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May 14, 2024

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [J-GAAP]



Company name: MIYAJI ENGINEERING GROUP, INC.  
 Listing: Tokyo Stock Exchange  
 Securities code: 3431  
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 Scheduled date of annual general meeting of shareholders: June 27, 2024  
 Scheduled date to commence dividend payments: June 28, 2024  
 Scheduled date to file annual securities report: June 27, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2024	69,365	15.1	7,904	54.2	7,908	47.2	4,354	41.5
March 31, 2023	60,279	3.9	5,127	(11.8)	5,373	(10.3)	3,077	(9.7)

Note: Comprehensive income

For the fiscal year ended March 31, 2024: ¥7,084 million [66.5%]  
 For the fiscal year ended March 31, 2023: ¥4,253 million [(11.0)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2024	319.95	-	11.6	11.5	11.4
March 31, 2023	226.11	-	8.9	8.6	8.5

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

For the fiscal year ended March 31, 2024: ¥—million  
 For the fiscal year ended March 31, 2023: ¥—million

Note: Since the Company has conducted a two-for-one share split of its common shares, effective October 1, 2023, the amount of basic earnings per share has been calculated assuming that the share split had been conducted at the beginning of the previous fiscal year.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	74,146	46,614	53.5	2,916.70
March 31, 2023	63,051	41,568	56.3	2,608.98

Reference: Equity

As of March 31, 2024: ¥39,695 million  
 As of March 31, 2023: ¥35,508 million

Note: Since the Company has conducted a two-for-one share split of its common shares, effective October 1, 2023, the amount of net assets per share has been calculated assuming that the share split had been conducted at the beginning of the previous fiscal year.

### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	8,841	(1,539)	(1,802)	19,115
March 31, 2023	495	(711)	(2,147)	13,615

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2023	-	60.00	-	80.00	140.00	952	31.0	2.8
Fiscal year ended March 31, 2024	-	170.00	-	107.00	-	2,613	60.0	6.9
Fiscal year ending March 31, 2025 (Forecast)	-	85.00	-	110.00	195.00		60.3	

Note: Breakdown of dividends at the end of the second quarter of the fiscal year ended March 31, 2024

Ordinary dividend: ¥150.00

Commemorative dividend: ¥20.00

Since the Company has conducted a two-for-one share split of its common shares, effective October 1, 2023, the dividends at the end of the second quarter of the fiscal year ended March 31, 2024 is the amount before the share split, and the dividends at the end of the fiscal year is the amount after the share split.

The annual total is not shown because a simple comparison is not possible due to the share split.

The annual dividend per share assuming that the share split had been conducted at the beginning of the previous fiscal year would be as follows:

Fiscal year ended March 31, 2023: ¥70.00

Fiscal year ended March 31, 2024: ¥192.00 (including a commemorative dividend of ¥10.00)

## 3. Consolidated financial result forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	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
First half	35,000	10.4	4,200	42.3	4,250	37.6	1,900	7.0	139.61
Full year	73,000	5.2	9,500	20.2	9,600	21.4	4,400	1.0	323.30

\* **Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in change in scope of consolidation): None

Newly included: companies ( )  
 Excluded: companies ( )

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies other than (i) above: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of March 31, 2024	13,838,908 shares
As of March 31, 2023	13,838,908 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2024	229,266 shares
As of March 31, 2023	228,762 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2024	13,609,700 shares
Fiscal year ended March 31, 2023	13,610,437 shares

Note: Since the Company has conducted a two-for-one share split of its common shares, effective October 1, 2023, total number of issued shares at the end of the period, number of treasury shares at the end of the period, and average number of shares outstanding during the period have been calculated assuming that the share split had been conducted at the beginning of the previous fiscal year.

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	4,115	146.0	3,774	157.7	3,777	157.6	3,759	156.9
March 31, 2023	1,672	98.7	1,464	110.8	1,466	110.6	1,463	110.9

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2024	276.26	-
March 31, 2023	107.52	-

Note: Since the Company has conducted a two-for-one share split of its common shares, effective October 1, 2023, the amount of basic earnings per share has been calculated assuming that the share split had been conducted at the beginning of the previous fiscal year.

**(2) Non-consolidated financial position**

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	11,931	11,872	99.5	872.38
March 31, 2023	9,868	9,815	99.5	721.17

Reference: Equity

As of March 31, 2024: ¥11,872 million

As of March 31, 2023: ¥9,815 million

Note: Since the Company has conducted a two-for-one share split of its common shares, effective October 1, 2023, the amount of net assets per share has been calculated assuming that the share split had been conducted at the beginning of the previous fiscal year.

