

FY2023 3rd Quarter Financial Results

(April 1, 2023 to December 31, 2023)

February 5, 2024



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Disclaimer:

This "Financial Results" is the English version of the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryo" released on February 5, 2024. It was translated into English and presented solely for the convenience of users who are not familiar with Japanese. If there is any discrepancy between Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryo" and this document, the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryo" will prevail. This document includes forward-looking statements based on the information available at the time the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryo" were released. Actual results may vary from the forward-looking statements contained herein due to various factors. Obayashi Corporation (non-consolidated) is called the "Company" in these materials.

1 Summary of Financial Results

(1) Consolidated Financial Results

① Consolidated Business Results

(Percentages indicate the percentage year on year change)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%
Nine Months Ended								
December 31, 2023	1,701,549	18.1	51,208	(22.1)	61,098	(16.3)	47,492	(16.0)
December 31, 2022	1,441,095	4.7	65,713	42.5	73,032	38.5	56,550	47.4

(Note) Comprehensive income : [Nine Months Ended December 31, 2023] 107,002 million yen, 79.1% ; [Nine Months Ended December 31, 2022] 59,757 million yen, 79.6%

	Profit Attributable to Owners of Parent per Share (EPS)
Nine Months Ended	Yen
December 31, 2023	66.24
December 31, 2022	78.88

② Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share (BPS)
As of	Yen in millions	Yen in millions	%	Yen
December 31, 2023	2,949,054	1,112,422	36.3	1,491.94
March 31, 2023	2,609,929	1,035,881	38.2	1,390.77

(For reference) Equity (net assets less non-controlling interests) : [As of December 31, 2023] 1,069,717 million yen ; [As of March 31, 2023] 997,109 million yen

(2) Consolidated Forecast for FY2023

(Percentages indicate the percentage year on year change)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Profit Attributable to Owners of Parent per Share (EPS)
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen
Fiscal Year Ending March 31, 2024	2,280,000	14.9	74,000	(21.1)	79,000	(21.6)	59,000	(24.0)	82.29

* There have been no revisions to the forecasts previously announced.

(3) Non-consolidated Financial Results

① Non-consolidated Business Results

(Percentages indicate the percentage year on year change)

	Net Sales		Operating Income		Ordinary Income		Profit		Profit per Share (EPS)
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen
Nine Months Ended									
December 31, 2023	1,159,023	16.3	29,994	(30.9)	39,682	(25.5)	30,208	(32.7)	42.13
December 31, 2022	996,530	(0.3)	43,384	71.6	53,250	58.2	44,907	69.1	62.64

② Non-consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share (BPS)
As of	Yen in millions	Yen in millions	%	Yen
December 31, 2023	2,159,016	795,639	36.9	1,109.68
March 31, 2023	1,943,098	758,739	39.0	1,058.29

(Reference) Equity (net assets less non-controlling interests) : [As of December 31, 2023] 795,639 million yen ; [As of March 31, 2023] 758,739 million yen

(4) Non-consolidated Forecast for FY2023

(Percentages indicate the percentage year on year change)

	Net Sales		Operating Income		Ordinary Income		Profit		Profit per Share (EPS)
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen
Fiscal Year Ending March 31, 2024	1,575,000	13.6	43,000	(28.3)	50,500	(29.1)	45,000	(28.1)	62.76

* There have been no revisions to the forecasts previously announced.

(5) Dividends

	Dividend per Share					Total Dividends Paid (full year)	Dividend Payout Ratio (Consolidated)	Dividends-Net Assets Ratio (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Total			
FY2022	—	21.00	—	21.00	42.00	30,157	38.8	3.1
FY2023 (Including Forecast)	—	21.00	—	21.00	42.00		51.0	

* There have been no revisions to the forecasts previously announced.

2 Qualitative Information

(1) Overview of consolidated business results

Consolidated net sales for the first nine months of the fiscal year under review (from April 1 to December 31, 2023) amounted to 1,701.5 billion yen, an increase of 260.4 billion yen (18.1%) from the first nine months of the previous fiscal year, due to the progress in large-scale projects in the domestic and overseas building construction businesses.

As for profit and loss, although gross profit on completed construction contracts increased due to higher sales, operating income resulted in 51.2 billion yen, a decrease of 14.5 billion yen (22.1%) from the same period in the previous fiscal year. Ordinary income was 61.0 billion yen, a decrease of 11.9 billion yen (16.3%), and profit attributable to owners of parent was 47.4 billion yen, a decrease of 9.0 billion yen (16.0%). This was mainly due to a decrease in gross profit on real estate business and other in reaction to the recording of a gain on a sale of large-scale properties in the first nine months of the previous fiscal year, the recording of allowance for doubtful accounts in the overseas civil engineering business of a subsidiary, and increases in selling, general and administrative expenses due to higher personnel expenses from base pay raise and in technology-related investment.

(2) Overview of consolidated financial position

Total assets as of December 31, 2023 increased by 339.1 billion yen (13.0%) compared with the balance at the end of the previous fiscal year, to 2,949.0 billion yen. This was mainly due to an increase in trade receivables related to construction contracts (the sum of “Notes and accounts receivable from completed construction contracts and other” and “Electronically recorded monetary claims”) and also an increase in “Investment securities” due to the rises in the prices of shares held as cross-shareholdings, while “Cash and deposits” declined.

Total liabilities as of December 31, 2023 increased by 262.5 billion yen (16.7%) compared with the balance at the end of the previous fiscal year, to 1,836.6 billion yen. This was mainly due to increases in trade payables related to construction costs (the sum of “Notes and accounts payable for construction contracts and other” and “Electronically recorded obligations”) and interest-bearing debt that includes “Short-term loans payable” and “Commercial papers.” The balance of interest-bearing debt as of December 31, 2023, increased by 66.4 billion yen (19.7%) compared with the balance at the end of the previous fiscal year, to 404.3 billion yen.

Total net assets as of December 31, 2023 increased by 76.5 billion yen (7.4%) compared with the balance at the end of the previous fiscal year, to 1,112.4 billion yen. This was mainly due to increases in “Retained earnings” from the recognition of profit attributable to owners of parent and in “Valuation difference on available-for-sale securities”

As a result, the equity ratio as of December 31, 2023 was 36.3%, down 1.9 percentage points from the end of the previous fiscal year.

