

Financial Results

for the fiscal year ended March 2023

May 12, 2023



I. Review of the Second Year of Medium-Term Business Plan

Medium-Term Business Plan(2021-2023) state of progress

	FY2023	FY2021	FY2022	FY2023	¥bn
	Numerical Targets①	Results	Results	Forecast②	Variance in amount/ percentage ②-①
Group Net Sales	2,000.0	1,543.0	1,642.7	1,760.0	-240
Group Operating Income	140.0	96.1	54.7	64.0	-76
Group Net Income attributable to owners of parent	100.0	71.4	47.1	45.0	-55
ROE	Approx. 10%	8.4%	5.6%	5.4%	-4.6%
Dividend payout ratio	Approx. 25%	37.0%	53.9%	53.7%	—
Net interest-bearing debt	To maintain state of substantive debt-free	-2,748	-2,142	-1,052	—

Medium-Term Business Plan(2021-2023) state of progress

【 Medium-Term Business Plan underachievement factors (Operating Income) 】

- I) Decrease in Group sales due to delay in development of production system for business volume expansion**
- II) Impact of several low-profitable large-scale construction projects awarded through intense competition**
- III) Delays in passing inflated construction material prices on to our contract prices**

Medium-Term Business Plan(2021-2023) state of progress

【Measures for the Final Year of the Medium-Term Business Plan and the Next Medium-Term Business Plan】

I) To secure appropriate business volume and rebuild the production system

II) To re-enforce “profit-oriented principle”

III) To continue company-wide price pass-through negotiations

Investment plan

state of progress

Investment plan

¥bn

Area	FY2021 Result	FY2022 Result	FY2023 Forecast
1. Investment in technological development	20.4	25.6	26.0
2. Investment in information	15.1	18.2	25.7
3. Facility and HR-related investment	4.7	4.7	5.6
4. Business-related investment	23.2	16.8	70.0
Duplication of technology development and DX	- 1.8	- 2.5	- 1.7
Investment amount	61.6	62.8	125.6

3-year plan	Medium-Term Business Plan Target
72.0	60.0
59.0	60.0
15.0	15.0
110.0	125.0
- 6.0	- 10.0
250.0	250.0

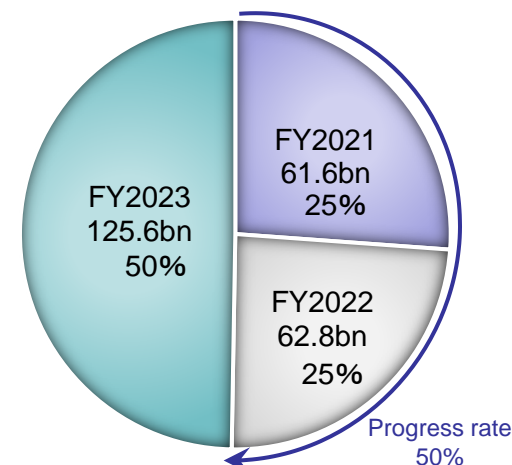
Of which environment-related investment

Technological development that contributes to industry areas where growth is expected due to a favorable economic and environmental cycle	12.3	22.3	19.4
Investment in renewable energy business	9.0	2.4	5.8
Investment amount	13.2	24.7	25.2

54.0	42.0
9.0	18.0
630.	60.0

<Investment results and plans>

- FY2022 | Technology : Conversion of Company's facilities of Yokohama and Kansai branches and Group's facilities of Taisei U-Lec to ZEBs (T-Green Multi Solar and others)
- Information : Development of a data integration platform
- Business-related : Acquisition of large CBD office buildings (Mita Building (tentative name), and others)
- FY2023 | Technology : Newly established Next Generation Research Institute
- Information : Development and implementation of procurement operations management system
- Business-related : Continuous investment of large CBD office buildings



II. FY2022 Financial Results FY2023 Financial Forecasts

Financial summary

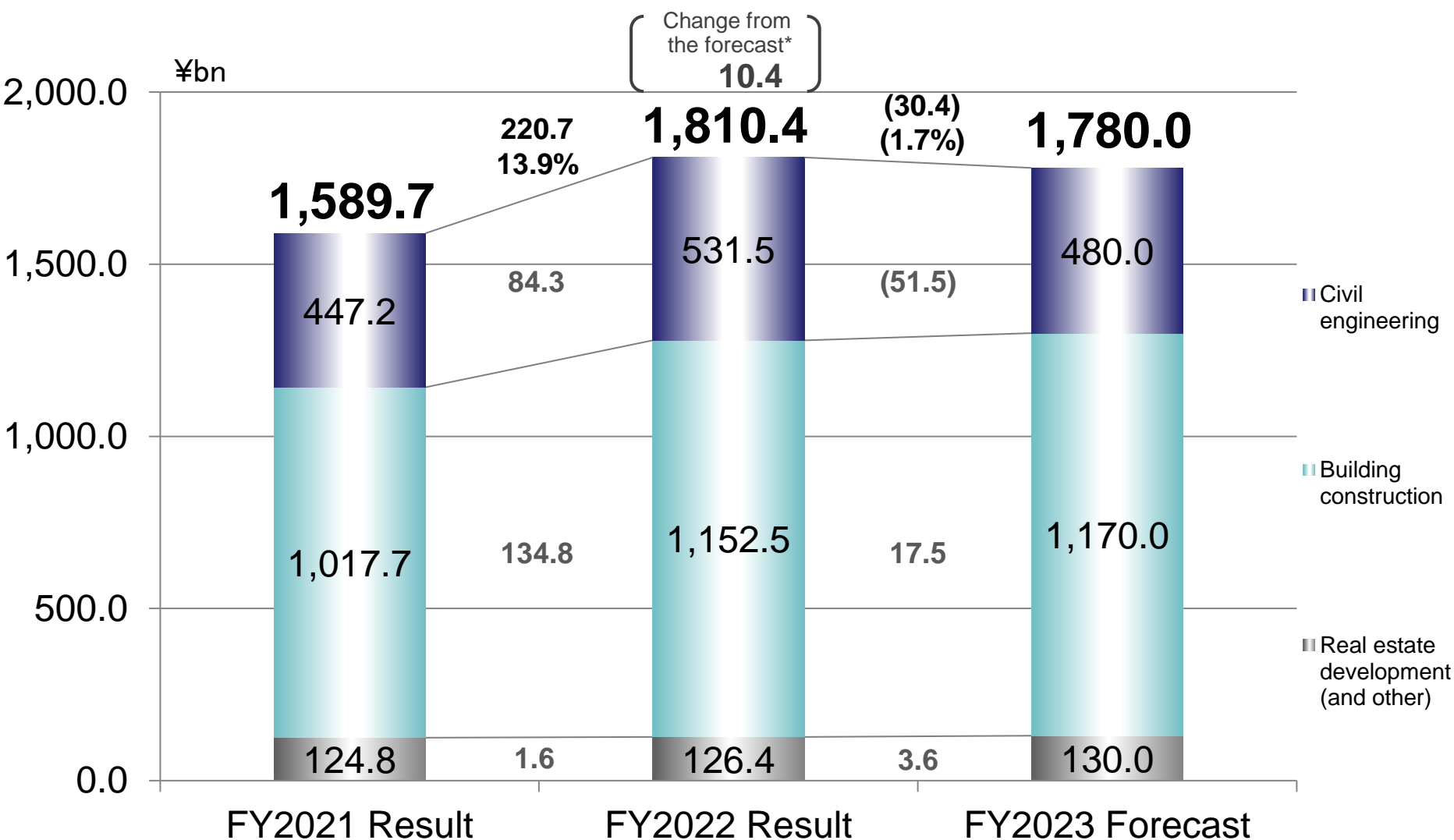
- ✓ *In this FY 2022, the profit level drastically decreased due to the record of loss associated with the corrective work, and the enormous impact of inflated construction material prices.*
- ✓ *In FY2023, although the demand remains favorable, the profit level of FY 2023 is expected to be the same as that of this FY 2022 because of the remaining inflated construction material prices, which deem to be a risk factor.*