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts and other special matters

The earnings forecasts and other forward-looking statements presented in this document are based on information currently available to the Company and certain assumptions deemed to be reasonable and do not represent a commitment from the Company that they will be achieved. Actual results may differ significantly due to various factors. For preconditions for the earnings forecasts and notes on the use of the earnings forecasts, please refer to “1. Overview of Operating Results, etc., (4) Future Outlook” on page 5 of the Attachment.

(How to obtain supplementary material on financial results)

The Company plans to hold a financial results briefing for institutional investors and analysts on Friday, May 24, 2024. The financial results briefing materials will be posted on the Company website on the same day.

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## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year under review, the Japanese economy continued to recover gradually despite periodic standstills. Meanwhile, there is a risk that a downturn in overseas economies could put downward pressure on the economy due to the effects of global monetary tightening and concerns about the outlook of the Chinese economy, and continued caution is required against the effects of rising prices, the situations in the Middle East, and volatility in financial and capital markets. Furthermore, we must also pay close attention to the economic impacts from the 2024 Noto Peninsula Earthquake that occurred in January 2024 and the support required for victims of the disaster.

Even under such circumstances, public investment remained firm for the current fiscal year. In the Group's mainstay bridge business segment, which includes highway and railway bridges, orders for new construction-related projects totaled ¥275.5 billion (based on our aggregate calculation) on par with the volume of orders in the previous fiscal year. On the other hand, in terms of large-scale renovation and maintenance-related projects, orders were below the ¥320.0 billion forecast (based on our estimate), which we set at the beginning of the current fiscal year, at ¥233.8 billion (based on our aggregate calculation). However, we anticipate continued orders above a certain level going forward.

In this environment, orders received amounted to a record high of ¥84,486 million (up 26.8% year on year) due to orders received for large, technically challenging new construction-related projects, large-scale renovation and maintenance-related projects, railroad-related projects.

The specific details are as follows.

New construction-related: Orders received totaled ¥34,309 million, including orders for the technically challenging the construction work of the Daini Keihan Expressway Kadoma East viaduct (superstructure of steel bridge) No.2 (West Nippon Expressway Company Limited).

Large-scale renovation and maintenance-related: Orders received totaled ¥33,051 million, including orders for Detail Design and Construction Works for a steel bridge superstructures and foundations at a connection to a tunnel on the Metropolitan expressway Route 6 (Mukojima Line) (Metropolitan Expressway Co., Ltd.), which is part of the Nihonbashi Area Underground Project.

Railroad-related: Orders received totaled ¥14,122 million, including orders for the elevation-related project at Hiroshima Electric Railway's Hiroshima Station (OBAYASHI CORPORATION and other JVs).

Net sales also amounted to a record high of ¥69,365 million (up 15.1% year on year), as a result of largely steady progress in existing projects.

The specific details are as follows.

New construction-related: Net sales were ¥27,192 million, mainly due to progress on the construction work of the Metropolitan area center communication Expressway, Goka viaduct (Steel Superstructure) (East Nippon Expressway Company Limited) and on the construction work of the Daini Keihan Expressway Kadoma East viaduct (superstructure of steel bridge) No.1 (West Nippon Expressway Company Limited).

Large-scale renovation and maintenance-related: Net sales were ¥19,742 million, mainly due to progress on the Suita Junction - Chugoku Expressway Ikeda Interchange Bridge renovation project (specific renewal) (West Nippon Expressway Company Limited) and on the Sasebo Viaduct (widening) construction on the Sasebo Road in FY2020 (West Nippon Expressway Company Limited).

Railroad-related: Net sales were ¥13,241 million, mainly due to progress on the Keihan Yodogawa-Higashi Bridge Over Railway (BO) erection (KAJIMA CORPORATION) and on the construction work of the Kanjo 4 Expressway intersection in the Shinagawa Station (KAJIMA CORPORATION).

Buildings with large interior spaces and special buildings: Net sales were ¥1,339 million, mainly due to progress on the steel construction work of the new Kagawa Prefectural Gymnasium (OBAYASHI CORPORATION and other JVs).

Coastal structures: Net sales were ¥6,809 million, mainly due to progress on the floating breakwater manufacturing in FY2022 for the Boat Race Edogawa (PENTA-OCEAN CONSTRUCTION CO., LTD.).

As a result of efforts to improve production efficiency and construction profitability, operational efficiency improvements through work style reforms, and increased sales caused by carry-over from the previous fiscal year, operating profit was ¥7,904 million (up 54.2% year on year), ordinary profit was ¥7,908 million (up 47.2% year on year), and profit attributable to owners of parent was ¥4,354 million (up 41.5% year on year).

Segment results are as follows.