(3) Consolidated forecasts for fiscal year ending March 31, 2024

The amount of impact due to the accident that occurred at the site of the urban redevelopment project for Yaesu 1-chome east area district B in front of Tokyo Station, facilities construction on September 19, 2023 is still under scrutiny and is subject to fluctuation. However, as a result of comprehensive consideration of other factors of the Company’s business that may change, consolidated forecasts for the full year (fiscal year ending March 31, 2024) have not been revised from those announced on November 6, 2023.

3 Financial Highlights

(1) Financial Results for the Nine Months Ended December 31, 2023 (YoY Comparison)

(Yen in 100 millions)

	Consolidated				Non-consolidated							
	Nine Months Ended December 31, 2022	Nine Months Ended December 31, 2023	Change	% Change	Nine Months Ended December 31, 2022	Nine Months Ended December 31, 2023	Change	% Change				
Net sales of completed construction contracts	13,512	16,320	2,808	20.8	9,679	11,425	1,746	18.0				
Building construction	—	—	—	—	7,517	9,127	1,609	21.4				
Civil engineering	—	—	—	—	2,161	2,298	136	6.3				
Gross profit on completed construction contracts	9.5	1,278	8.5	1,394	116	9.1	9.8	945	8.1	926	(18)	(2.0)
Building construction	—	—	—	—	8.0	601	6.5	588	(12)	(2.1)		
Civil engineering	—	—	—	—	15.9	343	14.7	337	(6)	(1.8)		
Net sales of real estate business and other	898	694	(204)	(22.7)	285	164	(121)	(42.3)				
Gross profit on real estate business and other	31.1	279	24.7	171	(107)	(38.6)	39.9	113	21.5	35	(78)	(68.9)
Net sales	14,410	17,015	2,604	18.1	9,965	11,590	1,624	16.3				
Gross profit	10.8	1,557	9.2	1,565	8	0.5	10.6	1,059	8.3	961	(97)	(9.2)
Selling, general and administrative expenses	6.2	900	6.2	1,053	153	17.0	6.2	625	5.7	661	36	5.8
(Personnel expenses)	—	490	—	527	36	—	—	306	—	321	14	—
(Others)	—	409	—	526	116	—	—	318	—	340	21	—
Operating income	4.6	657	3.0	512	(145)	(22.1)	4.4	433	2.6	299	(133)	(30.9)
Non-operating income	—	101	—	129	27	26.9	—	113	—	106	(7)	(6.4)
Non-operating expenses	—	28	—	30	1	5.9	—	14	—	9	(5)	(36.4)
Ordinary income	5.1	730	3.6	610	(119)	(16.3)	5.3	532	3.4	396	(135)	(25.5)
Extraordinary income	—	94	—	122	28	30.4	—	91	—	136	45	49.8
Extraordinary loss	—	14	—	42	28	201.2	—	8	—	86	77	925.8
Income before income taxes	5.6	810	4.1	690	(119)	(14.7)	6.2	615	3.9	447	(168)	(27.3)
Total income taxes	—	221	—	203	(18)	(8.5)	—	166	—	144	(21)	(12.7)
Profit	—	588	—	487	(100)	(17.1)	—	—	—	—	—	—
Profit attributable to non-controlling interests (deduction)	—	22	—	12	(9)	(43.1)	—	—	—	—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	3.9	565	2.8	474	(90)	(16.0)	4.5	449	2.6	302	(146)	(32.7)

Orders Received

(Yen in 100 millions)

	Consolidated				Non-consolidated			
	Nine Months Ended December 31, 2022	Nine Months Ended December 31, 2023	Change	% Change	Nine Months Ended December 31, 2022	Nine Months Ended December 31, 2023	Change	% Change
Building construction	11,734	12,017	283	2.4	7,875	7,227	(647)	(8.2)
Domestic	7,990	7,559	(431)	(5.4)	7,691	7,187	(503)	(6.6)
Overseas	3,743	4,457	714	19.1	183	39	(143)	(78.4)
Civil engineering	3,582	3,576	(6)	(0.2)	2,379	2,141	(237)	(10.0)
Domestic	2,467	2,658	190	7.7	1,872	1,950	77	4.1
Overseas	1,114	918	(196)	(17.7)	506	191	(315)	(62.2)
Construction total	15,316	15,593	276	1.8	10,254	9,368	(885)	(8.6)
Domestic	10,458	10,217	(240)	(2.3)	9,564	9,138	(426)	(4.5)
Overseas	4,858	5,375	517	10.6	689	230	(458)	(66.6)
Real estate business and other	695	605	(90)	(13.0)	285	164	(121)	(42.3)
Total orders received	16,012	16,198	186	1.2	10,540	9,533	(1,006)	(9.5)

Interest-bearing Debt Balances

(Yen in 100 millions)

	Consolidated				Non-consolidated			
	Results As of March 31, 2023	Results As of December 31, 2023	Change	% Change	Results As of March 31, 2023	Results As of December 31, 2023	Change	% Change
Interest-bearing debt (except nonrecourse loans)	2,612	3,312	699	26.8	1,946	2,508	561	28.9
Nonrecourse loans	766	731	(35)	(4.7)	—	—	—	—
Total interest-bearing debt	3,379	4,043	664	19.7	1,946	2,508	561	28.9

(2) Financial Results for the Nine Months Ended December 31, 2023 (Progress toward Full-Year Forecasts)

(Yen in 100 millions)

