

Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.



## Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]

August 10, 2023

Company name: TODA CORPORATION

Stock exchange listing: Tokyo

Code number: 1860

URL: <https://www.toda.co.jp/>

Representative: Seisuke Otani President and Representative Director

Contact: Kaname Miwa Corporate Officer General Manager, Financial&IR Div.

Phone: +81-3-3535-1357

Scheduled date of filing quarterly securities report: August 10, 2023

Scheduled date of commencing dividend payments: —

Availability of supplementary briefing material on quarterly financial results: No

Schedule of quarterly financial results briefing session: No

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

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2023	114,391	(0.5)	2,123	(37.7)	4,610	(23.7)	1,921	(47.8)
June 30, 2022	114,949	1.2	3,409	(6.2)	6,043	14.8	3,680	5.2

(Note) Comprehensive income: Three months ended June 30, 2023: ¥14,065 million [ 94.8%]

Three months ended June 30, 2022: ¥7,218 million [328.7%]

	Basic earnings per share	Diluted earnings per share
Three months ended June 30, 2023	Yen 6.20	Yen -
June 30, 2022	11.94	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of June 30, 2023	Millions of yen 746,093	Millions of yen 333,114	% 43.8
March 31, 2023	815,556	323,261	38.9

(Reference) Equity: As of June 30, 2023: ¥326,778million

As of March 31, 2023: ¥317,254million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2023	Yen -	Yen 13.50	Yen -	Yen 13.50	Yen 27.00
Fiscal year ending March 31, 2024	-				
Fiscal year ending March 31, 2024 (Forecast)		14.00	-	14.00	28.00

(Note) Revision to the forecast for dividends announced most recently: No

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	540,000	(1.3)	16,000	13.2	19,500	2.4	19,500	77.3	62.92

(Note) Revision to the financial results forecast announced most recently: No

### \* Notes:

#### (1) Changes in significant subsidiaries during the three months ended June 30, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New — (Company name: )

Exclusion: 1 (Company name: Construtora Toda do Brasil S/A )

#### (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

#### (3) 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

#### (4) Total number of issued shares (common shares)

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

June 30, 2023: 322,656,796 shares

March 31, 2023: 322,656,796 shares

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

June 30, 2023: 12,730,752 shares

March 31, 2023: 12,730,496 shares

##### 3) Average number of shares outstanding during the period:

Three months ended June 30, 2023: 309,926,207 shares

Three months ended June 30, 2022: 308,216,292 shares

### \*Notes:

These statements include Toda Corporation's forecasts based on information currently available as of the announcement date, which are subject to a number of risks and uncertainties. Therefore, the actual results of developments may differ from those presented in these forward-looking statements due to the changes in various factors.

**Consolidated Financial Results  
for the First Quarter  
Ended June 30, 2023**



Table of Contents of Attachments

1. Qualitative Information on Financial Results for the Three Months Ended June 30, 2023.....	2
(1) Overview of Operating Results for the Three Months Ended June 30, 2023 .....	2
(2) Explanation of Financial Condition .....	3
(3) Explanation of Consolidated Financial Forecasts and Other Forward-Looking Statements .....	3
2. Quarterly Consolidated Financial Statements and Notes .....	4
(1) Quarterly Consolidated Balance Sheets .....	4
(2) Consolidated Statements of Income and Comprehensive Income .....	6
(3) Notes to Quarterly Consolidated Financial Statements.....	8
Notes on Matters Related to Going Concern Assumption .....	8
Notes in the Event of Significant Changes in Shareholders' Equity .....	8
Accounting Methods Specific to the Preparation of the Quarterly Consolidated Financial Statements	8
Segment Information, etc.....	8
Significant Subsequent Events.....	10
3. (Reference) Non-consolidated Financial Statements .....	11
(1) (Reference) Non-consolidated Balance Sheets.....	11
(2) (Reference) Non-consolidated Statements of Income .....	13
4. Supplementary Information.....	14
(1) Summary of Consolidated Results and Forecasts .....	14
(2) Summary of Non-consolidated Results and Forecasts.....	15
(3) Orders Received, Net Sales and Balance Brought Forward (Non-consolidated).....	16

## 1. Qualitative Information on Financial Results for the Three Months Ended June 30, 2023

### (1) Overview of Operating Results for the Three Months Ended June 30, 2023

In the first quarter of the current consolidated fiscal year, the domestic economy showed a gradual recovery, supported by an improved employment and income situation.

In the construction industry, orders for both public-sector and private-sector construction increased and exceeded those of the same period of the previous year. Meanwhile, construction material prices are leveling off, but there are concerns about rising construction costs due to tight labor supply and demand.

In May 2022, the Group announced the “Medium-Term Management Plan 2024 Rolling Plan” to promote the evolution of value provided to customers in the core businesses of architectural construction, civil engineering, and strategy. In addition, the Company has identified the construction of new TODA BUILDING, overseas business, and renewable energy business such as floating offshore wind power generation as key management priorities. During the first quarter of the current consolidated fiscal year, the Company continued to invest in growth under the active involvement of top management in order to achieve medium- to long-term growth. To achieve ROE (return on equity) target of 8% in the medium- to long-term while promoting growth investments, the Company has also worked to strengthen its investment process by applying IRR (internal rate of return), cost of capital, and other indicators to manage post-investment profitability.