	FY2021 Result	FY2022 Result	Change	FY2023 Forecast	Change (vs. FY2022)
New orders	1,589.7	1,810.4	220.7	1,780.0	(30.4)
Net sales	1,543.2	1,642.7	99.5	1,760.0	117.3
Gross profit	187.7 12.2%	147.8 9.0%	(39.9) (3.2Pt)	166.0 9.4%	18.2 (0.4Pt)
Operating income	96.1 6.2%	54.7 3.3%	(41.4) (2.9Pt)	64.0 3.6%	9.3 0.3Pt
Net income attributable to owners of parent	71.4 4.6%	47.1 2.9%	(24.3) (1.7Pt)	45.0 2.6%	(2.1) (0.3Pt)
Net income per share (¥)	350.88	241.24	(109.64)	241.24 [*]	-
ROE	8.4%	5.6%	(2.8Pt)	5.4% [*]	(0.2Pt)

* Net income per share and ROE of FY2023 forecast is described with consideration of the effect of share repurchase.

New orders

[Consolidated]



Note: Percentages indicate the rate of change from the previous fiscal year.

* The forecast announced on February 2023.

Major new orders [Civil engineering]

Order time	Project	Type of construction	Client	Industry
2Q	CONTRACT P103 DESIGN AND CONSTRUCTION OF RIVIERA INTERCHANGE STATION AND TUNNELS FOR CRL-PUNGGOL EXTENSION [Singapore]	Railroad	Land Transport Authority	Oversea Enterprises of central government
1Q	Maintenance work of the Nishiya Purification Plant Redevelopment Project (water purification facility)	Water supply and sewerage	Yokohama Waterworks Bureau	Local public enterprise
2Q	New construction work of runway on Mageshima island for FY2022 (part 2)	Other	Kyusyu Regional Development Bureau	National
4Q	Construction work of the Kotohira Viaduct on Hokkaido Shinkansen	Railroad	Japan Railway Construction, Transport and Technology Agency	Independent administrative agency
2Q	Construction work of Johana Tunnel on Tokai-Hokuriku Expressway (four-lane project)	Road	Central Nippon Expressway Company Limited	Enterprises of central government

 : Public

 : Private

 : Overseas

*New orders (Domestic construction business) by type of construction and industry are described in the Supplementary data.

Major new orders [Building construction]

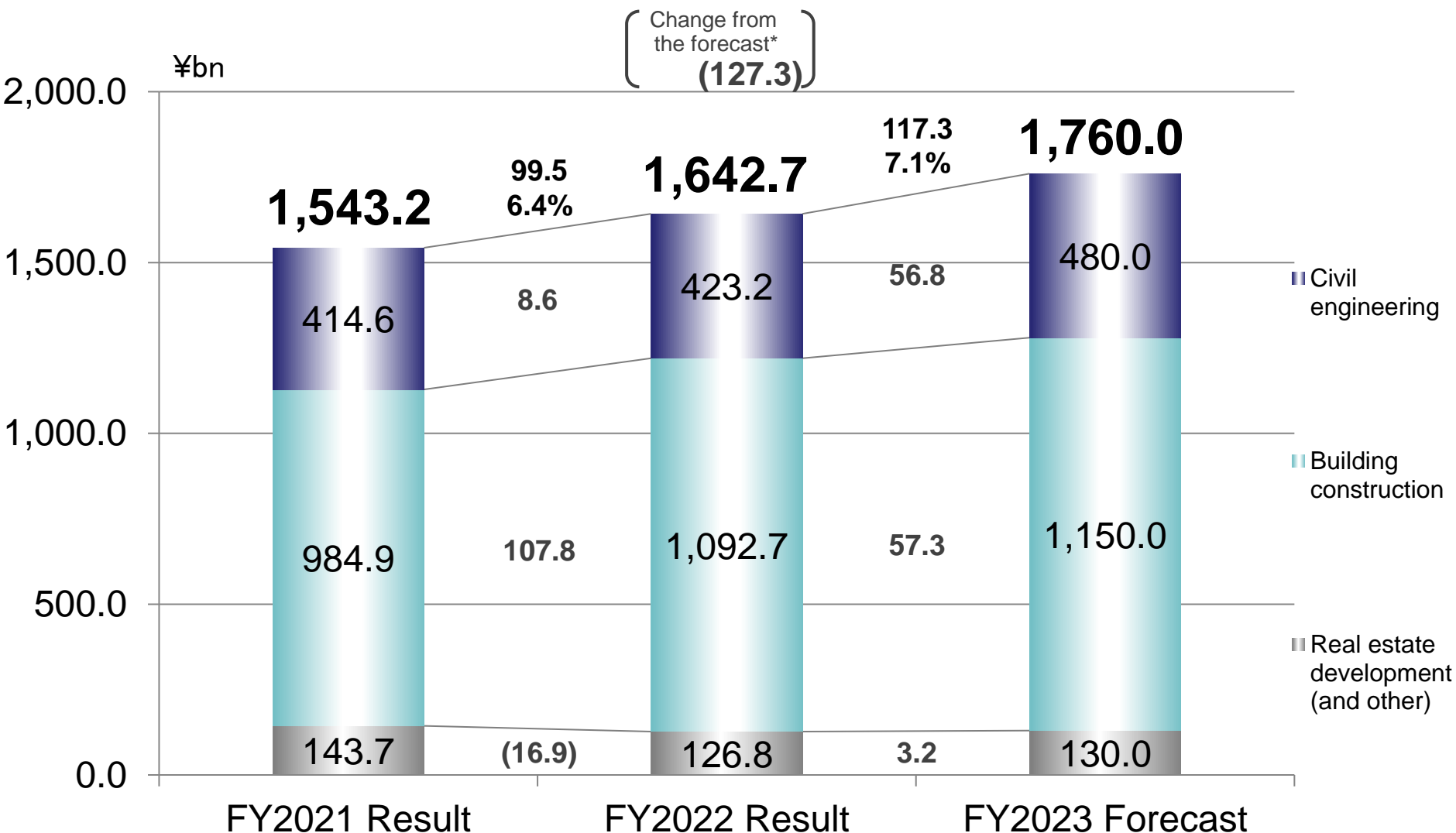
Order time	Project	Type of construction	Client	Industry
4Q	Construction work of integrated new hospital	Medical & Welfare	ITAMI CITY HOSPITAL	Others
1Q	Extension and renovation work of international terminal buildings at Fukuoka Airport	Other	Fukuoka International Airport Co., Ltd.	Real estate
3Q	New construction work of Konami Creative Front Tokyo Bay	Office	KONAMI REAL ESTATE, INC.	Real estate
4Q	Redevelopment and Operation of Todoroki Ryokuchi	Amusement	Kawasaki Todoroki Park Corporation	Cities, wards, towns, and villages
2Q	New construction work of Mizuho Bank Nakameguro Center Reconstruction Plan	Office	Mizuho Bank, Ltd.	Finance

