

TOTETSU KOGYO CO.,LTD.
Consolidated Financial statements
• Consolidated Statements of Comprehensive Income

	(Thousands of Yen)	
	FY2021 (As of March 31,2022)	FY2022 (As of March 31,2023)
Assets		
Current assets		
Cash and deposits	25,785,683	13,613,661
Notes receivable, accounts receivable from completed construction contracts and other	73,720,954	93,422,018
Costs on construction contracts in progress	3,051,876	3,482,614
Other	1,478,352	2,023,737
Allowance for doubtful accounts	△5,267	△8,092
Total current assets	104,031,600	112,533,939
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,355,386	13,528,726
Machinery, vehicles, tools, furniture and fixtures	17,205,862	21,150,845
Land	4,693,593	5,097,860
Leased assets	1,227,516	1,243,122
Construction in progress	98,713	37,653
Accumulated depreciation	△17,080,219	△18,216,416
Total property, plant and equipment	19,500,851	22,841,791
Intangible assets	447,377	404,947
Investments and other assets		
Investment securities	11,141,976	12,222,312
Retirement benefit asset	854,076	770,277
Other	1,107,304	1,337,646
Allowance for doubtful accounts	△413,634	△410,337
Total investments and other assets	12,689,724	13,919,899
Total non-current assets	32,637,953	37,166,639
Total assets	136,669,553	149,700,578
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	26,757,013	26,823,294
Short-term borrowings	—	5,000,000
Income taxes payable	245,642	2,470,381
Advances received on construction contracts in progress	696,419	836,970
Provision for warranties for completed construction	333,701	175,493
Provision for loss on construction contracts	94,026	113,559
Provision for bonuses	1,798,622	1,971,623
Asset retirement obligations	—	120,000
Other	5,657,557	5,871,915
Total current liabilities	35,582,982	43,383,237
Non-current liabilities		
Long-term accounts payable - other	3,800	3,800
Lease liabilities	866,337	759,958
Long-term leasehold and guarantee deposits received	340,878	339,072
Provision for repairs	529,709	750,230
Retirement benefit liability	687,127	793,319
Provision for share awards for directors (and other officers)	—	30,758
Provision for retirement benefits for directors (and other officers)	—	14,328
Asset retirement obligations	133,563	135,806
Total non-current liabilities	2,561,416	2,827,274
Total liabilities	38,144,399	46,210,511
Net assets		
Shareholders' equity		
Share capital	2,810,000	2,810,000
Capital surplus	2,351,082	2,977,863
Retained earnings	93,006,836	97,878,547
Treasury shares	△3,894,688	△3,897,519
Total shareholders' equity	94,273,230	99,768,890
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,714,951	2,560,795
Remeasurements of defined benefit plans	136,991	54,933
Total accumulated other comprehensive income	2,851,943	2,615,728
Non-controlling interests	1,399,981	1,105,448
Total net assets	98,525,154	103,490,067
Total liabilities and net assets	136,669,553	149,700,578

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	FY2021	FY2022
	(As of March 31,2022)	(As of March 31,2023)
Net sales		
Net sales of completed construction contracts	106,433,330	117,917,311
Net sales for incidental businesses	8,284,771	6,744,073
Total net sales	114,718,102	124,661,384
Cost of sales		
Cost of sales of completed construction contracts	93,311,379	102,206,004
Cost of sales on incidental businesses	6,622,456	5,062,193
Total cost of sales	99,933,835	107,268,198
Gross profit		
Gross profit on completed construction contracts	13,121,951	15,711,306
Gross profit on incidental businesses	1,662,315	1,681,879
Total gross profit	14,784,267	17,393,186
Selling, general and administrative expenses	7,523,065	8,322,383
Operating profit	7,261,201	9,070,802
Non-operating income		
Interest income	51	271
Dividend income	214,244	220,022
Share of profit of entities accounted for using equity method	77,700	95,583
Other	43,462	119,929
Total non-operating income	335,459	435,807
Non-operating expenses		
Interest expenses	17,797	15,957
Other	2,395	2,712
Total non-operating expenses	20,192	18,669
Ordinary profit	7,576,468	9,487,940
Extraordinary income		
Gain on sale of non-current assets	5,150	1,125,505
Gain on sale of investment securities	583,200	858,379
Gain on bargain purchase	—	728,415
Total extraordinary income	588,350	2,712,301
Extraordinary losses		
Loss on step acquisitions	—	333,832
Loss on sale of non-current assets	2,711	5,031
Loss on retirement of non-current assets	184,325	192,568
Impairment losses	151,669	176,802
Total extraordinary losses	338,707	708,235
Profit before income taxes	7,826,112	11,492,005
Income taxes - current	2,398,080	3,507,660
Income taxes - deferred	23,665	△46,266
Total income taxes	2,421,746	3,461,393
Profit	5,404,366	8,030,611
Profit attributable to non-controlling interests	78,162	124,883
Profit attributable to owners of parent	5,326,203	7,905,728

TOTETSU KOGYO CO.,LTD.