Under these circumstances, the Group’s performance for the first quarter of the consolidated fiscal year under review was as follows:

Consolidated net sales decreased 0.5% y-o-y to ¥114.3 billion, mainly due to lower sales in the Civil Engineering Business and the Domestic Investment and Development Business, despite higher sales in the Overseas Group Companies Business as a result of the consolidation of PT Tatamulia Nusantara Indah and its seven subsidiaries in the previous fiscal year.

Regarding operating income (loss), the consolidated subsidiaries mentioned above contributed to an increase in gross profit from the Overseas Group Companies Business. However, gross profit from the Architectural Construction Business and the Civil Engineering Business decreased, resulting in gross profit of ¥12.2 billion, down 6.2% y-o-y. Selling, general and administrative (SG&A) expenses increased 4.9% y-o-y to ¥10.1 billion, resulting in operating income of ¥2.1 billion, down 37.7% y-o-y.

Although dividends received on investment securities held by the Company and other income were recorded as non-operating income, ordinary income was ¥4.6 billion, down 23.7% y-o-y.

Net income attributable to owners of the parent was ¥1.9 billion, down 47.8% y-o-y, due to extraordinary gains, including a gain on sales of investment securities, offset by extraordinary losses, including a loss on sales of stocks of subsidiaries and affiliates.

The results for each segment are as follows. Segment results are presented including intersegment sales and transfers.

The Group has changed its reporting segments from the first quarter of the current fiscal year, and comparisons and analysis with the same quarter of the previous year are based on the segment classifications after the change. For details, please refer to “3. Matters concerning changes in reporting segments, etc.” under “2. Quarterly Consolidated Financial Statements and Notes (3) Notes to Quarterly Consolidated Financial Statements - Segment Information, etc. II. For the three months ended June 30, 2023”.

#### Architectural Construction Business

Net sales were ¥69.5 billion (up 8.2% y-o-y), and the segment income (operating income) was ¥200 million (down 45.2% y-o-y).

Orders received by the Company on a non-consolidated basis decreased by 5.0% y-o-y for domestic private-sector construction, but public-sector construction increased by 565.4% y-o-y, resulting in an overall increase of ¥83.3 billion, 28.9% higher than the same quarter of the previous year.

### **Civil Engineering Business**

Net sales were ¥25.4 billion (down 21.3% y-o-y), and segment income (operating income) was ¥1.3 billion (down 49.8% y-o-y).

Orders received by the Company on a non-consolidated basis increased 74.9% y-o-y for domestic private-sector construction but decreased 49.7% for domestic public-sector construction, resulting in ¥16.5 billion, down 26.7% y-o-y.

### **Domestic Investment and Development Business**

Net sales were ¥3.2 billion (down 68.5% y-o-y), and segment income (operating income) was ¥500 million (down 27.3% y-o-y).

### **Domestic Group Companies Business**

Net sales were ¥9.9 billion (up 8.2% y-o-y), and segment loss (operating loss) was ¥300 million (segment income of ¥100 million in the same quarter of the previous year).

### **Overseas Group Companies Business**

Net sales were ¥12.1 billion (up 334.0% y-o-y), and segment income (operating income) was ¥600 million (up 340.9% y-o-y).

### **Environment & Energy Business**

Net sales were ¥300 million (down 8.1% y-o-y), and segment loss (operating loss) was ¥18 million (segment loss of ¥100 million in the same quarter of the previous year).

## **(2) Explanation on Financial Condition**

Assets, liabilities, and net assets

### **Assets**

Total assets at the end of the first quarter of the current fiscal year decreased ¥69.4 billion to ¥746.0 billion (down 8.5% y-o-y), mainly due to a decrease of ¥100.8 billion in notes and accounts receivable from completed construction contracts and other, despite increases of ¥5.6 billion in real estate for sale, ¥5.4 billion in costs on uncompleted construction contracts and ¥12.7 billion in investment securities.

### **Liabilities**

Total liabilities at the end of the first quarter of the current fiscal year decreased ¥79.3 billion to ¥412.9 billion (down 16.1% y-o-y), mainly due to decreases of ¥37.1 billion in notes payable, accounts payable for construction contracts and other and ¥49.7 in short-term loans payable, despite increases of ¥5.3 billion in advances received on uncompleted contracts and ¥5.7 billion in deposits received.

### **Net assets**

Total net assets at the end of the first quarter of the current fiscal year were ¥333.1 billion, an increase of ¥9.8 billion (up 3.0%) from the end of the previous consolidated fiscal year, mainly due to a ¥8.8 billion increase in valuation difference on available-for-sale securities resulting from the rise in market value of stock holdings. The equity ratio was 43.8%

## **(3) Explanation of Consolidated Financial Forecasts and Other Forward-Looking Statements**

At this time, there are no changes to the consolidated earnings forecast for the fiscal year ending March 31, 2024 from that announced on May 15, 2023.