- : Public
- : Private
- : Overseas

*New orders (Domestic construction business) by type of construction and industry are described in the Supplementary data.

Net sales

[Consolidated]

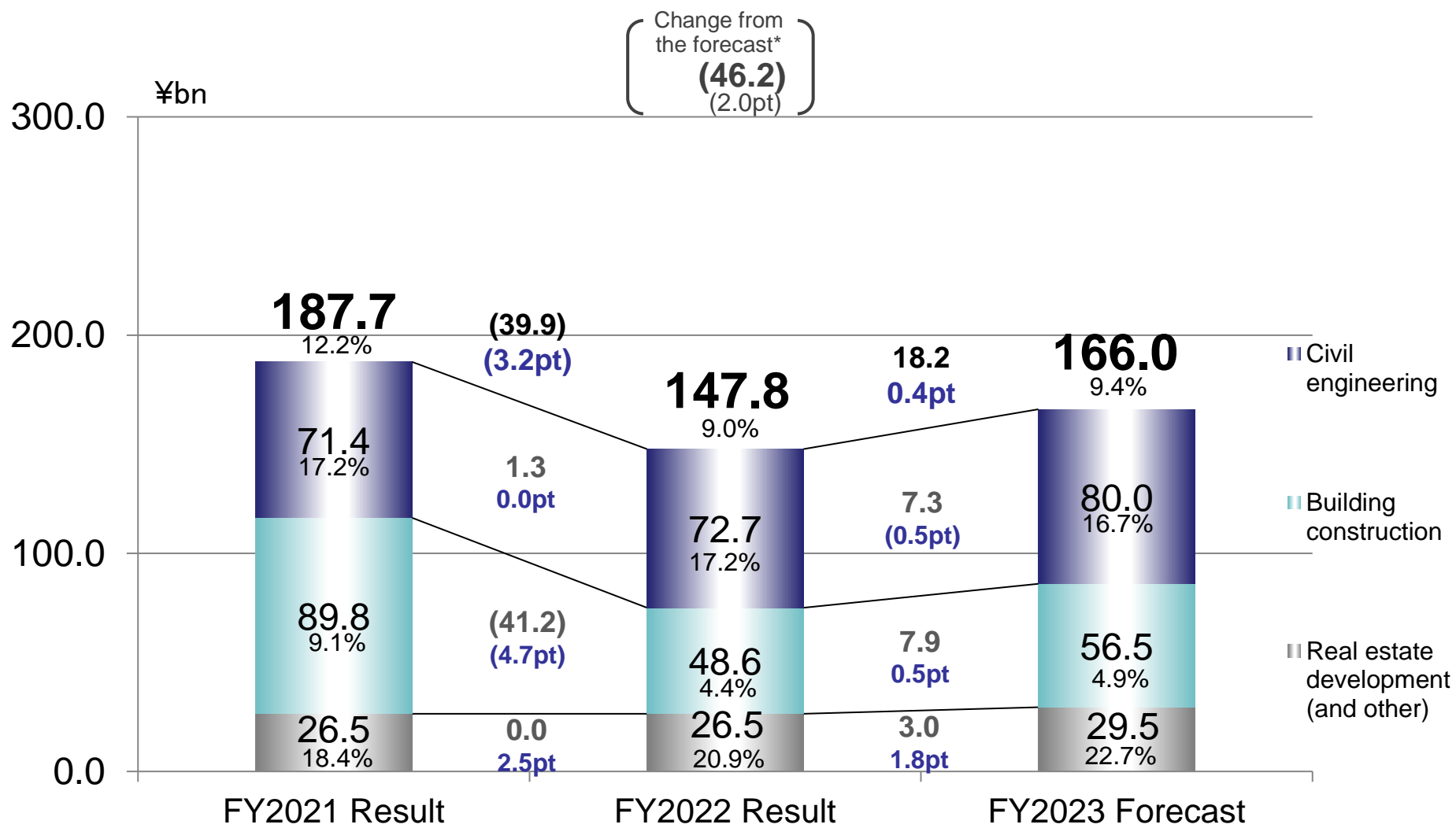


Note: Percentages indicate the rate of change from the previous fiscal year.

* The forecast announced on February 2023.