(MIYAJI ENGINEERING)

Orders received amounted to a record high of ¥45,063 million (up 16.4% year on year) thanks to strong orders in new construction-related and railroad-related projects.

Net sales were ¥39,729 million (up 15.3% year on year) due to largely steady progress in existing projects and carry-over from the previous fiscal year.

Operating profit was ¥4,452 million (up 43.8% year on year) thanks to efforts to improve production efficiency and construction profitability, and increased sales caused by carry-over from the previous fiscal year.

(MM BRIDGE)

Orders received amounted to a record high of ¥39,417 million (up 41.2% year on year) due to orders received for large-scale renovation and maintenance-related projects.

Net sales also amounted to a record high of ¥29,639 million (up 14.3% year on year) due to largely steady progress in existing projects and carry-over from the previous fiscal year.

Operating profit was ¥3,426 million (up 69.7% year on year) thanks to efforts to improve production efficiency and construction profitability, and increased sales caused by carry-over from the previous fiscal year.

## (2) Overview of Financial Position for the Fiscal Year under Review

Total assets increased by ¥11,094 million from the end of the previous fiscal year to ¥74,146 million. This was due mainly to increases of ¥5,499 million in cash and deposits, ¥3,830 million in notes receivable, accounts receivable from completed construction contracts and other, and ¥1,938 million in investment securities.

Total liabilities increased by ¥6,048 million from the end of the previous fiscal year to ¥27,532 million. This was due mainly to increases of ¥2,712 million in notes payable, accounts payable for construction contracts and other, ¥883 million in income taxes payable, ¥684 million in advances received on construction contracts in progress, ¥516 million in provision for loss on construction contracts, ¥300 million in long-term borrowings, and ¥698 million in deferred tax liabilities.

Total net assets increased by ¥5,046 million from the end of the previous fiscal year to ¥46,614 million. This was due mainly to increases of ¥2,653 million in retained earnings, ¥1,432 million in valuation difference on available-for-sale securities, and ¥859 million in non-controlling interests.

## (3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents (hereinafter referred to as “cash”) at the end of the current fiscal year increased by ¥5,499 million from the end of the previous fiscal year to ¥19,115 million.

The status of cash flows and reasons for their changes are as follows.

### (Cash Flows from Operating Activities)

Cash flows provided by operating activities totaled ¥8,841 million (an inflow of ¥495 million in the previous fiscal year). This was mainly due to the recording of profit before income taxes of ¥8,048 million, the recording of depreciation of ¥953 million, an increase in provision for loss on construction contracts of ¥516 million, a decrease in other current assets of ¥918 million, an increase in trade payables of ¥2,345 million, an increase in advances received on construction contracts in progress of ¥684 million, and an increase in other current liabilities of ¥753 million, which were partially offset by an increase in trade receivables of ¥3,830 million and income taxes paid of ¥1,740 million.

### (Cash Flows from Investing Activities)

Cash flows used in investing activities totaled ¥1,539 million (an outflow of ¥711 million in the previous fiscal year). This was mainly due to purchase of property, plant and equipment of ¥1,753 million.

### (Cash Flows from Financing Activities)

Cash flows used in financial activities totaled ¥1,802 million (an outflow of ¥2,147 million in the previous fiscal year). This was mainly due to dividends paid of ¥1,689 million.

### (Reference) Trends in cash flow-related indicators

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Equity-to-asset ratio (%)	43.8	49.6	54.0	56.3	53.5
Equity-to-asset ratio based on market value (%)	18.5	26.5	38.1	40.4	80.5
Cash flow to interest-bearing debt ratio (years)	0.8	2.6	0.0	0.0	0.0
Interest coverage ratio (times)	123.8	34.2	714.3	87.0	1,865.9

Equity-to-asset ratio: Equity / Total assets

Equity-to-asset ratio based on market value: Market capitalization / Total assets

Cash flow to interest-bearing-debt ratio: Interest-bearing debt / Cash flow

Interest coverage ratio: Cash flows / Interest payments

- (Notes) 1 All indicators are calculated based on consolidated financial figures.  
2 Market capitalization is calculated based on the number of issued shares excluding treasury shares.  
3 Cash flow from operating activities is used for cash flow.  
4 Interest-bearing debt covers all liabilities recorded on the Consolidated Balance Sheets for which interest is paid.

#### (4) Future Outlook

With regard to the outlook for the Japanese economy in FY2024, the Japanese government is expected to quickly and steadily implement its “Comprehensive Economic Measures for Completely Overcoming Deflation: Toward New Stage of the Japanese Economy” policy and the supporting FY2023 supplementary budget and the FY2024 budget. Moreover, to transform from a cost-cutting economy that has continued for 30 years to a growth economy driven by sustainable wage increases and active investments, the government is expected to accelerate its initiatives for a new form of capitalism. However, we need to pay close attention to the risk that a downturn in overseas economies could put downward pressure on the Japanese economy, and also to the effects of rising prices, the situations in the Middle East, volatility in financial and capital markets, and other factors.