## 2. Quarterly Consolidated Financial Statements and Notes

### (1) Quarterly Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	96,840	100,610
Notes and accounts receivable - trade	282,828	181,963
Short-term investment securities	700	300
Real estate for sale	15,616	21,274
Costs on uncompleted construction contracts	12,102	17,554
Other inventories	2,709	3,777
Other	23,807	17,694
Allowance for doubtful accounts	(3,032)	(2,505)
<b>Total current assets</b>	<b>431,573</b>	<b>340,669</b>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	54,240	58,422
Machinery, vehicles, tools, furniture and fixtures, net	11,256	11,243
Land	87,187	87,881
Lease assets, net	205	226
Construction in progress	25,785	29,273
<b>Total property, plant and equipment</b>	<b>178,675</b>	<b>187,047</b>
Intangible assets		
Goodwill	1,375	1,292
Other	10,689	10,499
<b>Total intangible assets</b>	<b>12,065</b>	<b>11,791</b>
Investments and other assets		
Investment securities	185,072	197,826
Long-term loans receivable	795	782
Net defined benefit assets	1,953	1,855
Deferred tax assets	921	983
Other	4,581	5,219
Allowance for doubtful accounts	(81)	(82)
<b>Total investments and other assets</b>	<b>193,243</b>	<b>206,586</b>
<b>Total noncurrent assets</b>	<b>383,983</b>	<b>405,424</b>
<b>Total assets</b>	<b>815,556</b>	<b>746,093</b>

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	111,283	74,097
Short-term loans payable	81,568	31,818
Current portion of bonds payable	5,050	5,050
Income taxes payable	6,329	1,785
Advances received on uncompleted construction contracts	33,408	38,801
Provision for bonuses	5,115	2,580
Provision for warranties for completed construction	3,305	3,426
Provision for loss on construction contracts	9,434	7,951
Deposits received	36,486	42,219
Other	18,034	17,313
<b>Total current liabilities</b>	<b>310,016</b>	<b>225,045</b>
Noncurrent liabilities		
Bonds payable	50,195	50,180
Long-term loans payable	74,724	76,842
Deferred tax liabilities	19,244	23,297
Deferred tax liabilities for land revaluation	6,069	6,069
Provision for directors' retirement benefits	98	96
Provision for stock payments for directors	465	527
Provision for loss on liquidation of subsidiaries and affiliates	1,141	15
Net defined benefit liability	22,932	23,261
Asset retirement obligations	2,242	2,228
Other	5,165	5,414
<b>Total noncurrent liabilities</b>	<b>182,278</b>	<b>187,934</b>
<b>Total liabilities</b>	<b>492,295</b>	<b>412,979</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	23,001	23,001
Capital surplus	26,786	26,786
Retained earnings	200,996	198,698
Treasury stock	(7,625)	(7,625)
<b>Total shareholders' equity</b>	<b>243,159</b>	<b>240,861</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	72,790	81,614
Deferred gains on hedges	111	583
Revaluation reserve for land	3,087	3,087
Foreign currency conversion adjustments	(1,567)	957
Remeasurements of defined benefit plans	(327)	(327)
<b>Total accumulated other comprehensive income</b>	<b>74,094</b>	<b>85,916</b>
<b>Non-controlling interests</b>	<b>6,007</b>	<b>6,336</b>
<b>Total net assets</b>	<b>323,261</b>	<b>333,114</b>
<b>Total liabilities and net assets</b>	<b>815,556</b>	<b>746,093</b>



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

Consolidated Statements of Income

Three Months Ended June 30, 2022 and 2023

(Millions of yen)

	Three Months Ended June 30, 2022 (April 1 through June 30, 2022)	Three Months Ended June 30, 2023 (April 1 through June 30, 2023)
<b>Net sales</b>		
Net sales of construction contracts	102,326	108,832
Net sales of investment development business and	12,623	5,559
<b>Total net sales</b>	<b>114,949</b>	<b>114,391</b>
<b>Cost of sales</b>		
Cost of sales of construction contracts	91,016	98,173
Cost of sales of investment development business	10,826	3,922
<b>Total cost of sales</b>	<b>101,843</b>	<b>102,095</b>
<b>Gross profit</b>		
Gross profit on construction contracts	11,309	10,659
Gross profit on investment development business	1,797	1,636
<b>Total gross profit</b>	<b>13,106</b>	<b>12,295</b>
<b>Selling, general and administrative expenses</b>	<b>9,696</b>	<b>10,172</b>
<b>Operating income</b>	<b>3,409</b>	<b>2,123</b>
<b>Non-operating income</b>		
Interest income	74	455
Dividend income	1,890	1,899
Share of profit of entities accounted for using	36	—
Foreign exchange gain	844	396
Other	108	124
<b>Total non-operating income</b>	<b>2,955</b>	<b>2,875</b>
<b>Non-operating expenses</b>		
Interest expenses	217	314
Commission fee	39	40
Other	64	34
<b>Total non-operating expenses</b>	<b>322</b>	<b>388</b>
<b>Ordinary Income</b>	<b>6,043</b>	<b>4,610</b>
<b>Extraordinary income</b>		
Gain on sales of investment securities	500	614
Other	0	19
<b>Total extraordinary income</b>	<b>501</b>	<b>634</b>
<b>Extraordinary loss</b>		
Impairment loss	760	—
Loss on abandonment of noncurrent assets	55	4
Loss on valuation of investment securities	405	—
Provision for loss on liquidation of subsidiaries	-	1,419
Other	16	7
<b>Total extraordinary losses</b>	<b>1,238</b>	<b>1,431</b>
<b>Profit before income taxes and non-controlling</b>	<b>5,305</b>	<b>3,813</b>
<b>Total income taxes</b>	<b>1,655</b>	<b>1,781</b>
<b>Profit for the year</b>	<b>3,650</b>	<b>2,031</b>
<b>Loss attributable to non-controlling interests</b>	<b>(29)</b>	<b>110</b>
<b>Profit for the year attributable to owners of the parent</b>	<b>3,680</b>	<b>1,921</b>