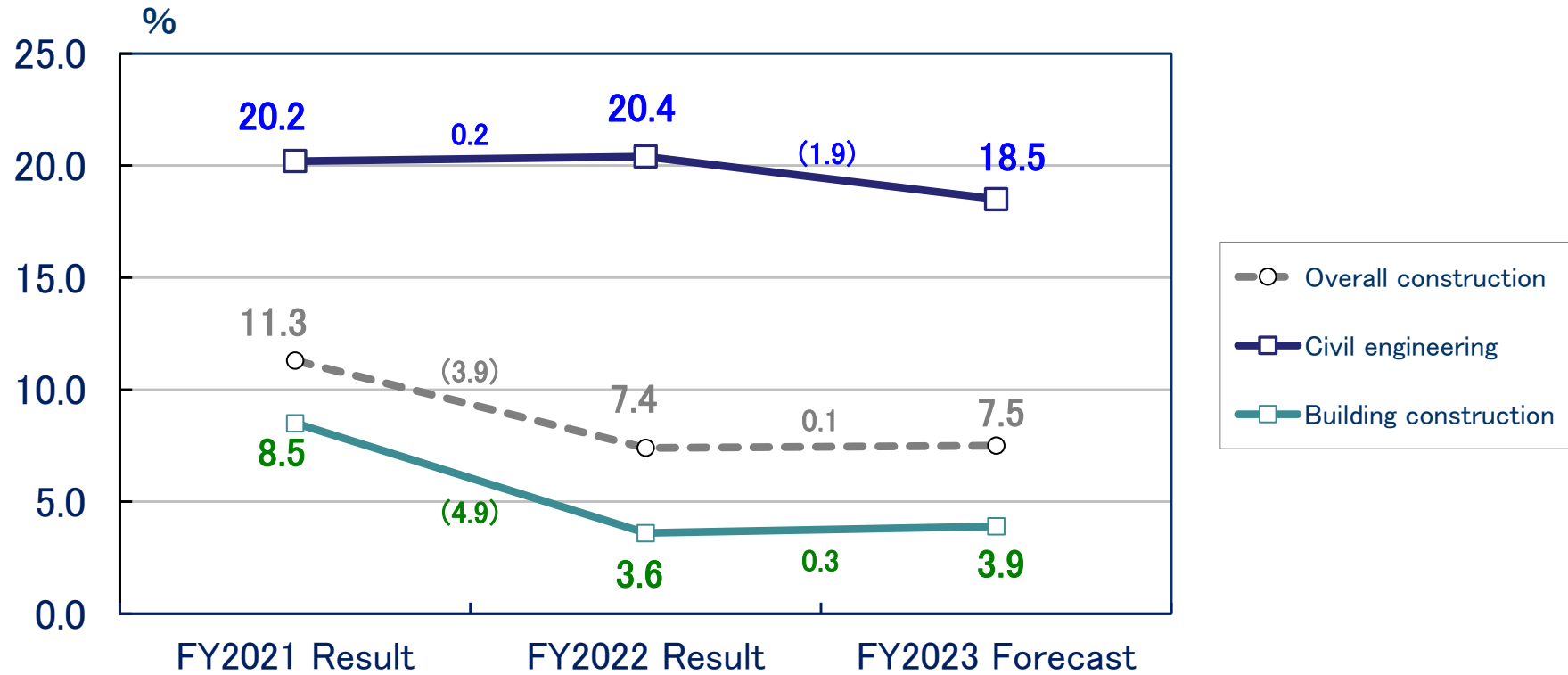
Gross profit

[Consolidated]



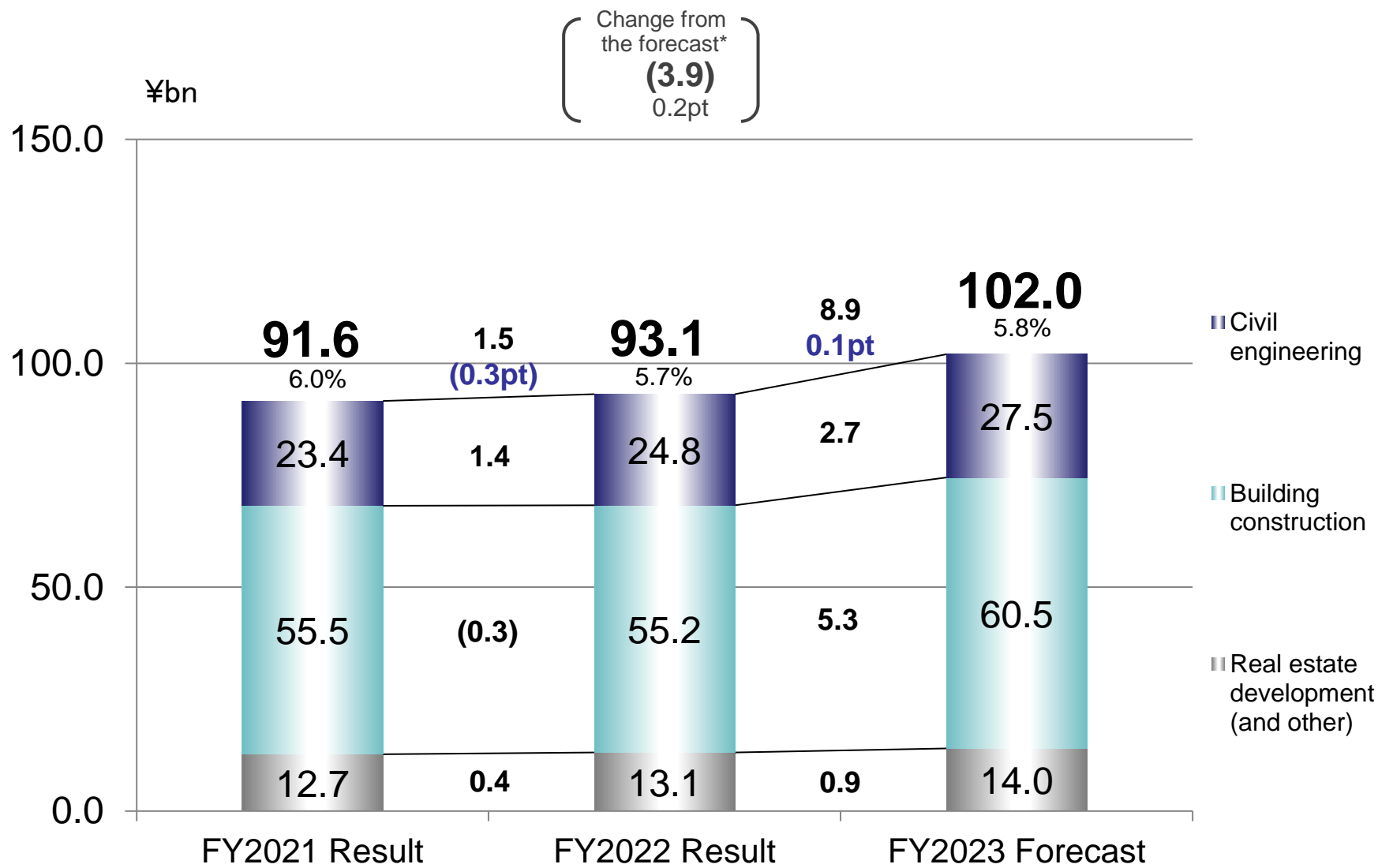
Note: Pt in blue ink indicate the changes from the previous fiscal year.

* The forecast announced on February 2023. (Pt indicate the rate of changes from the forecast.)