Despite these circumstances, in the Group’s mainstay bridge business segment, the expected orders for FY2024 are ¥250.0 billion (based on our estimate) for new construction-related projects and ¥280.0 billion (based on our estimate) for large-scale renovation and maintenance-related projects, about the same volume of orders as in the previous fiscal year. While competition for orders for ordinary new bridges still continues to be severe, orders received for large-scale expressway renovation projects (project size of approximately ¥7 trillion), which require high technical and construction capabilities both in terms of quality and quantity, are expected to remain steady. Furthermore, we also expect orders for highly difficult, large-scale projects, creating a business environment in which the Group can be expected to make major advances in the medium term. In railroad-related projects, many projects are planned in the Tokyo area, including terminal station redevelopment projects, continuous grade separation projects, large-scale bridge over railway projects, and reconstruction projects. These projects will enable the Group to demonstrate its safe, secure and advanced technical capabilities more so than ever before.

In this business environment, we will further strengthen our management control system as a group to build a stronger revenue base. At the same time, we will work as one team with MIYAJI ENGINEERING CO., LTD. and MM BRIDGE, CO., LTD., which form the core of the Group, to “walk together” and “grow together” with our stakeholders as a company that is one step ahead of its competitors. To this end, we have formulated the Medium-Term Business Plan that begins in FY2022, and this fiscal year under review, which is the second year of the plan, results have exceeded the targets in the plan. We will continue to optimize our management by appropriately allocating management resources to new construction-related, large-scale renovation and maintenance-related, and private-sector projects (including railroad-related, buildings with large interior spaces and special buildings, and coastal structures projects), aligning with shifts and trends in the domestic steel bridge market. In addition, we will strive to achieve the goals of our Medium-Term Business Plan by improving productivity through technology development and digital transformation (DX), securing and training human resources, promoting the career advancement of women, and carrying out work style reforms.

With regard to the consolidated financial results for the fiscal year ending March 31, 2025, we aim to surpass our interim targets for the Medium-Term Business Plan. We forecast net sales of ¥73.0 billion, operating profit of ¥9.5 billion, ordinary profit of ¥9.6 billion, and profit attributable to owners of parent of ¥4.4 billion.

## (5) Basic Policy on Profit Distribution and Dividends for the Current and Next Fiscal Years

With regard to shareholder returns during the Medium-Term Business Plan (FY2022 to FY2026), from a medium- to long-term perspective, the Group considers the establishment of a highly sustainable corporate structure, the enhancement of corporate value, and the return of profits to shareholders as important management policies, while at the same time we have a basic policy of implementing a well-balanced capital policy, including investments for sustainable growth, a concept shared by all shareholders and stakeholders.

Based on this policy, the Company has revised its total return ratio to 60%, as announced in the “Action to Implement Management that is Conscious of Cost of Capital and Stock Price” released on August 9, 2023. In addition, in order to improve the liquidity of the Company’s shares and expand its investor base, we decided to conduct a two-for-one share split of our common shares with a record date of September 30, 2023, and presented commemorative QUO cards to shareholders holding one or more unit of shares, as recorded in the final shareholder registry on the same date, to commemorate the 20th anniversary of our establishment (the 115th anniversary since the foundation of the former MIYAJI IRON WORKS CO., LTD. in 1908).

We will continue to implement the following measures during the Medium-Term Business Plan (FY2022 to FY2026) and maintain and increase shareholder returns with a target total return ratio of 60%.

- 1) We will steadily implement plans involving the well-balanced investment of management resources in large construction projects for new bridges, large-scale expressway renovation projects, highly difficult construction projects in the private sector, and other undertakings and investment plans to improve efficiency and optimize plant production and on-site construction capacity.
- 2) We will promote active investor relations activities.
- 3) We will consider buying back shares under special circumstances, such as another party’s release of the Company’s shares due to a reduction in cross-shareholdings.
- 4) We will promote the reduction of cross-shareholdings and reduce the ratio of cross-shareholdings against consolidated net assets to 10% or less on a book value basis during the Medium-Term Business Plan.

Based on the above policy, we plan to pay a year-end dividend of ¥107 per share for the fiscal year ended March 31, 2024, which together with the interim dividend already paid will bring the total annual dividend to ¥192 per share (current per share value for the fiscal year under review in line with the two-for-one share split of our common shares, effective October 1, 2023). With regard to dividends for the fiscal year ending March 31, 2025, the Company plans to pay a dividend of ¥195 calculated based on a payout ratio of 60%.