Consolidated Statements of Comprehensive Income  
Three Months Ended June 30, 2022 and 2023

(Millions of yen)

	Three Months Ended June 30, 2022 (April 1 through June 30, 2022)	Three Months Ended June 30, 2023 (April 1 through June 30, 2023)
Profit for the year	3,650	2,031
Other comprehensive income		
Valuation difference on available-for-sale	2,098	8,824
Deferred gains or losses on hedges	76	471
Foreign currency conversion adjustment	1,170	2,752
Remeasurements of defined benefit plans	20	(16)
Share of other comprehensive income of entities	201	—
Total other comprehensive income	3,567	12,033
Comprehensive income	7,218	14,065
Comprehensive income attributable to		
Owners of the parent	7,166	13,743
Non-controlling interests	51	321

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

#### Notes on Matters Related to Going Concern Assumption

Not applicable.

#### Notes in the Event of Significant Changes in Shareholders' Equity

Not applicable.

#### Accounting Methods Specific to the Preparation of Quarterly Consolidated Financial Statements

	Three Months Ended June 30, 2023 (April 1 through June 30, 2023)
Calculation of tax expenses	Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to income before income taxes and minority interests for the consolidated fiscal year, including the first quarter under review, and multiplying quarterly income before income taxes and minority interests by said estimated effective tax rate.

#### Segment Information, etc.

Segments information

I. For three months ended June 30, 2022 (April 1, 2022 through June 30, 2022)

1. Information on sales and income or loss by reporting segment

(Millions of yen)

	Reporting Segment							Adjustment (Note 1)	Amount recorded in quarterly consolidated statements of income (Note 2)
	Architectural Construction	Civil Engineering	Domestic Investment and Development	Domestic Group Companies	Overseas Group Development	Environment and Energy	Total		
Net sales									
Sales to external customers	61,350	32,356	10,210	7,916	2,758	358	114,949	—	114,949
Intersegment sales and transfers	2,919	47	204	1,265	33	—	4,470	(4,470)	—
Total	64,269	32,404	10,415	9,182	2,791	358	119,420	(4,470)	114,949
Segment income or (loss)	416	2,760	721	165	151	(154)	4,061	(651)	3,409

Note 1. “Segment income or (loss)” adjustment of (¥651) million refers to elimination of intersegment transactions.

Note 2. “Segment income or (loss)” is adjusted with operating income in the quarterly consolidated statements of income.

2. Information on impairment loss on fixed assets and goodwill, etc. by reporting segment

Significant impairment loss on fixed assets:

As a result of examining the recoverability of construction in progress in the “Environment and Energy” segment, the book value was reduced to the recoverable amount, and the amount of the reduction was recorded as an impairment loss under extraordinary losses.

The amount of such impairment loss was ¥760 million for the first quarter of the previous fiscal year.

II. For three months ended June 30, 2023 (April 1, 2023 through June 30, 2023)

1. Information on sales and income or loss by reporting segment

(Millions of yen)

	Reporting Segment							Adjustment (Note 1)	Amount recorded in quarterly consolidated statements of income (Note 2)
	Architectural Construction	Civil Engineering	Domestic Investment and Development	Domestic Group Companies	Overseas Group Companies	Environment and Energy	Total		
Net sales									
Sales to external customers	65,623	24,638	3,080	8,651	12,068	329	114,391	—	114,391
Intersegment sales and transfers	3,928	851	204	1,283	46	—	6,314	(6,314)	—
Total	69,552	25,490	3,285	9,935	12,114	329	120,706	(6,314)	114,391
Segment income or (loss)	228	1,386	524	(362)	668	(18)	2,425	(302)	2,123

Note 1. “Segment income or (loss)” adjustment of (¥302) million refers to elimination of intersegment transactions.

Note 2. “Segment income or (loss)” is adjusted with operating income in the quarterly consolidated statements of income.

2. Information on impairment loss on fixed assets and goodwill, etc. by reporting segment

Not applicable.