Selling, General and Administrative Expenses

[Consolidated]

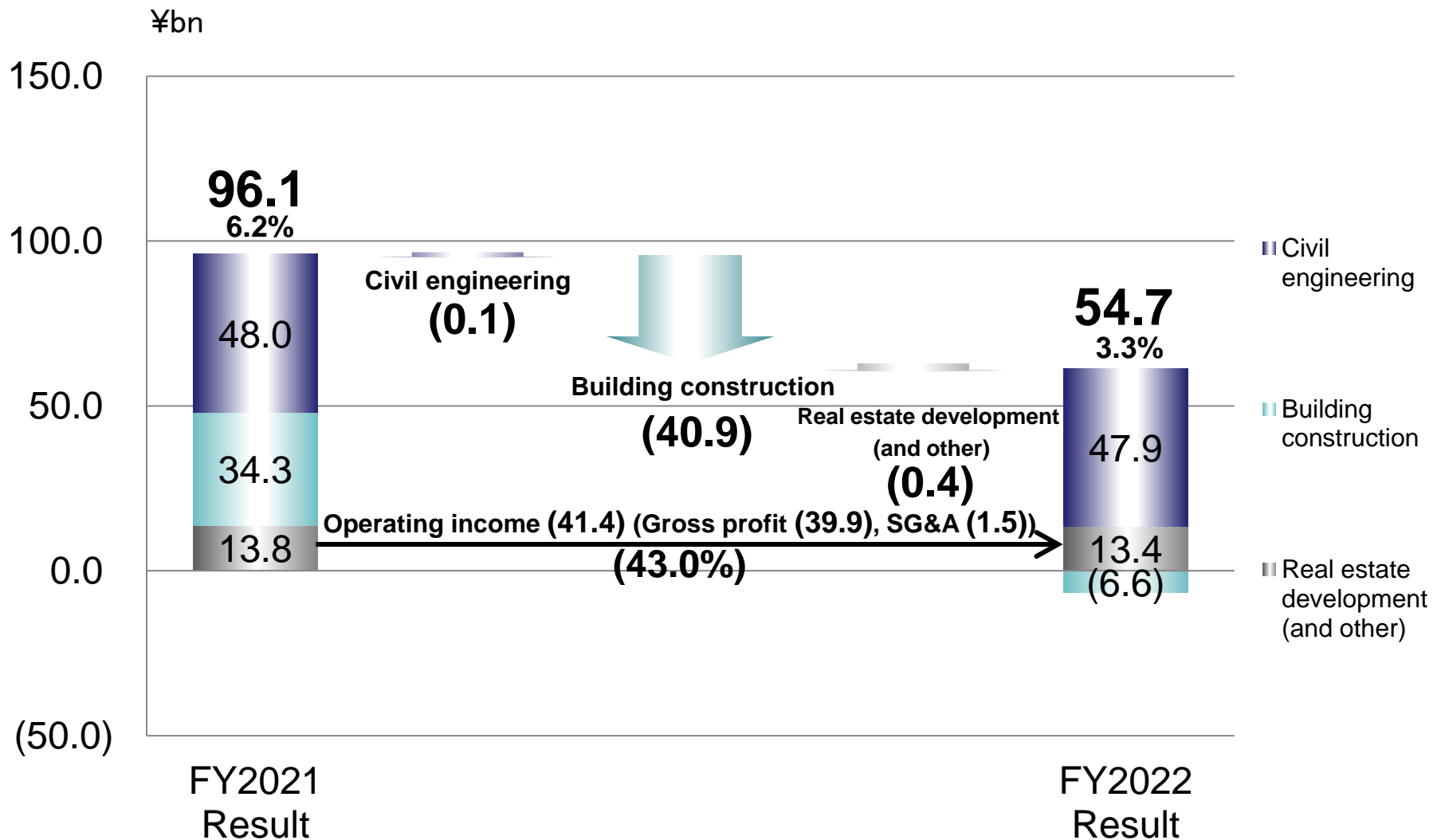


Note: Pt in blue ink indicate the changes from the previous fiscal year.

* The forecast announced on February 2023. (Pt indicate the rate of changes from the forecast.)

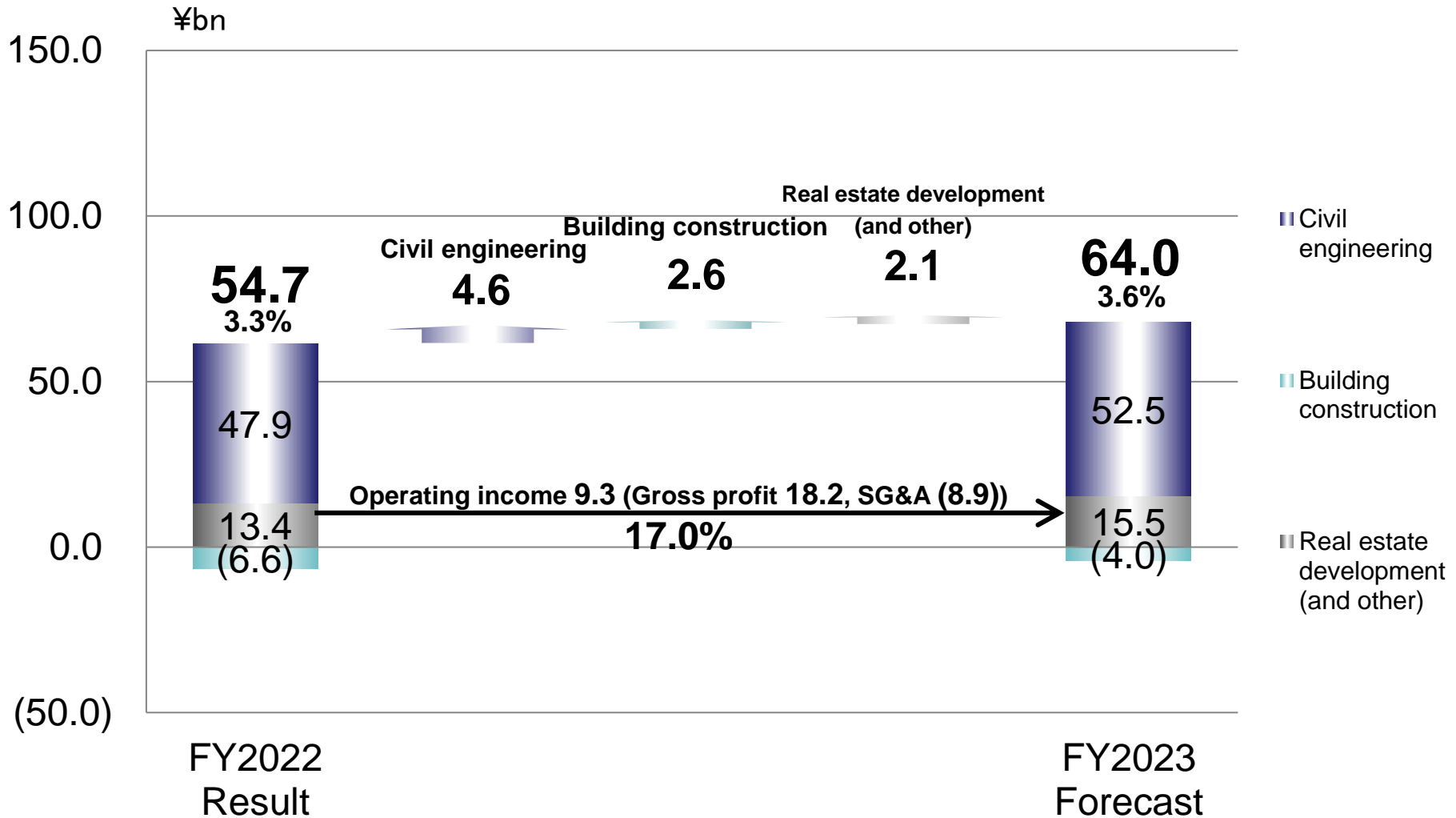
Operating income (over FY2021 result)