Interim dividend: Ordinary dividend of ¥85

Year-end dividend: Ordinary dividend of ¥110

## 2. Basic Policy on Selection of Accounting Standards

The Group’s policy for the time being is to prepare its consolidated financial statements in accordance with Japanese GAAP, while considering the comparability of the consolidated financial statements from period to period and comparability between companies.

Going forward, the Company’s policy will be to take appropriate actions, taking into consideration the domestic and international situation.

### 3. Consolidated Financial Statements and Principal Notes

#### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	13,615	19,115
Notes receivable, accounts receivable from completed construction contracts and other	26,520	30,350
Costs on construction contracts in progress	369	364
Raw materials and supplies	82	51
Other	2,599	1,433
Total current assets	43,185	51,316
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,962	7,167
Accumulated depreciation and impairment	(4,916)	(4,765)
Buildings and structures, net	2,046	2,402
Machinery and vehicles	11,885	12,436
Accumulated depreciation and impairment	(9,774)	(10,178)
Machinery and vehicles, net	2,111	2,258
Tools, furniture and fixtures	1,147	1,231
Accumulated depreciation and impairment	(954)	(1,037)
Tools, furniture and fixtures, net	193	193
Land	7,660	7,563
Leased assets	675	678
Accumulated depreciation	(536)	(600)
Leased assets, net	138	77
Construction in progress	818	1,415
Total property, plant and equipment	12,968	13,911
Intangible assets	372	415
Investments and other assets		
Investment securities	5,156	7,094
Shares of subsidiaries and associates	52	52
Deferred tax assets	935	1,054
Other	409	327
Allowance for doubtful accounts	(29)	(25)
Total investments and other assets	6,524	8,502
Total non-current assets	19,866	22,829
<b>Total assets</b>	<b>63,051</b>	<b>74,146</b>

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	7,508	10,221
Accounts payable - other	349	553
Income taxes payable	943	1,826
Advances received on construction contracts in progress	4,225	4,910
Provision for warranties for completed construction	543	552
Provision for loss on construction contracts	2,528	3,044
Provision for bonuses	792	917
Other	505	825
<b>Total current liabilities</b>	<b>17,395</b>	<b>22,851</b>
Non-current liabilities		
Long-term borrowings	-	300
Lease liabilities	81	26
Deferred tax liabilities	-	698
Deferred tax liabilities for land revaluation	1,639	1,639
Provision for retirement benefits for directors (and other officers)	117	107
Retirement benefit liability	2,247	1,907
Other	1	1
<b>Total non-current liabilities</b>	<b>4,087</b>	<b>4,680</b>
<b>Total liabilities</b>	<b>21,483</b>	<b>27,532</b>
Net assets		
Shareholders' equity		
Share capital	3,000	3,000
Capital surplus	3,746	3,746
Retained earnings	23,298	25,952
Treasury shares	(232)	(233)
<b>Total shareholders' equity</b>	<b>29,812</b>	<b>32,464</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,404	3,836
Revaluation reserve for land	3,240	3,240
Remeasurements of defined benefit plans	51	152
<b>Total accumulated other comprehensive income</b>	<b>5,695</b>	<b>7,230</b>
Non-controlling interests	6,059	6,918
<b>Total net assets</b>	<b>41,568</b>	<b>46,614</b>
<b>Total liabilities and net assets</b>	<b>63,051</b>	<b>74,146</b>

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

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales of completed construction contracts	60,279	69,365
Cost of sales of completed construction contracts	51,225	56,532
Gross profit on completed construction contracts	9,053	12,832
Selling, general and administrative expenses	3,925	4,927
Operating profit	5,127	7,904
Non-operating income		
Interest income	1	0
Dividend income	196	194
Rental income	23	28
Gain on sale of scraps	31	29
Other	27	30
Total non-operating income	280	282
Non-operating expenses		
Interest expenses	5	4
Commission for syndicated loans	-	237
Guarantee commission for advances received	21	20
Other	7	16
Total non-operating expenses	34	278
Ordinary profit	5,373	7,908
Extraordinary income		
Gain on sale of investment securities	-	189
Gain on sale of golf club membership	2	-
Other	0	8
Total extraordinary income	2	198
Extraordinary losses		
Loss on sale of non-current assets	-	0
Loss on retirement of non-current assets	41	57
Loss on sale of investment securities	3	-
Impairment losses	10	-
Total extraordinary losses	55	57
Profit before income taxes	5,320	8,048
Income taxes - current	1,728	2,590
Income taxes - deferred	(223)	(90)
Total income taxes	1,504	2,499
Profit	3,815	5,549
Profit attributable to non-controlling interests	738	1,195
Profit attributable to owners of parent	3,077	4,354