3. Matters related to changes in reporting segments, etc.

Change in segment classification:

Effective from the first quarter of the current fiscal year, the Group has changed its reporting segments from the previous six segments of “Architectural Construction”, “Civil Engineering”, “Domestic Investment and Development”, “Domestic Group Companies”, “Overseas Investment and Development”, and “Environment and Energy” to six segments of “Architectural Construction”, “Civil Engineering”, “Domestic Investment and Development”, “Domestic Group Companies”, “Overseas Group Companies”, and “Environment and Energy”. The change was made to align the classification of reporting segments with the classification of business performance targets reorganized as a result of changes in the organizational structure to promote priority management businesses set forth in the “Medium-Term Management Plan 2024 Rolling Plan” and the classification of business reports in the monthly report materials of the Board of Directors. The “Segment Information” for the first quarter of the previous fiscal year is presented based on the new segmentation.

Change in the method of measuring segment income (loss):

Effective from the first quarter of the current fiscal year, the Group has changed the allocation method of administrative expenses, etc., in order to evaluate the performance of segments more appropriately in accordance with the above change in segment classifications. The segment information for the first quarter of the previous fiscal year has been prepared in accordance with the new measurement method of income or loss.

## Significant Subsequent Events

Establishment of significant subsidiary:

At the Board of Directors Meeting held on July 31, 2023, the Company has resolved to establish an overseas subsidiary in the Republic of Singapore (the “New Company”) as below.

As a result of this investment, the capital of the New Company will correspond to more than 10/100 of the amount of capital of the Company, thus making it a specified subsidiary.

### 1. Purpose of the Establishment of the New Company

As one of the priority management businesses, the Company has been developing the overseas business mainly in Southeast Asia, where economic growth is expected. The Company has decided to establish an overseas subsidiary to oversee and manage its expanding business in the Asia and Oceania region, in addition to the current local subsidiaries (countries of incorporation: the Kingdom of Thailand, the Socialist Republic of Vietnam and the Republic of Indonesia).

Centered on the New Company, the Company aims to further expand its business in the region by optimizing human and other management resources and strengthening governance.

### 2. Outline of the New Company Established

(1) Name	(Tentative Name) Toda Asia Pacific Pte. Ltd.	
(2) Address	#22-02 Samsung Hub, 3 Church Street, Singapore 049483 (scheduled)	
(3) Representative	Yoshiro Shima, Director	
(4) Scope of Business	Supervision and management of local subsidiaries in the Asia and Oceania region	
(5) Capital	58 million Singapore dollars (approx. ¥6,202 million)	
(6) Scheduled Date of Establishment	August 2023	
(7) Major Shareholders and Shareholding Ratio	TODA CORPORATIN 100%	
(8) Relationship between the Company and the New Company	Capital Relationship	The New Company will be established as a wholly owned subsidiary of the Company.
	Personnel Relationship	1 executive officer and 2 employees of the Company are scheduled to serve concurrently as directors of the New Company.
	Transactional Relationship	Not applicable.

Note: The conversion of capital etc. to Japanese yen is based on 1 SGD = 106.94 yen (as of the end of June 2023).

### 3. (Reference) Non-consolidated Financial Statements

#### (1) (Reference) Non-consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	62,310	66,921
Notes receivable, accounts receivable from completed construction contracts, etc.	253,226	154,887
Real estate for sale	8,295	13,722
Costs on uncompleted construction contracts	13,457	18,360
Other inventories	2,387	3,412
Other	21,853	15,603
Allowance for doubtful accounts	(1,508)	(896)
Total current assets	360,022	272,011
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	43,332	44,408
Machinery, vehicles, tools, furniture and fixtures, net	2,149	2,026
Land	76,030	76,034
Lease assets, net	101	103
Construction in progress	19,359	21,733
Total property, plant and equipment	140,974	144,305
Intangible assets	10,132	9,906
Investments and other assets		
Investment securities	216,598	229,255
Long-term loans receivable	11,847	18,334
Prepaid pension cost	2,138	2,017
Other	3,120	3,530
Allowance for doubtful accounts	(143)	(182)
Total investments and other assets	233,561	252,954
Total noncurrent assets	384,667	407,166
Total assets	744,689	679,178

	(Millions of yen)	
	As of March 31, 202	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	95,372	59,974
Short-term loans payable	77,001	27,083
Current portion of bonds payable	5,000	5,000
Income taxes payable	5,528	1,091
Advances received on uncompleted construction contracts	27,555	38,531
Provision for bonuses	4,587	2,086
Provision for warranties for completed construction	3,128	3,302
Provision for loss on construction contracts	9,195	7,722
Deposits received	35,714	41,793
Other	16,329	15,976
Total current liabilities	279,412	202,562
Noncurrent liabilities		
Bonds payable	50,000	50,000
Long-term loans payable	72,486	72,235
Deferred tax liabilities	18,126	22,176
Deferred tax liabilities for land revaluation	6,069	6,069
Provision for retirement benefits	20,665	20,980
Provision for stock payments for directors	465	527
Provision for loss on business of subsidiaries and affiliates	1,706	762
Asset retirement obligations	446	432
Other	4,028	4,286
Total noncurrent liabilities	173,995	177,470
Total liabilities	453,408	380,032
<b>Net assets</b>		
Shareholders' equity		
Capital stock	23,001	23,001
Capital surplus		
Legal capital surplus	25,573	25,573
Other capital surplus	574	574
Total capital surplus	26,147	26,147
Retained earnings		
Legal retained earnings	5,750	5,750
Other retained earnings		
Reserve for construction	50,000	50,000
General reserve	109,774	109,774
Retained earnings brought forward	8,250	6,851
Total retained earnings	173,775	172,376
Treasury stock	(7,625)	(7,625)
Total shareholders' equity	215,299	213,900
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	72,782	81,573
Deferred gains on hedges	111	583
Revaluation reserve for land	3,087	3,087
Total valuation and translation adjustments	75,981	85,245
Total net assets	291,281	299,145
Total liabilities and net assets	744,689	679,178