Consolidated Financial statements

•Consolidated Statements of Cash Flows

	(Thousands of Yen)	
	FY2021	FY2022
	(As of March 31,2022)	(As of March 31,2023)
Cash flows from operating activities		
Profit before income taxes	7,826,112	11,492,005
Depreciation	1,924,069	2,317,320
Impairment losses	151,669	176,802
Gain on bargain purchase	—	△728,415
Loss (gain) on step acquisitions	—	333,832
Increase (decrease) in allowance for doubtful accounts	△12,203	△472
Increase (decrease) in long-term accounts payable - other	△3,800	—
Increase (decrease) in provision for loss on construction contracts	30,773	19,532
Increase (decrease) in provision for warranties for completed construction	254,636	△158,207
Increase (decrease) in provision for bonuses	△20,142	161,674
Increase (decrease) in retirement benefit liability	51,296	18,940
Increase (decrease) in provision for share awards for directors (and other officers)	—	30,758
Increase (decrease) in provision for retirement benefits for directors (and other officers)	—	△46,645
Increase (decrease) in provision for repairs	△65,326	220,520
Interest and dividend income	△214,296	△220,294
Interest expenses	17,797	15,957
Share of loss (profit) of entities accounted for using equity method	△77,700	△95,583
Loss (gain) on sale and retirement of property, plant and equipment	181,886	△927,905
Loss (gain) on sale of investment securities	△583,200	△858,379
Decrease (increase) in trade receivables	2,287,372	△19,368,428
Decrease (increase) in costs on construction contracts in progress	391,167	△402,720
Increase (decrease) in trade payables	△255,081	378,363
Increase (decrease) in advances received on construction contracts in progress	399,913	140,550
Increase (decrease) in accrued consumption taxes	△29,287	62,063
Other, net	△4,731,289	△380,702
Subtotal	7,524,367	△7,819,430
Interest and dividends received	217,738	223,178
Interest paid	△17,797	△15,957
Income taxes paid	△4,630,125	△1,344,583
Net cash provided by (used in) operating activities	3,094,183	△8,956,794
Cash flows from investing activities		
Purchase of property, plant and equipment	△6,215,543	△5,493,407
Proceeds from sale of property, plant and equipment	6,291	1,135,532
Purchase of investment securities	△2,088	△2,129
Proceeds from sale of investment securities	594,000	1,322,235
Purchase of intangible assets	△158,477	△46,251
Purchase of shares of subsidiaries and associates	—	△2,002,740
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	271,711
Other, net	△55,526	△149,728
Net cash provided by (used in) investing activities	△5,831,343	△4,964,777
Cash flows from financing activities		
Proceeds from short-term borrowings	—	5,000,000
Repayments of lease liabilities	△113,831	△117,314
Purchase of treasury shares	△2	△239,594
Proceeds from sale of treasury shares	—	239,230
Dividends paid	△3,056,136	△3,029,589
Dividends paid to non-controlling interests	△1,756	△1,756
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	△101,426
Net cash provided by (used in) financing activities	△3,171,726	1,749,549
Net increase (decrease) in cash and cash equivalents	△5,908,886	△12,172,022
Cash and cash equivalents at beginning of period	31,694,569	25,785,683
Cash and cash equivalents at end of period	25,785,683	13,613,661

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	(Thousands of Yen)	
	FY2021	FY2022
	(As of March 31,2022)	(As of March 31,2023)
Profit	5,404,366	8,030,611
Other comprehensive income		
Valuation difference on available-for-sale securities	△683,886	△145,365
Remeasurements of defined benefit plans, net of tax	117,645	△82,058
Share of other comprehensive income of entities accounted for using equity method	△1,798	△501
Total other comprehensive income	△568,039	△227,925
Comprehensive income	4,836,326	7,802,686
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,773,204	7,669,513
Comprehensive income attributable to non-controlling interests	63,121	133,173