**FY2022 Result
[Consolidated]**



Operating income (over FY2022 result)

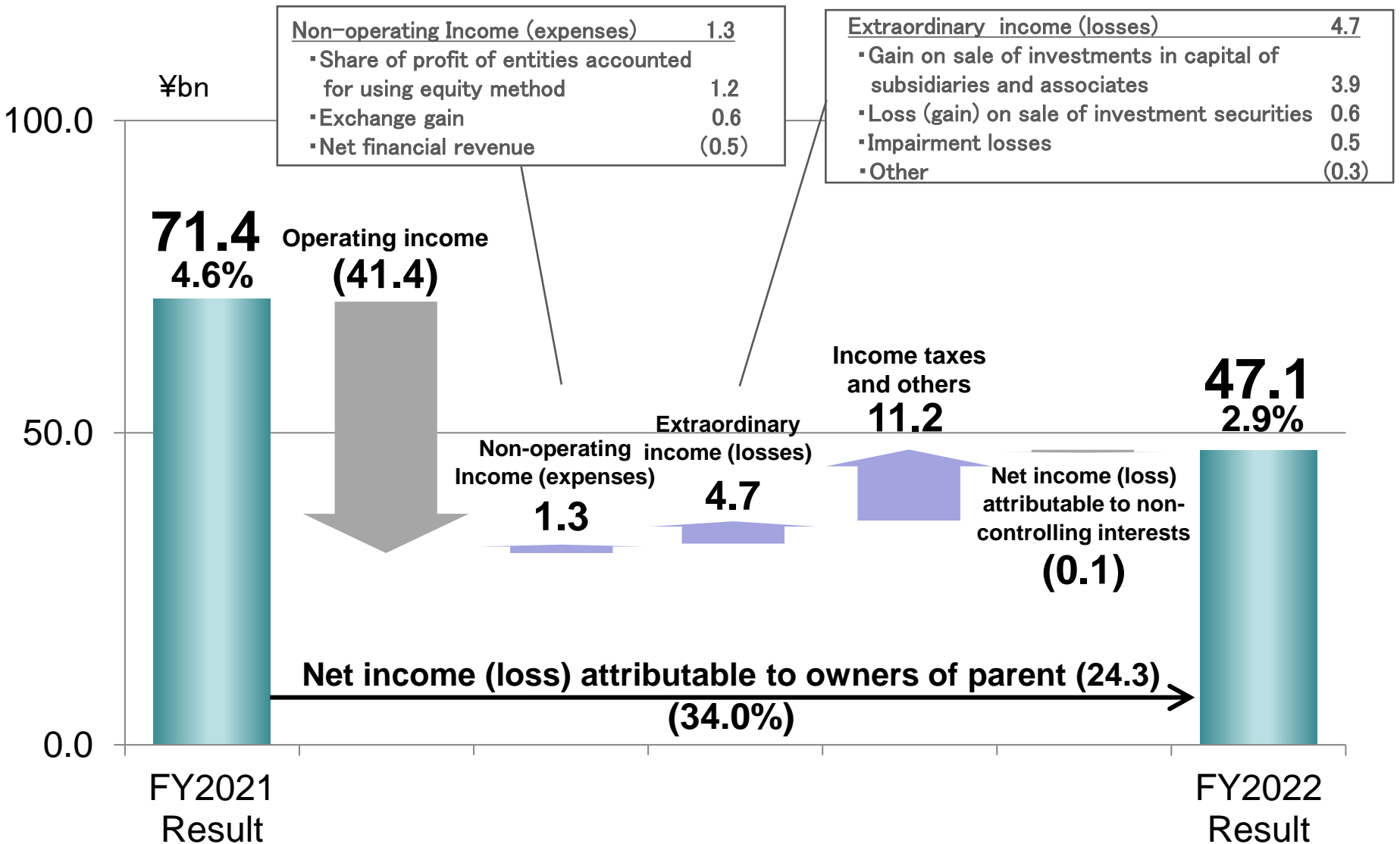
FY2023 Forecast
[Consolidated]



Net income attributable to owners of parent

(over FY2021 result)