**(2) (Reference) Non-consolidated Statements of Income**

	(Millions of yen)	
	Three Months Ended June 30, 2022 (April 1 through June 30, 2022)	Three Months Ended June 30, 2023 (April 1 through June 30, 2023)
Net sales		
Net sales of construction contracts	93,708	90,266
Net sales of investment development business and other	10,246	3,125
Total net sales	103,954	93,392
Cost of sales		
Cost of sales of construction contracts	83,510	81,645
Cost of sales of investment development business and other	9,098	2,167
Total cost of sales	92,609	83,813
Gross profit		
Gross profit on construction contracts	10,198	8,620
Gross profit on investment development business and other	1,147	957
Total gross profit	11,345	9,578
Selling, general and administrative expenses	8,394	8,140
Operating income	2,950	1,437
Non-operating income	2,629	2,668
Non-operating expenses	301	390
Ordinary income	5,278	3,715
Extraordinary income	550	620
Extraordinary loss	1,239	265
Profit before income taxes	4,589	4,070
Income taxes	1,428	1,250
Profit	3,161	2,820



#### 4. Supplementary Information

##### (1) Summary of Consolidated Results and Forecasts

(Millions of yen)

	Three months period ended June 30, 2023				Full year			
	FY2022	FY2023	Y-o-Y (b)-(a)		FY2022	FY2023	Y-o-Y (b)-(a)	
	Actual (a)	Actual (b)	Amount	Per. (%)	Actual (a)	Initial forecasts (b)	Amount	Per. (%)
<b>Net sales</b>	114,949	114,391	(558)	(0.5)	547,155	540,000	(7,155)	(1.3)
Construction Business	93,706	90,262	(3,443)	(3.7)	446,546	420,000	(26,546)	(5.9)
Architectural Construction	61,350	65,623	4,273	7.0	320,623	290,000	(30,623)	(9.6)
Civil Engineering	32,356	24,638	(7,717)	(23.9)	125,923	130,000	4,076	3.2
Domestic Investment and Development	10,210	3,080	(7,130)	(69.8)	18,731	20,000	1,268	6.8
Domestic Group Companies	7,916	8,651	734	9.3	42,498	46,000	3,501	8.2
Overseas Group Companies	2,758	12,068	9,310	337.6	37,837	52,000	14,162	37.4
Environment and Energy	358	329	(29)	(8.1)	1,541	2,000	458	29.7
<b>Gross profit</b>	13,106	12,295	(810)	(6.2)	57,323	66,000	8,676	15.1
Profit margin	11.4 %	10.7 %			10.5 %	12.2 %		
SG&A expenses	9,696	10,172	475	4.9	43,188	50,000	6,811	15.8
<b>Operating income</b>	3,409	2,123	(1,286)	(37.7)	14,135	16,000	1,864	13.2
Non-operating income	2,633	2,487	(145)	(5.5)	4,904	3,500	(1,404)	(28.6)
<b>Ordinary income</b>	6,043	4,610	(1,432)	(23.7)	19,039	19,500	460	2.4
Extraordinary income	(737)	(797)	(59)	-	(1,141)	10,000	11,141	-
<b>Profit before income taxes</b>	5,305	3,813	(1,492)	(28.1)	17,897	29,500	11,602	64.8
Income taxes	1,655	1,781	126	7.6	6,690	10,000	3,309	49.5
<b>Profit for the quarter</b>	3,650	2,031	(1,618)	(44.3)	11,207	19,500	8,292	74.0
Profit attributable to non-controlling interests	(29)	110	140	-	211	-	(211)	-
<b>Profit attributable to owners of the parent</b>	3,680	1,921	(1,758)	(47.8)	10,995	19,500	8,504	77.3

Note: Net sales are based on business segment classifications, and internal transactions are eliminated.