	Consolidated					Non-consolidated				
	Results		Forecasts		% Progress	Results		Forecasts		% Progress
	Nine Months Ended December 31, 2023		Fiscal Year Ending March 31, 2024			Nine Months Ended December 31, 2023		Fiscal Year Ending March 31, 2024		
	%		%		%		%		%	
Net sales of completed construction contracts		16,320		21,600	75.6		11,425		15,410	74.1
Building construction		—		—	—		9,127		12,480	73.1
Civil engineering		—		—	—		2,298		2,930	78.4
Gross profit on completed construction contracts	8.5	1,394	8.1	1,750	79.7	8.1	926	8.0	1,240	74.7
Building construction		—		—	—	6.5	588	6.9	865	68.1
Civil engineering		—		—	—	14.7	337	12.8	375	90.0
Net sales of real estate business and other		694		1,200	57.9		164		340	48.5
Gross profit on real estate business and other	24.7	171	22.1	265	64.7	21.5	35	20.6	70	50.7
Net sales		17,015		22,800	74.6		11,590		15,750	73.6
Gross profit	9.2	1,565	8.8	2,015	77.7	8.3	961	8.3	1,310	73.4
Selling, general and administrative expenses	6.2	1,053	5.6	1,275	82.6	5.7	661	5.6	880	75.2
(Personnel expenses)		527		670			321		430	
(Others)		526		605			340		450	
Operating income	3.0	512	3.2	740	69.2	2.6	299	2.7	430	69.8
Non-operating income		129		90	143.7		106		90	118.2
Non-operating expenses		30		40	76.2		9		15	63.6
Ordinary income	3.6	610	3.5	790	77.3	3.4	396	3.2	505	78.6
Extraordinary income		122		160	76.6		136		180	75.7
Extraordinary loss		42		60	71.0		86		60	143.5
Income before income taxes	4.1	690	3.9	890	77.6	3.9	447	4.0	625	71.5
Total income taxes		203		270	75.2		144		175	82.8
Profit		487		620	78.7		—		—	—
Profit attributable to non-controlling interests (deduction)		12		30	43.2		—		—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	2.8	474	2.6	590	80.5	2.6	302	2.9	450	67.1

*There have been no revisions to the forecasts previously announced on November 6, 2023.

Orders Received

(Yen in 100 millions)

	Consolidated					Non-consolidated				
	Results		Forecasts		% Progress	Results		Forecasts		% Progress
	Nine Months Ended December 31, 2023		Fiscal Year Ending March 31, 2024			Nine Months Ended December 31, 2023		Fiscal Year Ending March 31, 2024		
Building construction		12,017		15,250	78.8		7,227		10,900	66.3
Domestic		7,559		11,320	66.8		7,187		10,700	67.2
Overseas		4,457		3,930	113.4		39		200	19.8
Civil engineering		3,576		5,100	70.1		2,141		3,300	64.9
Domestic		2,658		3,750	70.9		1,950		2,900	67.2
Overseas		918		1,350	68.0		191		400	47.8
Construction total		15,593		20,350	76.6		9,368		14,200	66.0
Domestic		10,217		15,070	67.8		9,138		13,600	67.2
Overseas		5,375		5,280	101.8		230		600	38.4
Real estate business and other		605		1,000	60.5		164		340	48.5
Total orders received		16,198		21,350	75.9		9,533		14,540	65.6

*There have been no revisions to the forecasts previously announced on November 6, 2023.

(3) Forecasts for FY 2023 (YoY Comparison)

(Yen in 100 millions)

	Consolidated						Non-consolidated					
	Results		Forecasts		Change	% Change	Results		Forecasts		Change	% Change
	Fiscal Year Ended	Fiscal Year Ending	Fiscal Year Ending	Fiscal Year Ending			Fiscal Year Ended	Fiscal Year Ending	Fiscal Year Ended	Fiscal Year Ending		
	March 31, 2023	March 31, 2023	March 31, 2024	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024				
Net sales of completed construction contracts	%	18,476	%	21,600	3,123	16.9	%	13,481	%	15,410	1,928	14.3
Building construction		—		—	—	—		10,515		12,480	1,964	18.7
Civil engineering		—		—	—	—		2,965		2,930	(35)	(1.2)
Gross profit on completed construction contracts	9.6	1,778	8.1	1,750	(28)	(1.6)	9.9	1,331	8.0	1,240	(91)	(6.8)
Building construction		—		—	—	—	8.3	878	6.9	865	(13)	(1.5)
Civil engineering		—		—	—	—	15.3	453	12.8	375	(78)	(17.2)
Net sales of real estate business and other		1,362		1,200	(162)	(11.9)		389		340	(49)	(12.6)
Gross profit on real estate business and other	28.4	386	22.1	265	(121)	(31.5)	34.4	133	20.6	70	(63)	(47.6)
Net sales		19,838		22,800	2,961	14.9		13,870		15,750	1,879	13.6
Gross profit	10.9	2,165	8.8	2,015	(150)	(7.0)	10.6	1,464	8.3	1,310	(154)	(10.6)
Selling, general and administrative expenses	6.2	1,227	5.6	1,275	47	3.9	6.3	865	5.6	880	14	1.7
(Personnel expenses)		645		670	24			411		430	18	
(Others)		581		605	23			453		450	(3)	
Operating income	4.7	938	3.2	740	(198)	(21.1)	4.3	599	2.7	430	(169)	(28.3)
Non-operating income		113		90	(23)	(20.9)		137		90	(47)	(34.7)
Non-operating expenses		43		40	(3)	(8.7)		25		15	(10)	(41.2)
Ordinary income	5.1	1,008	3.5	790	(218)	(21.6)	5.1	711	3.2	505	(206)	(29.1)
Extraordinary income		146		160	13	9.3		140		180	39	28.2
Extraordinary loss		17		60	42	246.4		10		60	49	455.0
Income before income taxes	5.7	1,137	3.9	890	(247)	(21.7)	6.1	841	4.0	625	(216)	(25.7)
Total income taxes		338		270	(68)	(20.2)		215		175	(40)	(18.9)
Profit		798		620	(178)	(22.4)		—		—	—	—
Profit attributable to non-controlling interests (deduction)		21		30	8	37.1		—		—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	3.9	776	2.6	590	(186)	(24.0)	4.5	625	2.9	450	(175)	(28.1)

*There have been no revisions to the forecasts previously announced on November 6, 2023.

Orders Received

(Yen in 100 millions)

	Consolidated					Non-consolidated			
	Results	Forecasts	Change	% Change		Results	Forecasts	Change	% Change
Fiscal Year Ended	Fiscal Year Ending	Fiscal Year Ended				Fiscal Year Ending			
	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	
Building construction	16,128	15,250	(878)	(5.4)	11,120	10,900	(220)	(2.0)	
Domestic	11,242	11,320	77	0.7	10,931	10,700	(231)	(2.1)	
Overseas	4,885	3,930	(955)	(19.6)	189	200	10	5.8	
Civil engineering	4,945	5,100	154	3.1	3,429	3,300	(129)	(3.8)	
Domestic	3,607	3,750	142	4.0	2,801	2,900	98	3.5	
Overseas	1,338	1,350	11	0.9	628	400	(228)	(36.4)	
Construction total	21,073	20,350	(723)	(3.4)	14,549	14,200	(349)	(2.4)	
Domestic	14,849	15,070	220	1.5	13,732	13,600	(132)	(1.0)	
Overseas	6,224	5,280	(944)	(15.2)	817	600	(217)	(26.6)	
Real estate business and other	1,149	1,000	(149)	(13.0)	389	340	(49)	(12.6)	
Total orders received	22,222	21,350	(872)	(3.9)	14,938	14,540	(398)	(2.7)	

*There have been no revisions to the forecasts previously announced on November 6, 2023.

