	216,702	[66.6]	207,690	[66.7]	(9,012)	(4.2)
	Total	325,421	92.6	311,301	94.9	(14,119)	(4.3)
Overseas	Civil engineering	9,743	[37.3]	7,274	[43.5]	(2,468)	(25.3)
	Building construction	16,362	[62.7]	9,467	[56.5]	(6,895)	(42.1)
	Total	26,106	7.4	16,742	5.1	(9,364)	(35.9)
Sum total	Civil engineering	124,314	[35.4]	135,932	[41.4]	11,618	9.3
	Building construction	227,213	[64.6]	192,111	[58.6]	(35,102)	(15.4)
	Total	351,527	100.0	328,044	100.0	(23,483)	(6.7)

(Year-end backlog for the construction business)

(Unit: Million yen, %)

Category		For the fiscal year ended March 31, 2020		For the fiscal year ended March 31, 2021		Increase/decrease	
		Amount	%	Amount	%	Amount	% change
Domestic civil engineering	Government sector	157,893	[46.5]	139,843	[44.8]	(18,050)	(11.4)
	Private sector	181,619	[53.5]	171,959	[55.2]	(9,659)	(5.3)
	Total	339,512	62.1	311,802	60.0	(27,710)	(8.2)
Domestic building construction	Government sector	20,589	[12.0]	44,472	[24.1]	23,883	116.0
	Private sector	150,900	[88.0]	140,120	[75.9]	(10,779)	(7.1)
	Total	171,489	31.4	184,593	35.5	13,103	7.6
Domestic	Government sector	178,482	[34.9]	184,315	[37.1]	5,833	3.3
	Private sector	332,519	[65.1]	312,079	[62.9]	(20,439)	(6.1)
	Total	511,002	93.5	496,395	95.5	(14,606)	(2.9)
Overseas	Civil engineering	24,607	[68.9]	18,033	[77.7]	(6,573)	(26.7)
	Building construction	11,089	[31.1]	5,189	[22.3]	(5,900)	(53.2)
	Total	35,696	6.5	23,222	4.5	(12,473)	(34.9)
Sum total	Civil engineering	364,119	[66.6]	329,835	[63.5]	(34,283)	(9.4)
	Building construction	182,578	[33.4]	189,782	[36.5]	7,203	3.9
	Total	546,698	100.0	519,618	100.0	(27,080)	(5.0)

(Net sales for other businesses)

(Unit: Million yen, %)

Category	For the fiscal year ended March 31, 2020	For the fiscal year ended March 31, 2021	Increase/decrease	
	Amount	Amount	Amount	% change
Other businesses	4,918	4,878	(40)	(0.8)