**(2) Summary of Non-consolidated Results and Forecasts**

(Millions of yen)

	Three months period ended June 30, 2023				Full year			
	FY2022	FY2023	Y-o-Y (b)-(a)		FY2022	FY2023	Y-o-Y (b)-(a)	
	Actual (a)	Actual (b)	Amount	Per. (%)	Actual (a)	Initial forecasts (b)	Amount	Per. (%)
<b>Orders received</b>	97,462	103,040	5,578	5.7	445,591	480,000	34,408	7.7
Construction Business	87,215	99,914	12,699	14.6	426,702	460,000	33,297	7.8
Domestic Architectural Construction	64,629	83,328	18,698	28.9	286,144	339,000	52,855	18.5
Domestic Civil Engineering	22,483	16,526	(5,957)	(26.5)	141,662	119,000	(22,662)	(16.0)
Overseas	102	60	(42)	(41.1)	(1,104)	2,000	3,104	-
Investment and Development	10,246	3,125	(7,120)	(69.5)	18,888	20,000	1,111	5.9
<b>Net sales</b>	103,954	93,392	(10,562)	(10.2)	465,451	440,000	(25,451)	(5.5)
Construction Business	93,708	90,266	(3,441)	(3.7)	446,563	420,000	(26,563)	(5.9)
Domestic Architectural Construction	61,044	65,401	4,356	7.1	318,574	289,000	(29,574)	(9.3)
Domestic Civil Engineering	32,295	24,638	(7,657)	(23.7)	126,035	129,700	3,664	2.9
Overseas	367	226	(141)	(38.3)	1,953	1,300	(653)	(33.5)
Investment and Development	10,246	3,125	(7,120)	(69.5)	18,888	20,000	1,111	5.9
<b>Gross profit</b>	11,345	9,578	(1,767)	(15.6)	46,280	53,500	7,219	15.6
Profit margin	10.9 %	10.3 %			9.9 %	12.2 %		
Construction Business	10,198	8,620	(1,577)	(15.5)	40,659	47,000	6,340	15.6
Domestic Architectural Construction	5,155	4,926	(229)	(4.4)	20,118	25,950	5,831	29.0
Domestic Civil Engineering	5,074	3,762	(1,311)	(25.9)	21,026	20,970	(56)	(0.3)
Overseas	(31)	(68)	(36)	-	(485)	80	565	-
Overseas Profit margin	(8.7 %)	(30.1 %)			(24.9 %)	6.2 %		
Investment and Development	1,147	957	(189)	(16.5)	5,621	6,500	878	15.6
Investment and Development Profit margin	11.2 %	30.6 %			29.8 %	32.5 %		
SG&A expenses	8,394	8,140	(254)	(3.0)	36,755	41,000	4,244	11.5
Operating income	2,950	1,437	(1,513)	(51.3)	9,524	12,500	2,975	31.2
Non-operating income	2,327	2,277	(49)	(2.1)	4,064	3,500	(564)	(13.9)
Ordinary income	5,278	3,715	(1,563)	(29.6)	13,589	16,000	2,410	17.7
Extraordinary income	(688)	355	1,044	-	(2,755)	10,000	12,755	-
Profit before income taxes	4,589	4,070	(519)	(11.3)	10,833	26,000	15,166	140.0
Income taxes	1,428	1,250	(178)	(12.5)	4,210	7,800	3,589	85.3
Profit	3,161	2,820	(341)	(10.8)	6,623	18,200	11,576	174.8
Dividend per share (yen)	-	-	-	-	27.0	28.0	1.0	3.7

Note: The quarterly financial statements have been prepared in accordance with the rules for quarterly financial statements but are not subject to review in the statutory disclosure.

### (3) Orders Received, Net Sales and Balance Brought Forward (Non-consolidated)

#### 1) Orders Received

(Millions of yen)

Business segment/ Classification			Three months period From April 1, 2022 to June 30, 2022		Three months period From April 1, 2023 to June 30, 2023		Change		Previous fiscal year From April 1, 2022 to March 31, 2023	
			Amount	Ratio (%)	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Ratio (%)
Construction Business	Architectural Construction	Domestic Public	3,846	3.9	25,595	24.8	21,748	565.4	40,608	9.1
		Domestic Private	60,783	62.4	57,733	56.0	(3,050)	(5.0)	245,535	55.1
		Overseas	38	0.0	60	0.1	21	55.6	222	0.0
		<b>Total</b>	<b>64,668</b>	<b>66.4</b>	<b>83,388</b>	<b>80.9</b>	<b>18,720</b>	<b>28.9</b>	<b>286,367</b>	<b>64.3</b>
	Civil Engineering	Domestic Public	18,301	18.8	9,209	8.9	(9,091)	(49.7)	110,237	24.7
		Domestic Private	4,182	4.3	7,316	7.1	3,134	74.9	31,425	7.1
		Overseas	63	0.1	-	-	(63)	-	(1,327)	(0.3)
		<b>Total</b>	<b>22,546</b>	<b>23.1</b>	<b>16,526</b>	<b>16.0</b>	<b>(6,020)</b>	<b>(26.7)</b>	<b>140,335</b>	<b>31.5</b>
	Total	Domestic Public	22,147	22.7	34,805	33.8	12,657	57.2	150,846	33.9
		Domestic Private	64,965	66.7	65,049	63.1	83	0.1	276,960	62.2
		Overseas	102	0.1	60	0.1	(42)	(41.1)	(1,104)	(0.2)
		<b>Total</b>	<b>87,215</b>	<b>89.5</b>	<b>99,914</b>	<b>97.0</b>	<b>12,699</b>	<b>14.6</b>	<b>426,702</b>	<b>95.8</b>
Domestic Inv and Development			10,215	10.5	3,097	3.0	(7,117)	(69.7)	18,771	4.2
Environment and Energy			30	0.0	28	0.0	(2)	(9.2)	116	0.0
<b>Total</b>			<b>97,462</b>	<b>100.0</b>	<b>103,040</b>	<b>100.0</b>	<b>5,578</b>	<b>5.7</b>	<b>445,591</b>	<b>100.0</b>