Interest-bearing Debt Balances

(Yen in 100 millions)

	Consolidated				Non-consolidated			
	Results	Forecasts	Change	% Change	Results	Forecasts	Change	% Change
As of	As of	As of			As of			
	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024
Interest-bearing debt (except nonrecourse loans)	2,612	2,500	(112)	(4.3)	1,946	1,800	(146)	(7.5)
Nonrecourse loans	766	900	133	17.3	—	—	—	—
Total interest-bearing debt	3,379	3,400	20	0.6	1,946	1,800	(146)	(7.5)

*There have been no revisions to the forecasts previously announced on November 6, 2023.

4 Operating Results and Forecasts for Reportable Segments

(1) Operating Results for the Nine Months Ended December 31, 2023 (YoY Comparison)

[Consolidated]

(Yen in millions)

	Net Sales				Operating Income					
	Results Nine Months Ended December 31, 2022	Results Nine Months Ended December 31, 2023	Change	% Change	Results Nine Months Ended December 31, 2022		Results Nine Months Ended December 31, 2023		Change	% Change
					% Profit		% Profit			
Building Construction										
Domestic	753,641	928,527	174,886	23.2	2.8	21,281	1.9	17,526	(3,754)	(17.6)
Overseas	268,010	345,957	77,946	29.1	1.6	4,349	3.2	11,001	6,652	152.9
Subtotal	1,021,651	1,274,484	252,833	24.7	2.5	25,631	2.2	28,528	2,897	11.3
Civil Engineering										
Domestic	246,328	270,801	24,473	9.9	6.5	16,049	6.5	17,495	1,445	9.0
Overseas	83,224	86,782	3,557	4.3	3.7	3,038	(4.7)	(4,109)	(7,148)	—
Subtotal	329,552	357,583	28,030	8.5	5.8	19,088	3.7	13,385	(5,702)	(29.9)
Construction Total										
Domestic	999,969	1,199,329	199,360	19.9	3.7	37,330	2.9	35,021	(2,308)	(6.2)
Overseas	351,234	432,739	81,504	23.2	2.1	7,388	1.6	6,892	(496)	(6.7)
Subtotal	1,351,204	1,632,068	280,864	20.8	3.3	44,719	2.6	41,914	(2,805)	(6.3)
Real Estate Business and Other										
Real Estate Business	55,485	33,590	(21,895)	(39.5)	36.0	19,987	26.4	8,860	(11,127)	(55.7)
Other	34,405	35,890	1,484	4.3	2.9	1,006	1.2	434	(571)	(56.8)
Subtotal	89,891	69,480	(20,410)	(22.7)	23.4	20,994	13.4	9,294	(11,699)	(55.7)
Total	1,441,095	1,701,549	260,453	18.1	4.6	65,713	3.0	51,208	(14,504)	(22.1)

*Consolidated net sales and operating income for each segment show the sales and operating income for external customers.

[Non-consolidated]

(Yen in millions)

	Net Sales				Gross Profit					
	Results Nine Months Ended December 31, 2022	Results Nine Months Ended December 31, 2023	Change	% Change	Results Nine Months Ended December 31, 2022		Results Nine Months Ended December 31, 2023		Change	% Change
					% Gross Profit		% Gross Profit			
Building Construction										
Domestic	749,814	907,762	157,947	21.1	8.0	59,947	6.5	58,710	(1,237)	(2.1)
Overseas	1,949	4,967	3,018	154.8	10.0	195	3.3	162	(33)	(17.1)
Subtotal	751,764	912,730	160,965	21.4	8.0	60,143	6.5	58,872	(1,270)	(2.1)
Civil Engineering										
Domestic	190,659	209,813	19,153	10.0	16.5	31,397	15.1	31,598	200	0.6
Overseas	25,512	19,993	(5,518)	(21.6)	11.6	2,965	10.7	2,148	(816)	(27.5)
Subtotal	216,171	229,806	13,634	6.3	15.9	34,363	14.7	33,747	(616)	(1.8)
Construction Total										
Domestic	940,474	1,117,575	177,101	18.8	9.7	91,345	8.1	90,308	(1,037)	(1.1)
Overseas	27,461	24,961	(2,500)	(9.1)	11.5	3,161	9.3	2,311	(849)	(26.9)
Subtotal	967,936	1,142,537	174,600	18.0	9.8	94,506	8.1	92,619	(1,887)	(2.0)
Real Estate Business and Other										
	28,594	16,486	(12,107)	(42.3)	39.9	11,395	21.5	3,549	(7,846)	(68.9)
Total	996,530	1,159,023	162,492	16.3	10.6	105,902	8.3	96,168	(9,733)	(9.2)

(2) Forecasts for FY2023 (YoY Comparison)

【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Results Fiscal Year Ended March 31, 2023	Forecasts Fiscal Year Ending March 31, 2024	Change	% Change	Results		Forecasts		Change	% Change
					% Profit		% Profit			
Building Construction										
Domestic	1,056,407	1,283,000	226,592	21.4	3.2	34,326	2.8	35,500	1,173	3.4
Overseas	343,894	417,000	73,105	21.3	1.5	5,179	1.1	4,500	(679)	(13.1)
Subtotal	1,400,302	1,700,000	299,697	21.4	2.8	39,505	2.4	40,000	494	1.3
Civil Engineering										
Domestic	343,464	351,000	7,535	2.2	6.3	21,744	5.0	17,500	(4,244)	(19.5)
Overseas	103,921	109,000	5,078	4.9	3.3	3,451	0.9	1,000	(2,451)	(71.0)
Subtotal	447,385	460,000	12,614	2.8	5.6	25,196	4.0	18,500	(6,696)	(26.6)
Construction Total										
Domestic	1,399,872	1,634,000	234,127	16.7	4.0	56,070	3.2	53,000	(3,070)	(5.5)
Overseas	447,815	526,000	78,184	17.5	1.9	8,631	1.0	5,500	(3,131)	(36.3)
Subtotal	1,847,688	2,160,000	312,311	16.9	3.5	64,702	2.7	58,500	(6,202)	(9.6)
Real Estate Business and Other										
Real Estate Business	83,875	66,000	(17,875)	(21.3)	32.1	26,928	21.2	14,000	(12,928)	(48.0)
Other	52,324	54,000	1,675	3.2	4.1	2,170	2.8	1,500	(670)	(30.9)
Subtotal	136,200	120,000	(16,200)	(11.9)	21.4	29,098	12.9	15,500	(13,598)	(46.7)
Total	1,983,888	2,280,000	296,111	14.9	4.7	93,800	3.2	74,000	(19,800)	(21.1)

*1 Consolidated net sales and operating income for each segment show the sales and operating income for external customers.