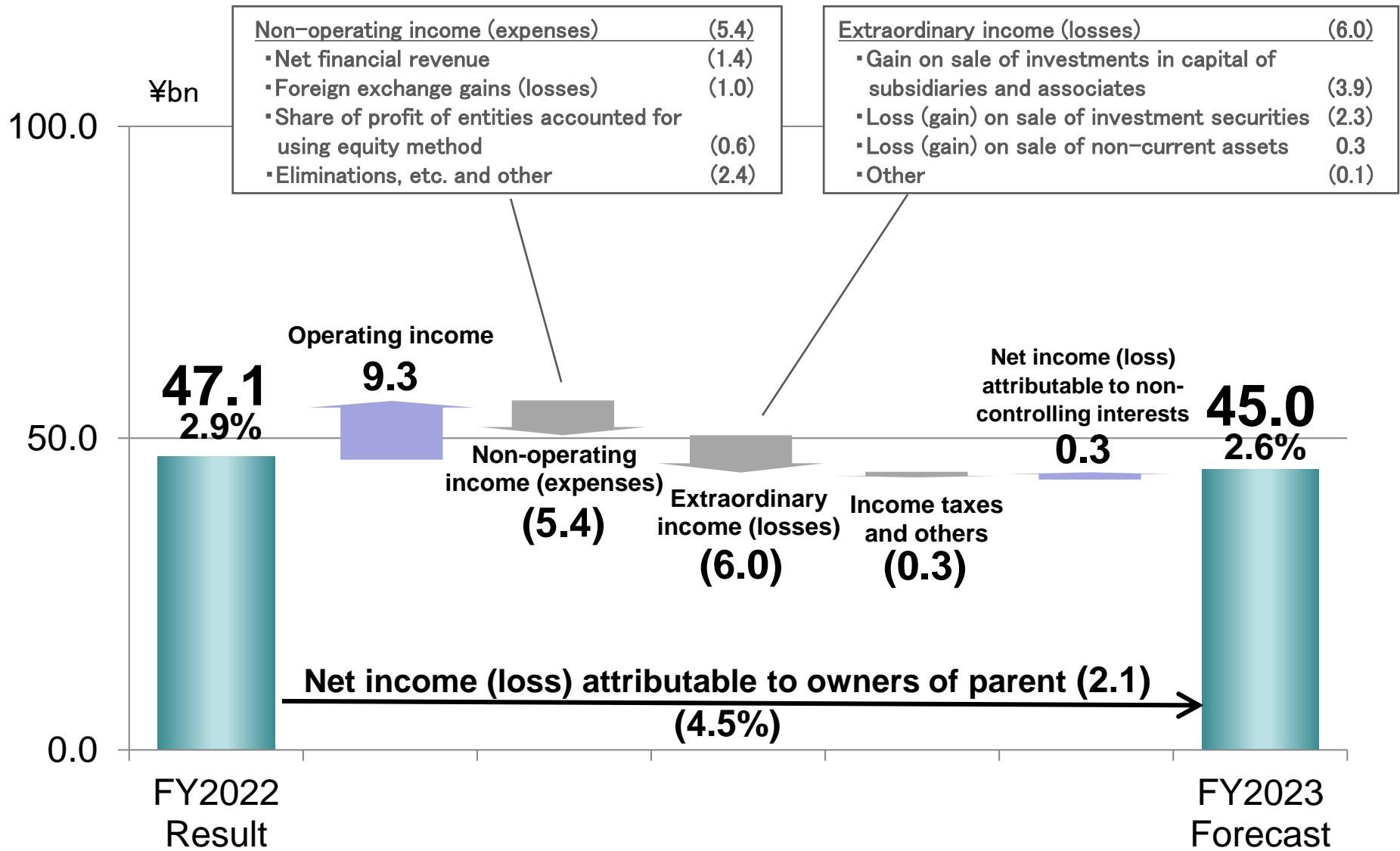
FY2022 Result
[Consolidated]



Net income attributable to owners of parent

(over FY2022 result)

FY2023 Forecast
[Consolidated]

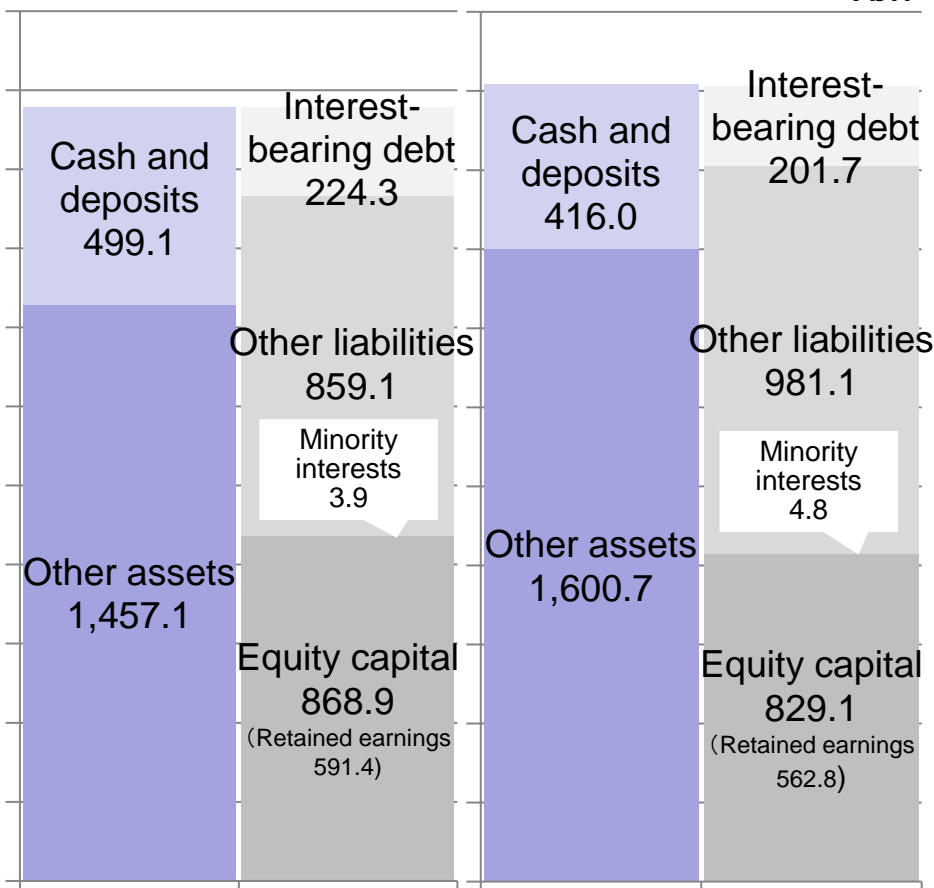


Balance sheet

[Consolidated]

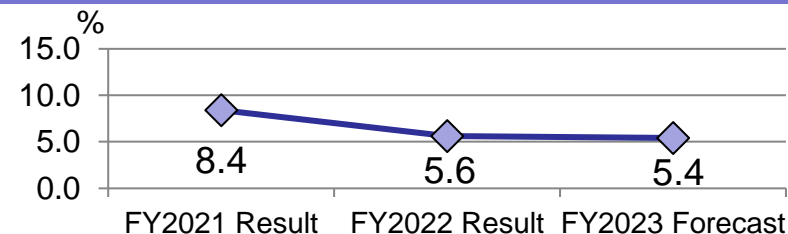
Balance sheet

¥bn

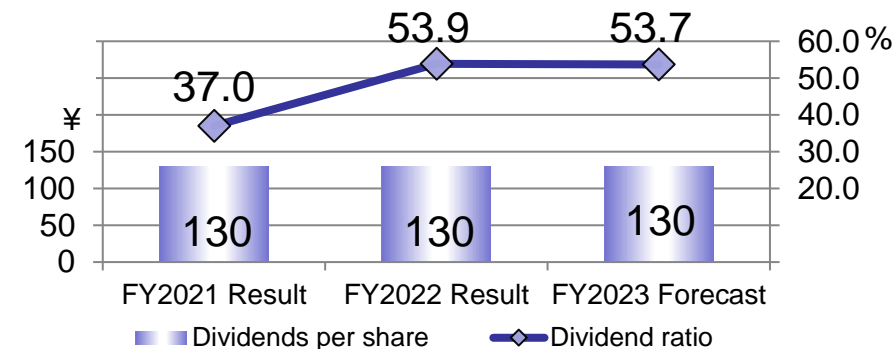


【Total assets: ¥bn 1,956.2】**As of Mar. 31, 2022**
 【Total assets: ¥bn 2,016.7】**As of Mar. 31, 2023**