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit	3,815	5,549
Other comprehensive income		
Valuation difference on available-for-sale securities	303	1,432
Remeasurements of defined benefit plans, net of tax	134	102
Total other comprehensive income	438	1,534
Comprehensive income	4,253	7,084
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,490	5,888
Comprehensive income attributable to non-controlling interests	763	1,195

## (3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,000	3,746	21,582	(231)	28,097
Changes during period					
Dividends of surplus			(1,361)		(1,361)
Profit attributable to owners of parent			3,077		3,077
Purchase of treasury shares				(1)	(1)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	1,716	(1)	1,715
Balance at end of period	3,000	3,746	23,298	(232)	29,812

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,100	3,240	(57)	5,282	5,710	39,091
Changes during period						
Dividends of surplus						(1,361)
Profit attributable to owners of parent						3,077
Purchase of treasury shares						(1)
Net changes in items other than shareholders' equity	303	-	109	413	348	761
Total changes during period	303	-	109	413	348	2,477
Balance at end of period	2,404	3,240	51	5,695	6,059	41,568

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,000	3,746	23,298	(232)	29,812
Changes during period					
Dividends of surplus			(1,701)		(1,701)
Profit attributable to owners of parent			4,354		4,354
Purchase of treasury shares				(1)	(1)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	2,653	(1)	2,652
Balance at end of period	3,000	3,746	25,952	(233)	32,464

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,404	3,240	51	5,695	6,059	41,568
Changes during period						
Dividends of surplus						(1,701)
Profit attributable to owners of parent						4,354
Purchase of treasury shares						(1)
Net changes in items other than shareholders' equity	1,432	-	101	1,534	859	2,393
Total changes during period	1,432	-	101	1,534	859	5,046
Balance at end of period	3,836	3,240	152	7,230	6,918	46,614

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	5,320	8,048
Depreciation	1,025	953
Impairment losses	10	-
Increase (decrease) in allowance for doubtful accounts	-	(4)
Increase (decrease) in provision for warranties for completed construction	(55)	9
Increase (decrease) in provision for loss on construction contracts	659	516
Increase (decrease) in provision for bonuses	0	125
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(95)	(9)
Increase (decrease) in retirement benefit liability	(137)	(193)
Interest and dividend income	(198)	(194)
Interest expenses	5	4
Loss on retirement of non-current assets	41	57
Loss (gain) on sale of investment securities	3	(189)
Decrease (increase) in trade receivables	(2,747)	(3,830)
Decrease (increase) in costs on construction contracts in progress	(177)	4
Decrease (increase) in other inventories	(46)	30
Decrease (increase) in other current assets	(657)	918
Increase (decrease) in trade payables	(2,195)	2,345
Increase (decrease) in advances received on construction contracts in progress	1,291	684
Increase (decrease) in other current liabilities	(68)	753
Other	70	67
<b>Subtotal</b>	<b>2,049</b>	<b>10,098</b>
Interest and dividends received	198	194
Interest paid	(5)	(4)
Income taxes paid	(1,883)	(1,740)
Income taxes refund	136	294
<b>Net cash provided by (used in) operating activities</b>	<b>495</b>	<b>8,841</b>

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,100)	(1,753)
Proceeds from sale of property, plant and equipment	0	103
Payments for retirement of property, plant and equipment	(10)	(30)
Purchase of intangible assets	(136)	(177)
Proceeds from sale and redemption of investment securities	603	308
Loan advances	(0)	(1)
Proceeds from collection of loans receivable	0	1
Payments of leasehold and guarantee deposits	(58)	(14)
Proceeds from refund of leasehold and guarantee deposits	11	24
Proceeds from sale of golf club membership	2	8
Other	(23)	(9)
Net cash provided by (used in) investing activities	(711)	(1,539)
Cash flows from financing activities		
Proceeds from long-term borrowings	-	300
Repayments of long-term borrowings	(300)	-
Repayments of lease liabilities	(76)	(76)
Purchase of treasury shares	(1)	(1)
Dividends paid	(1,355)	(1,689)
Dividends paid to non-controlling interests	(414)	(335)
Net cash provided by (used in) financing activities	(2,147)	(1,802)
Net increase (decrease) in cash and cash equivalents	(2,363)	5,499
Cash and cash equivalents at beginning of period	15,979	13,615
Cash and cash equivalents at end of period	13,615	19,115

## (5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Segment information, etc.)

[Segment information]

### 1. Overview of reportable segments

The Group's reportable segments are those constituent units of the Group for which discrete financial information is available and which are regularly reviewed by the Board of Directors to decide on the allocation of management resources and assess business performance.