*2 There have been no revisions to the forecasts previously announced on November 6 2023.

【Non-consolidated】

(Yen in millions)

	Net Sales				Gross Profit					
	Results Fiscal Year Ended March 31, 2023	Forecasts Fiscal Year Ending March 31, 2024	Change	% Change	Results		Forecasts		Change	% Change
					% Gross Profit		% Gross Profit			
Building Construction										
Domestic	1,048,587	1,245,000	196,412	18.7	8.3	87,235	6.9	86,500	(735)	(0.8)
Overseas	2,965	3,000	34	1.2	19.1	565	—	—	(565)	(100.0)
Subtotal	1,051,553	1,248,000	196,446	18.7	8.3	87,801	6.9	86,500	(1,301)	(1.5)
Civil Engineering										
Domestic	266,237	265,000	(1,237)	(0.5)	15.7	41,794	13.4	35,500	(6,294)	(15.1)
Overseas	30,323	28,000	(2,323)	(7.7)	11.6	3,511	7.1	2,000	(1,511)	(43.0)
Subtotal	296,561	293,000	(3,561)	(1.2)	15.3	45,306	12.8	37,500	(7,806)	(17.2)
Construction Total										
Domestic	1,314,825	1,510,000	195,174	14.8	9.8	129,030	8.1	122,000	(7,030)	(5.4)
Overseas	33,289	31,000	(2,289)	(6.9)	12.2	4,076	6.5	2,000	(2,076)	(50.9)
Subtotal	1,348,115	1,541,000	192,884	14.3	9.9	133,107	8.0	124,000	(9,107)	(6.8)
Real Estate Business and Other										
Real Estate Business and Other	38,913	34,000	(4,913)	(12.6)	34.4	13,368	20.6	7,000	(6,368)	(47.6)
Total	1,387,028	1,575,000	187,971	13.6	10.6	146,476	8.3	131,000	(15,476)	(10.6)

* There have been no revisions to the forecasts previously announced on November 6, 2023.

5 Non-consolidated Orders Received, Net Sales and Projects in Process

(1) Breakdown of Non-consolidated Orders Received

(Yen in millions)

	Results Nine Months Ended December 31, 2022		Results Nine Months Ended December 31, 2023		Change		Results FY2022 April 1, 2022 - March 31, 2023	
		% of Total		% of Total		% Change		% of Total
Building Construction								
Domestic Public	61,431	5.8	45,098	4.7	(16,332)	(26.6)	80,786	5.4
Domestic Private	707,750	67.2	673,700	70.7	(34,050)	(4.8)	1,012,315	67.8
Domestic Total	769,181	73.0	718,798	75.4	(50,383)	(6.6)	1,093,102	73.2
Overseas	18,361	1.7	3,963	0.4	(14,397)	(78.4)	18,909	1.3
Subtotal	787,543	74.7	722,761	75.8	(64,781)	(8.2)	1,112,012	74.5
Civil Engineering								
Domestic Public	84,259	8.0	103,605	10.9	19,346	23.0	146,915	9.8
Domestic Private	103,037	9.8	91,416	9.6	(11,620)	(11.3)	133,214	8.9
Domestic Total	187,296	17.8	195,022	20.5	7,725	4.1	280,130	18.7
Overseas	50,607	4.8	19,105	2.0	(31,501)	(62.2)	62,845	4.2
Subtotal	237,904	22.6	214,128	22.5	(23,775)	(10.0)	342,975	22.9
Construction Total								
Domestic Public	145,690	13.8	148,704	15.6	3,013	2.1	227,702	15.2
Domestic Private	810,788	77.0	765,117	80.3	(45,671)	(5.6)	1,145,530	76.7
Domestic Total	956,478	90.8	913,821	95.9	(42,657)	(4.5)	1,373,232	91.9
Overseas	68,968	6.5	23,068	2.4	(45,899)	(66.6)	81,754	5.5
Subtotal	1,025,447	97.3	936,890	98.3	(88,556)	(8.6)	1,454,987	97.4
Real Estate Business and Other	28,591	2.7	16,490	1.7	(12,101)	(42.3)	38,910	2.6
Total	1,054,038	100	953,380	100	(100,658)	(9.5)	1,493,898	100

(2) Breakdown of Non-consolidated Net Sales

(Yen in millions)

	Results Nine Months Ended December 31, 2022		Results Nine Months Ended December 31, 2023		Change		Results FY2022 April 1, 2022 - March 31, 2023	
		% of Total		% of Total		% Change		% of Total
Building Construction								
Domestic Public	70,082	7.0	54,897	4.8	(15,184)	(21.7)	94,961	6.8
Domestic Private	679,732	68.2	852,865	73.6	173,132	25.5	953,626	68.8
Domestic Total	749,814	75.2	907,762	78.4	157,947	21.1	1,048,587	75.6
Overseas	1,949	0.2	4,967	0.4	3,018	154.8	2,965	0.2
Subtotal	751,764	75.4	912,730	78.8	160,965	21.4	1,051,553	75.8
Civil Engineering								
Domestic Public	106,607	10.7	112,061	9.7	5,453	5.1	144,904	10.5
Domestic Private	84,051	8.4	97,751	8.4	13,699	16.3	121,333	8.7
Domestic Total	190,659	19.1	209,813	18.1	19,153	10.0	266,237	19.2
Overseas	25,512	2.6	19,993	1.7	(5,518)	(21.6)	30,323	2.2
Subtotal	216,171	21.7	229,806	19.8	13,634	6.3	296,561	21.4
Construction Total								
Domestic Public	176,689	17.7	166,958	14.5	(9,731)	(5.5)	239,865	17.3
Domestic Private	763,784	76.6	950,616	82.0	186,832	24.5	1,074,959	77.5
Domestic Total	940,474	94.3	1,117,575	96.5	177,101	18.8	1,314,825	94.8
Overseas	27,461	2.8	24,961	2.1	(2,500)	(9.1)	33,289	2.4
Subtotal	967,936	97.1	1,142,537	98.6	174,600	18.0	1,348,115	97.2
Real Estate Business and Other	28,594	2.9	16,486	1.4	(12,107)	(42.3)	38,913	2.8
Total	996,530	100	1,159,023	100	162,492	16.3	1,387,028	100