#### 2) Net Sales

(Millions of yen)

Business segment/ Classification			Three months period From April 1, 2022 to June 30, 2022		Three months period From April 1, 2023 to June 30, 2023		Change		Previous fiscal year From April 1, 2022 to March 31, 2023	
			Amount	Ratio (%)	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Ratio (%)
Construction Business	Architectural Construction	Domestic Public	10,794	10.4	7,731	8.3	(3,062)	(28.4)	60,659	13.0
		Domestic Private	50,250	48.3	57,669	61.7	7,418	14.8	257,914	55.4
		Overseas	307	0.3	226	0.2	(80)	(26.2)	2,065	0.4
		<b>Total</b>	<b>61,352</b>	<b>59.0</b>	<b>65,628</b>	<b>70.3</b>	<b>4,275</b>	<b>7.0</b>	<b>320,639</b>	<b>68.9</b>
	Civil Engineering	Domestic Public	21,387	20.6	18,320	19.6	(3,067)	(14.3)	84,807	18.2
		Domestic Private	10,907	10.5	6,317	6.8	(4,590)	(42.1)	41,228	8.9
		Overseas	60	0.1	-	-	(60)	-	(112)	(0.0)
		<b>Total</b>	<b>32,356</b>	<b>31.1</b>	<b>24,638</b>	<b>26.4</b>	<b>(7,717)</b>	<b>(23.9)</b>	<b>125,923</b>	<b>27.1</b>
	Total	Domestic Public	32,182	31.0	26,052	27.9	(6,129)	(19.0)	145,466	31.3
		Domestic Private	61,158	58.8	63,986	68.5	2,828	4.6	299,142	64.3
		Overseas	367	0.4	226	0.2	(141)	(38.3)	1,953	0.4
		<b>Total</b>	<b>93,708</b>	<b>90.1</b>	<b>90,266</b>	<b>96.7</b>	<b>(3,441)</b>	<b>(3.7)</b>	<b>446,563</b>	<b>95.9</b>
Domestic Inv and Development			10,215	9.8	3,097	3.3	(7,117)	(69.7)	18,771	4.0
Environment and Energy			30	0.0	28	0.0	(2)	(9.2)	116	0.0
<b>Total</b>			<b>103,954</b>	<b>100.0</b>	<b>93,392</b>	<b>100.0</b>	<b>(10,562)</b>	<b>(10.2)</b>	<b>465,451</b>	<b>100.0</b>

#### 3) Balance Brought Forward

(Millions of yen)

Business segment/ Classification			FY2022 1Q As of June 30, 2022		FY2023 1Q As of June 30, 2023		Change		As of March 31, 2022	
			Amount	Ratio (%)	Amount	Ratio (%)	Amount	Ratio (%)	Amount	Ratio (%)
Construction Business	Architectural Construction	Domestic Public	93,811	12.8	98,571	13.5	4,760	5.1	80,707	11.2
		Domestic Private	381,044	52.1	358,196	49.2	(22,847)	(6.0)	358,132	49.8
		Overseas	2,123	0.3	382	0.1	(1,741)	(82.0)	549	0.1
		<b>Total</b>	<b>476,979</b>	<b>65.2</b>	<b>457,150</b>	<b>62.8</b>	<b>(19,828)</b>	<b>(4.2)</b>	<b>439,390</b>	<b>61.1</b>
	Civil Engineering	Domestic Public	173,767	23.7	194,295	26.7	20,527	11.8	203,405	28.3
		Domestic Private	80,064	10.9	76,864	10.6	(3,199)	(4.0)	75,866	10.6
		Overseas	1,218	0.2	-	-	(1,218)	-	-	-
		<b>Total</b>	<b>255,050</b>	<b>34.8</b>	<b>271,160</b>	<b>37.2</b>	<b>16,109</b>	<b>6.3</b>	<b>279,272</b>	<b>38.9</b>
	Total	Domestic Public	267,578	36.6	292,866	40.2	25,287	9.5	284,113	39.5
		Domestic Private	461,108	63.0	435,061	59.7	(26,047)	(5.6)	433,998	60.4
		Overseas	3,342	0.5	382	0.1	(2,959)	(88.5)	549	0.1
		<b>Total</b>	<b>732,029</b>	<b>100.0</b>	<b>728,310</b>	<b>100.0</b>	<b>(3,719)</b>	<b>(0.5)</b>	<b>718,662</b>	<b>100.0</b>
Domestic Inv and Development			-	-	-	-	-	-	-	-
Environment and Energy			-	-	-	-	-	-	-	-
<b>Total</b>			<b>732,029</b>	<b>100.0</b>	<b>728,310</b>	<b>100.0</b>	<b>(3,719)</b>	<b>(0.5)</b>	<b>718,662</b>	<b>100.0</b>