The Group primarily engages in surveys, diagnosis, inspections, design, manufacture, erection, repair, and reinforcement of bridges, steel frames, and other steel structures, as well as design, construction, and construction management of civil engineering works and prestressed concrete works. The Company is a holding company for the purpose of controlling and managing the business companies such as MIYAJI ENGINEERING CO., LTD. and MM BRIDGE CO., LTD.

Accordingly, the Group consists of segments based on business companies and has the following two reportable segments: "MEC" and "MMB."

"MEC" refers to MIYAJI ENGINEERING CO., LTD., which engages in design, manufacture, and engineering of new bridges; maintenance, repair, and reinforcement of existing bridges; design, manufacture, and engineering of steel structures around bridges and composite structures; manufacture and engineering of other steel structures; sale of FRP structures; and seismic and base-isolation works, etc. of prestressed concrete bridges, other civil engineering projects, buildings with large interior spaces/high-rise structures, steel towers, smokestacks, plant buildings, and existing structures.

"MMB" refers to MM BRIDGE CO., LTD., which engages in design, manufacture, installation, sale, and repair of bridges and coastal structures, etc., as well as contracting, design, and construction management of civil engineering construction works.

### 2. Method of calculating net sales, profit (loss), assets, liabilities, and other items by reportable segment

The accounting methods for the reportable segments are in accordance with the accounting policies adopted to prepare the consolidated financial statements.

Segment profit figures are based on operating profit.

Inter-segment revenues and transfers are based on prevailing market prices.

3. Information on net sales, profit (loss), assets, liabilities, and other items by reportable segment  
For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segment		Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	MEC	MMB				
Net sales						
Net sales to outside customers	34,455	25,927	3	60,386	(107)	60,279
Inter-segment net sales or transfers	1,647	-	1,668	3,316	(3,316)	-
Total	36,103	25,927	1,672	63,702	(3,423)	60,279
Segment profit	3,097	2,018	1,464	6,580	(1,453)	5,127
Segment assets	41,670	21,712	9,868	73,252	(10,200)	63,051
Segment liabilities	12,661	9,331	53	22,046	(562)	21,483
Other items						
Depreciation	865	158	1	1,025	-	1,025
Increase in property, plant and equipment and intangible assets	1,034	275	6	1,315	-	1,315

(Notes) 1. The “Other” category refers to the Company (a pure holding company), which is not attributable to any reportable segment.

2. The details of the adjustment are as follows:

- (1) The adjustment for net sales represents progress rate adjustments for inter-segment transactions and eliminations of inter-segment transactions.
- (2) The adjustment for segment profit represents effects from progress rate adjustments for inter-segment transactions of ¥1 million, eliminations of inter-segment transactions of negative ¥1,246 million, and corporate expenses of negative ¥207 million. Corporate expenses are mainly general and administrative expenses not attributable to any reportable segment.
- (3) The adjustment for segment assets and liabilities represents eliminations of inter-segment credits and debts.

3. Segment profit is adjusted to operating profit on the consolidated financial statements.

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segment		Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	MEC	MMB				
Net sales						
Net sales to outside customers	39,729	29,639	5	69,374	(9)	69,365
Inter-segment net sales or transfers	851	-	4,109	4,961	(4,961)	-
Total	40,581	29,639	4,115	74,335	(4,970)	69,365
Segment profit	4,452	3,426	3,774	11,653	(3,748)	7,904
Segment assets	48,029	27,028	11,931	86,988	(12,842)	74,146
Segment liabilities	17,895	12,890	58	30,845	(3,313)	27,532
Other items						
Depreciation	760	191	1	953	-	953
Increase in property, plant and equipment and intangible assets	1,909	201	1	2,112	-	2,112

(Notes) 1. The “Other” category refers to the Company (a pure holding company), which is not attributable to any reportable segment.

2. The details of the adjustment are as follows:

- (1) The adjustment for net sales represents progress rate adjustments for inter-segment transactions and eliminations of inter-segment transactions.
- (2) The adjustment for segment profit represents effects from progress rate adjustments for inter-segment transactions of ¥9 million, eliminations of inter-segment transactions of negative ¥3,416 million, and corporate expenses of negative ¥340 million. Corporate expenses are mainly general and administrative expenses not attributable to any reportable segment.
- (3) The adjustment for segment assets and liabilities represents eliminations of inter-segment credits and debts.

3. Segment profit is adjusted to operating profit on the consolidated financial statements.

[Related information]

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

1. Information by product and service

The description is omitted since net sales to outside customers of a single product/service category account for more than 90% of net sales stated in the consolidated statements of income.