(3) Breakdown of Non-consolidated Projects in Process

(Yen in millions)

	Results As of December 31, 2022		Results As of December 31, 2023		Change		Results As of March 31, 2023	
		%		%		% Change		% of Total
Building Construction								
Domestic Public	126,846	5.5	111,524	5.1	(15,322)	(12.1)	121,322	5.1
Domestic Private	1,578,349	67.8	1,429,855	65.9	(148,493)	(9.4)	1,609,020	67.7
Domestic Total	1,705,195	73.3	1,541,379	71.0	(163,816)	(9.6)	1,730,343	72.8
Overseas	18,516	0.8	17,044	0.8	(1,472)	(8.0)	18,048	0.8
Subtotal	1,723,712	74.1	1,558,423	71.8	(165,288)	(9.6)	1,748,392	73.6
Civil Engineering								
Domestic Public	315,848	13.6	331,752	15.3	15,904	5.0	340,208	14.3
Domestic Private	217,185	9.3	203,746	9.4	(13,439)	(6.2)	210,080	8.8
Domestic Total	533,033	22.9	535,498	24.7	2,465	0.5	550,289	23.1
Overseas	70,140	3.0	76,679	3.5	6,538	9.3	77,567	3.3
Subtotal	603,174	25.9	612,177	28.2	9,003	1.5	627,856	26.4
Construction Total								
Domestic Public	442,694	19.1	443,276	20.4	581	0.1	461,530	19.4
Domestic Private	1,795,534	77.1	1,633,601	75.3	(161,933)	(9.0)	1,819,101	76.5
Domestic Total	2,238,229	96.2	2,076,878	95.7	(161,351)	(7.2)	2,280,632	95.9
Overseas	88,657	3.8	93,723	4.3	5,065	5.7	95,616	4.1
Subtotal	2,326,887	100	2,170,601	100.0	(156,285)	(6.7)	2,376,248	100
Real Estate Business and Other	—	—	4	0.0	4	—	—	—
Total	2,326,887	100	2,170,605	100	(156,281)	(6.7)	2,376,248	100

6 Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Yen in millions)

	March 31, 2023	December 31, 2023	Change
Assets			
Current assets			
Cash and deposits	419,405	249,420	(169,984)
Notes and accounts receivable from completed construction contracts and other	832,939	1,099,885	266,946
Electronically recorded monetary claims	21,189	21,593	403
Short-term investment securities	7,285	8,716	1,431
Real estate for sale	15,874	27,380	11,505
Costs on uncompleted construction contracts	35,428	57,259	21,830
Costs on real estate business	30,405	34,999	4,593
Inventories for PFI and other projects	6,610	5,205	(1,404)
Other inventories	12,120	15,793	3,673
Accounts receivable	98,866	102,365	3,498
Other	25,572	98,157	72,584
Allowance for doubtful accounts	(147)	(6,464)	(6,317)
Total current assets	1,505,551	1,714,312	208,761
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	142,968	151,539	8,570
Machinery, vehicles, tools, furniture and fixtures	79,252	80,677	1,425
Land	408,031	407,451	(580)
Lease assets	4,823	5,787	964
Construction in progress	57,470	73,185	15,715
Total property, plant and equipment	692,545	718,641	26,096
Intangible assets	17,932	36,136	18,203
Investments and other assets			
Investment securities	306,570	354,620	48,049
Long-term loans receivable	1,312	2,610	1,298
Deferred tax assets	5,137	2,140	(2,997)
Assets for retirement benefits	2,900	2,281	(618)
Other	78,148	118,462	40,313
Allowance for doubtful accounts	(170)	(152)	18
Total investments and other assets	393,899	479,963	86,063
Total noncurrent assets	1,104,377	1,234,741	130,363
Total assets	2,609,929	2,949,054	339,124

(Yen in millions)

	March 31, 2023	December 31, 2023	Change
Assets			
Liabilities			
Current liabilities			
Notes and accounts payable for construction contracts and other	526,734	662,573	135,838
Electronically recorded obligations	145,520	155,668	10,147
Short-term loans payable	67,170	93,036	25,866
Current portion of nonrecourse loans	8,611	8,049	(561)
Commercial papers	—	50,000	50,000
Current portion of bonds	20,000	10,000	(10,000)
Lease obligations	1,425	2,124	699
Income taxes payable	22,375	1,951	(20,423)
Advances received on uncompleted construction contracts	132,979	178,032	45,052
Deposits received	158,487	196,747	38,259
Provision for warranties for completed construction	3,004	3,141	136
Provision for loss on construction contracts	43,205	28,808	(14,396)
Other	96,919	75,243	(21,676)
Total current liabilities	1,226,434	1,465,377	238,942
Noncurrent liabilities			
Bonds payable	50,000	40,000	(10,000)
Long-term loans payable	124,051	138,182	14,130
Nonrecourse loans	68,087	65,073	(3,014)
Lease obligations	5,018	7,133	2,115
Deferred tax liabilities	4,053	22,653	18,600
Deferred tax liabilities for land revaluation	18,421	18,421	—
Provision for stock payments for directors	599	436	(163)
Provision for environmental measures	23	23	—
Liability for retirement benefits	51,835	52,521	686
Other	25,522	26,808	1,286
Total noncurrent liabilities	347,613	371,253	23,640
Total liabilities	1,574,048	1,836,631	262,583
Net assets			
Shareholders' equity			
Capital stock	57,752	57,752	—
Capital surplus	41,962	41,962	0
Retained earnings	728,087	745,423	17,336
Treasury stock	(2,754)	(2,709)	45
Total shareholders' equity	825,047	842,429	17,381
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	118,057	154,598	36,541
Deferred gains (losses) on hedges	10,130	13,046	2,916
Revaluation reserve for land	23,627	23,627	—
Foreign currency translation adjustments	18,437	34,563	16,125
Retirement benefit asset and liability adjustments	1,808	1,451	(356)
Total accumulated other comprehensive income	172,061	227,288	55,226
Non-controlling interests	38,772	42,704	3,932
Total net assets	1,035,881	1,112,422	76,541
Total liabilities and net assets	2,609,929	2,949,054	339,124
(Reference)			
Interest-bearing debt balances	337,921	404,341	66,420