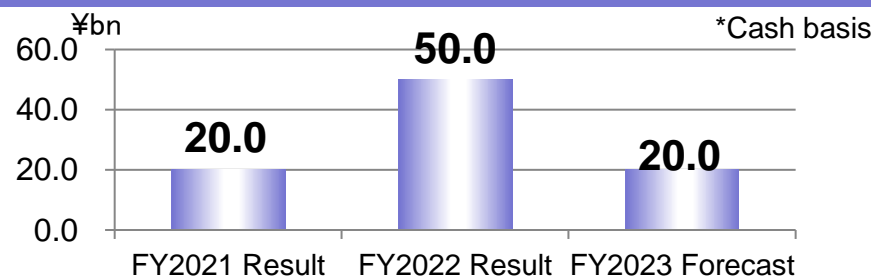
ROE (Full-year)



Dividends per share · Dividend ratio (Full-year)

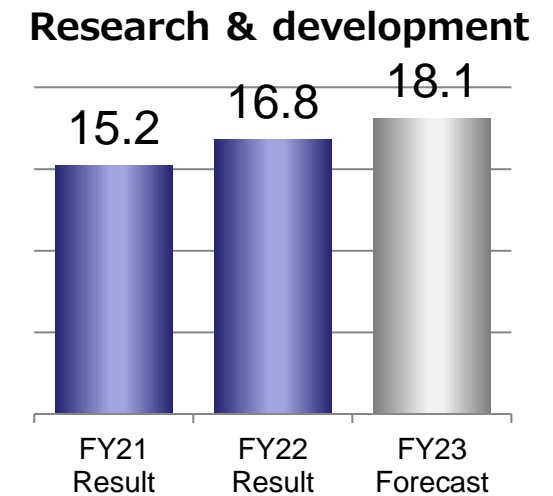
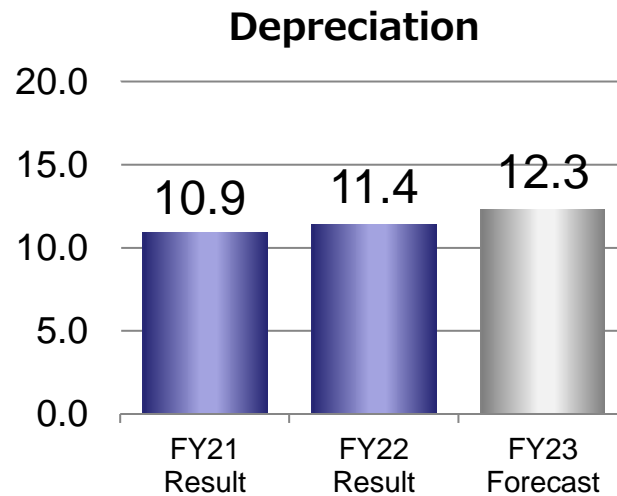
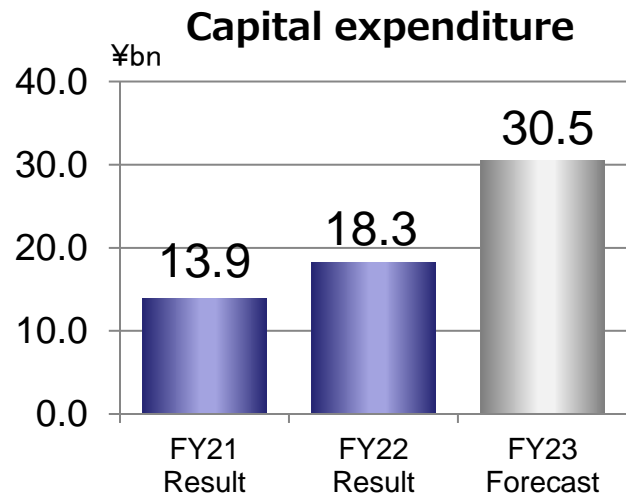
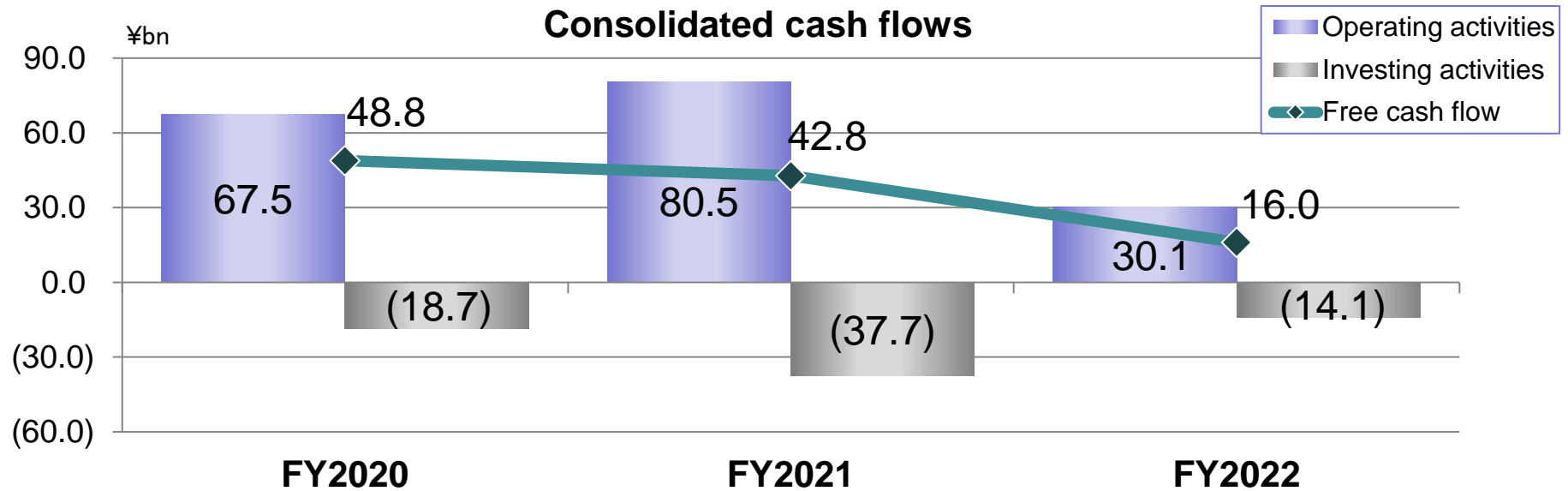


Share Repurchase (Full-year)



Cash flows etc.

[Consolidated]



Disclaimer

This information was translated into English and presented solely for the convenience of non-Japanese speaking users. If there is any discrepancy between Japanese "Kessan Setumeikai Siryou" and this document, Japanese "Kessan Setumeikai Siryou" shall prevail.