2. Information by geographical area

(1) Net sales

The description is omitted since net sales to outside customers in Japan account for more than 90% of net sales stated in the consolidated statements of income.

(2) Property, plant and equipment

Not applicable since there is no property, plant and equipment outside Japan.

3. Information by major customer

(Millions of yen)

Customer name	Net sales	Related segment name
West Nippon Expressway Company Limited	19,046	MEC MMB
Ministry of Land, Infrastructure, Transport and Tourism	9,462	MEC MMB

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

1. Information by product and service

The description is omitted since net sales to outside customers of a single product/service category account for more than 90% of net sales stated in the consolidated statements of income.

2. Information by geographical area

(1) Net sales

The description is omitted since net sales to outside customers in Japan account for more than 90% of net sales stated in the consolidated statements of income.

(2) Property, plant and equipment

Not applicable since there is no property, plant and equipment outside Japan.

3. Information by major customer

(Millions of yen)

Customer name	Net sales	Related segment name
West Nippon Expressway Company Limited	19,867	MEC MMB
Ministry of Land, Infrastructure, Transport and Tourism	11,238	MEC MMB

[Information on impairment losses of non-current assets by reportable segment]

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Millions of yen)

	MEC	MMB	Total
Impairment losses	10	-	10

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

Not applicable.

[Information on amortization of goodwill and unamortized balances by reportable segment]

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

Not applicable.

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

Not applicable.

[Information on gain on negative goodwill]

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

Not applicable.

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

Not applicable.

(Per share information)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net assets per share	¥2,608.98	¥2,916.70
Basic earnings per share	¥226.11	¥319.95

- (Notes) 1. The Company has conducted a two-for-one share split of its common shares, effective October 1, 2023. The amounts of net assets per share and basic earnings per share have been calculated assuming that the share split had been conducted at the beginning of the previous fiscal year.
2. Diluted earnings per share are not presented since there are no latent shares.
3. The calculation basis for basic earnings per share is as follows:

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit attributable to owners of parent (Millions of yen)	3,077	4,354
Amount not attributable to common shareholders (Millions of yen)	-	-
Profit attributable to owners of parent relating to common shares (Millions of yen)	3,077	4,354
Average number of shares outstanding during period (Thousands of shares)	13,610	13,609

4. The calculation basis for net assets per share is as follows:

	As of March 31, 2023	As of March 31, 2024
Total net assets (Millions of yen)	41,568	46,614
Amount deducted from total net assets (Millions of yen)	6,059	6,918
(Out of the above: Amount attributable to non- controlling interests (Millions of yen))	(6,059)	(6,918)
Net assets relating to common shares at end of period (Millions of yen)	35,508	39,695
Number of common shares used for calculation of net assets per share at end of period (Thousands of shares)	13,610	13,609

(Significant subsequent events)

Not applicable.

#### 4. Other Information

##### (1) Changes of Officers

Not applicable.

##### (2) Status of Production, Orders Received, and Sales (Consolidated)

###### 1) Status of production

(Millions of yen)

Segment name	For the fiscal year ended March 31, 2023		For the fiscal year ended March 31, 2024	
	Amount	Ratio (%)	Amount	Ratio (%)
MEC	34,471	57.0	39,726	57.3
MMB	26,146	43.2	29,590	42.7
Other	3	0.0	5	0.0
Adjustment	(107)	(0.2)	(9)	(0.0)
Total	60,514	100.0	69,312	100.0

###### 2) Status of orders received

(Orders received)

(Millions of yen)

Segment name	For the fiscal year ended March 31, 2023		For the fiscal year ended March 31, 2024	
	Amount	Ratio (%)	Amount	Ratio (%)
MEC	38,721	58.1	45,063	53.3
MMB	27,925	41.9	39,417	46.7
Other	3	0.0	5	0.0
Total	66,650	100.0	84,486	100.0

(Order backlogs)

(Millions of yen)

Segment name	As of March 31, 2023		As of March 31, 2024	
	Amount	Ratio (%)	Amount	Ratio (%)
MEC	57,262	56.9	62,596	54.1
MMB	43,369	43.1	53,148	45.9
Other	-	-	-	-
Adjustment	25	0.0	35	0.0
Total	100,658	100.0	115,780	100.0

###### 3) Status of sales

(Millions of yen)

Segment name	For the fiscal year ended March 31, 2023		For the fiscal year ended March 31, 2024	
	Amount	Ratio (%)	Amount	Ratio (%)
MEC	34,455	57.2	39,729	57.3
MMB	25,927	43.0	29,639	42.7
Other	3	0.0	5	0.0
Adjustment	(107)	(0.2)	(9)	(0.0)
Total	60,279	100.0	69,365	100.0