(2) Consolidated Statements of Income

(Yen in millions)

	April 1, 2022 - December 31, 2022	April 1, 2023 - December 31, 2023	Change
Net sales			
Net sales of completed construction contracts	1,351,204	1,632,068	280,864
Net sales of real estate business and other	89,891	69,480	(20,410)
Total net sales	1,441,095	1,701,549	260,453
Cost of sales			
Cost of sales on completed construction contracts	1,223,373	1,492,627	269,254
Cost of sales on real estate business and other	61,964	52,338	(9,626)
Total cost of sales	1,285,337	1,544,966	259,628
Gross profit			
Gross profit on completed construction contracts	127,830	139,440	11,609
Gross profit on real estate business and other	27,926	17,142	(10,784)
Total gross profit	155,757	156,583	825
Selling, general and administrative expenses	90,044	105,374	15,329
Operating income	65,713	51,208	(14,504)
Non-operating income			
Interest income	638	2,586	1,947
Dividends income	6,221	6,657	436
Foreign exchange gains	2,528	2,634	105
Other	805	1,057	251
Total non-operating income	10,194	12,935	2,741
Non-operating expenses			
Interest expenses	1,864	2,549	684
Other	1,011	497	(513)
Total non-operating expenses	2,875	3,046	170
Ordinary income	73,032	61,098	(11,934)
Extraordinary income			
Gain on sales of investing securities	9,248	12,099	2,850
Other	151	159	8
Total extraordinary income	9,400	12,259	2,858
Extraordinary loss			
Loss on valuation of other investments	—	1,099	1,099
Loss on valuation of investment securities	843	1,042	199
Loss on retirement of noncurrent assets	148	992	844
Impairment loss	—	895	895
Other	423	232	(191)
Total extraordinary losses	1,415	4,262	2,847
Profit before income taxes	81,017	69,094	(11,923)
Income taxes-current	21,751	16,100	(5,650)
Income taxes-deferred	439	4,206	3,766
Total income taxes	22,190	20,306	(1,883)
Profit	58,826	48,787	(10,039)
Profit attributable to non-controlling interests	2,276	1,295	(981)
Profit attributable to owners of parent	56,550	47,492	(9,057)

(3) Consolidated Statements of Comprehensive Income

(Yen in millions)

	April 1, 2022 - December 31, 2022	April 1, 2023 - December 31, 2023
Profit	58,826	48,787
Other comprehensive income		
Valuation difference on available-for-sale securities	(16,935)	36,517
Deferred gains (losses) on hedges	994	2,813
Foreign currency translation adjustment	16,636	19,073
Retirement benefit adjustment	(526)	(358)
Share of other comprehensive income of associates accounted for using equity method	761	167
Total other comprehensive income	930	58,214
Comprehensive income	59,757	107,002
Comprehensive income attributable to owners of parent	53,450	102,719
Comprehensive income attributable to non-controlling interests	6,306	4,283

(4) Consolidated Segment Information

Reportable Segment Information (Net Sales and Income) FY2022 (April 1, 2022 – December 31, 2022)

(Yen in millions)

	Reporting segment						Others *1	Total
	Domestic Building Construction	Overseas Building Construction	Domestic Civil Engineering	Overseas Civil Engineering	Real Estate	Subtotal		
Net sales								
Sales to third parties	753,641	268,010	246,328	83,224	55,485	1,406,689	34,405	1,441,095
Intersegment sales and transfers	27,187	52	11,277	—	906	39,423	7,528	46,952
Segment sales	780,828	268,062	257,605	83,224	56,392	1,446,113	41,934	1,488,047
Operating income								
Operating income from sales to third parties *2	21,281	4,349	16,049	3,038	19,987	64,707	1,006	65,713
Intersegment operating income and transfers	1,208	(150)	(60)	—	(42)	955	(23)	931
Segment income	22,489	4,199	15,989	3,038	19,945	65,662	982	66,645

*1 Businesses that cannot be classified into the reportable segments are shown as "Others." These include PFI (Private Finance Initiative), renewable energy, finance and other businesses.

*2 "Operating income from sales to third parties" was computed by subtracting "Intersegment operating income and transfers" from "Segment income."

The total "Operating income from sales to third parties" equals to "Operating income" as shown in the consolidated statements of income.

Reportable Segment Information (Net Sales and Income) FY2023 (April 1, 2023 – December 31, 2023)

(Yen in millions)

	Reporting segment						Others *1	Total
	Domestic Building Construction	Overseas Building Construction	Domestic Civil Engineering	Overseas Civil Engineering	Real Estate	Subtotal		
Net sales								
Sales to third parties	928,527	345,957	270,801	86,782	33,590	1,665,658	35,890	1,701,549
Intersegment sales and transfers	28,701	58	11,248	—	684	40,692	8,229	48,921
Segment sales	957,228	346,015	282,049	86,782	34,274	1,706,350	44,120	1,750,471
Operating income								
Operating income (loss) from sales to third parties *2	17,526	11,001	17,495	(4,109)	8,860	50,774	434	51,208
Intersegment operating income and transfers	2,183	461	(112)	—	(41)	2,491	(24)	2,467
Segment income (loss)	19,710	11,463	17,382	(4,109)	8,818	53,266	409	53,675

*1 Businesses that cannot be classified into the reportable segments are shown as "Others." These include PFI (Private Finance Initiative), renewable energy, finance and other businesses.

*2 "Operating income (loss) from sales to third parties" was computed by subtracting "Intersegment operating income and transfers" from "Segment income (loss)."

The total "Operating income (loss) from sales to third parties" equals to "Operating income" as shown in the consolidated statements of income.

7 Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Yen in millions)

	March 31, 2023	December 31, 2023	Change
Assets			
Current assets			
Cash and deposits	272,172	86,775	(185,397)
Notes receivable—trade	7,117	1,311	(5,805)
Electronically recorded monetary claims	18,176	18,707	531
Accounts receivable from completed construction contracts	602,057	818,728	216,671
Accounts receivable—real estate business and other	5,315	2,487	(2,828)
Short-term investment securities	69	13	(55)
Real estate for sale	2,936	2,441	(494)
Costs on uncompleted construction contracts	31,667	46,726	15,059
Costs on real estate business and other	2,755	5,252	2,497
Short-term loans receivable	66,644	54,873	(11,770)
Accounts receivable—other	89,008	89,723	715
Other	21,076	130,570	109,493
Allowance for doubtful accounts	(75)	(95)	(20)
Total current assets	1,118,922	1,257,518	138,596
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	58,892	57,389	(1,502)
Machinery, equipment and vehicles	8,330	14,418	6,087
Tools, furniture and fixtures	3,679	3,656	(23)
Land	174,430	173,794	(636)
Leased assets	13	8	(5)
Construction in progress	21,323	21,517	193
Total property, plant and equipment	266,671	270,784	4,113
Intangible assets	7,384	8,115	731
Investments and other assets			
Investment securities	291,510	339,936	48,426
Shares and investments in capital of subsidiaries and affiliates	202,912	233,916	31,004
Long-term loans receivable	46,430	39,382	(7,047)
Claims provable in bankruptcy, claims provable in rehabilitation and other	650	620	(30)
Prepaid pensions cost	370	254	(115)
Other	9,432	9,177	(254)
Allowance for doubtful accounts	(1,185)	(690)	494
Total investments and other assets	550,120	622,597	72,476
Total noncurrent assets	824,175	901,497	77,321
Total assets	1,943,098	2,159,016	215,918

(Yen in millions)

	March 31, 2023	December 31, 2023	Change
Liabilities			
Current liabilities			
Notes payable—trade	10,265	10,586	321
Electronically recorded obligations	144,248	156,505	12,256
Accounts payable for construction contracts	388,976	478,823	89,846
Accounts payable—real estate and other	1,496	580	(916)
Short-term loans payable	44,199	60,068	15,869
Commercial papers	—	50,000	50,000
Current portion of bonds	20,000	10,000	(10,000)
Lease obligations	7	6	(1)
Accounts payable	20,007	2,047	(17,960)
Accrued expenses	17,066	12,655	(4,410)
Income taxes payable	18,466	—	(18,466)
Advances received on uncompleted construction contracts	95,994	118,418	22,423
Deposit received—real estate and other	2,529	2,250	(278)
Deposits received	148,512	179,027	30,515
Provision for warranties for completed construction	2,453	2,815	362
Provision for loss on construction contracts	43,154	28,607	(14,547)
Deposits received from employees	27,205	27,150	(55)
Other	1,230	1,475	244
Total current liabilities	985,813	1,141,017	155,203
Noncurrent liabilities			
Bonds payable	50,000	40,000	(10,000)
Long-term loans payable	80,432	90,734	10,302
Lease obligations	7	2	(4)
Deferred tax liabilities	194	20,377	20,182
Deferred tax liabilities for land revaluation	15,030	15,030	—
Provision for retirement benefits	43,580	44,021	440
Provision for stock payments for directors	599	436	(163)
Provision for loss on business of subsidiaries and affiliates	3,418	6,442	3,024
Other	5,282	5,314	32
Total noncurrent liabilities	198,545	222,359	23,813
Total liabilities	1,184,358	1,363,376	179,017
Net assets			
Shareholders' equity			
Capital stock	57,752	57,752	—
Capital surplus			
Legal capital surplus	41,694	41,694	—
Total capital surpluses	41,694	41,694	—
Retained earnings			
Legal retained earnings	14,438	14,438	—
Other retained earnings			
Reserve for advanced depreciation of noncurrent assets	2,328	2,297	(30)
General reserve	435,000	460,000	25,000
Retained earnings brought forward	74,105	49,189	(24,916)
Total retained earnings	525,871	525,925	53
Treasury stock	(2,754)	(2,709)	45
Total shareholders' equity	622,563	622,662	98
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	117,796	154,461	36,664
Deferred gains (losses) on hedges	0	138	137
Revaluation reserve for land	18,377	18,377	—
Total valuation and translation adjustments	136,175	172,977	36,802
Total net assets	758,739	795,639	36,900
Total liabilities and net assets	1,943,098	2,159,016	215,918
(Reference)			
Interest-bearing debt balances	194,631	250,802	56,171

(2) Non-consolidated Statements of Income

(Yen in millions)

	April 1, 2022 - December 31, 2022	April 1, 2023 - December 31, 2023	Change
Net sales			
Net sales of completed construction contracts	967,936	1,142,537	174,600
Net sales of real estate business and other	28,594	16,486	(12,107)
Total net sales	996,530	1,159,023	162,492
Cost of sales			
Cost of sales on completed construction contracts	873,429	1,049,917	176,487
Cost of sales on real estate business and other	17,198	12,937	(4,261)
Total cost of sales	890,628	1,062,854	172,226
Gross profit			
Gross profit on completed construction contracts	94,506	92,619	(1,887)
Gross profit on real estate business and other	11,395	3,549	(7,846)
Total gross profit	105,902	96,168	(9,733)
Selling, general and administrative expenses	62,517	66,173	3,656
Operating income	43,384	29,994	(13,389)
Non-operating income			
Interest and dividend income	10,261	8,590	(1,670)
Other	1,103	2,050	947
Total non-operating income	11,364	10,641	(723)
Non-operating expenses			
Interest expenses	708	674	(33)
Provision of allowance for doubtful accounts	16	—	(16)
Bad debts expenses	10	—	(10)
Other	764	279	(485)
Total non-operating expenses	1,498	953	(545)
Ordinary income	53,250	39,682	(13,567)
Extraordinary income			
Gain on sales of investment securities	9,099	11,684	2,584
Other	1	1,947	1,946
Total extraordinary income	9,101	13,631	4,530
Extraordinary loss			
Loss on business of subsidiaries and affiliates	347	6,447	6,100
Other	492	2,165	1,673
Total extraordinary losses	839	8,612	7,773
Profit before income taxes	61,512	44,701	(16,810)
Income taxes-current	15,542	10,460	(5,082)
Income taxes-deferred	1,062	4,031	2,969
Total income taxes	16,604	14,492	(2,112)
Profit	44,907	30,208	(14,698)