



## Summary of Consolidated Financial Results For the Fiscal Year Ended March 31, 2024 [Japan GAAP]

Company: Takamatsu Construction Group Co., Ltd.  
 Stock exchange listing: Tokyo Stock Exchange  
 Stock code: 1762  
 URL: <https://www.takamatsu-cg.co.jp/>  
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 Date of Ordinary Shareholders Meeting: June 19, 2024 (tentative)  
 Date of commencement of dividend payment: June 20, 2024 (tentative)  
 Date of filing of securities report: June 20, 2024 (tentative)  
 Supplementary explanatory documents: Yes  
 Earnings presentation meeting: Yes (for analysts)

(Yen in millions, rounded down, figures in parentheses indicate negative amounts or percentages)

### 1. Consolidated results of operations for the year ended March 2024 (April 1, 2023 – March 31, 2024)

(1) Consolidated result of operations (Percentage figures represent year on year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY3/24	312,680	10.7	11,651	(3.2)	11,310	(3.9)	9,165	21.7
FY3/23	282,495	7.0	12,038	7.2	11,768	2.4	7,534	12.0

Note: Comprehensive income: FY3/24: 8,886 million yen, 4.8% FY3/23: 8,482 million yen, 7.2%

	Earnings per share	Earnings per share (diluted)	Return on Equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
FY3/24	263.25	—	7.0	4.7	3.7
FY3/23	216.38	—	6.0	5.0	4.3

(Reference) Share of profit (loss) of entities accounted for using equity method: FY3/24: (608) million yen FY3/23: (335) million yen

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY3/24	245,149	134,069	54.7	3,849.26
FY3/23	233,963	127,759	54.6	3,668.25

(Reference) Shareholders' equity: FY3/24: 134,025 million yen FY3/23: 127,723 million yen

### (3) Consolidated cash flow position

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
FY3/24	(10,476)	(2,066)	3,244	26,785
FY3/23	(6,281)	(5,351)	(19,556)	36,047

## 2. Dividends

	Dividend per share					Total Dividends (Annual)	Dividend payout ratio (Consolidated)	Dividend-to-equity ratio (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of FY	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY3/23	—	23.00	—	47.00	70.00	2,437	32.4	2.0
FY3/24	—	27.00	—	55.00	82.00	2,855	31.1	2.2
FY3/25 (Est.)	—	41.00	—	41.00	82.00		35.7	

### 3. Consolidated forecast for the fiscal year ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(Percentage figures represent year on year changes)

	Orders received		Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	390,000	19.7	350,000	11.9	15,000	28.7	14,000	23.8	8,000	(12.7)	229.76

\* **Notes**

(1) Changes in significant subsidiaries (Changes of specific subsidiaries that accompanies scope change of consolidation): No

Included — (company name) Excluded — (company name)

(2) Changes in accounting principles and estimates, and retrospective restatement

(a) Changes due to revision of accounting standards: No

(b) Changes other than (a): No

(c) Changes in accounting estimates: No

(d) Retrospective restatement: No

(3) Number of shares outstanding (ordinary shares)

(a) Shares outstanding (including treasury shares)

As of March 31, 2024:	34,818,578	As of March 31, 2023:	34,818,578
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(b) Treasury shares

As of March 31, 2024:	36	As of March 31, 2023:	—
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(c) Average number of shares

Period ended March 31, 2024:	34,818,548	Period ended March 31, 2023:	34,818,578
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\* Auditing of financial statements by CPA and/or CPA firm is not conducted to this summary of financial results.

\* Cautionary statement regarding forecasts and special notes

(Note on forward looking statements)

Forward-looking statements in this material are based on the information available to management at the time this report was prepared. Actual results may differ significantly from these statements for number of reasons.

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## 1. Analysis of Results of Operations and Financial condition

### (1) Overview of operating results for the fiscal year ended March 2024

During the consolidated fiscal year ended March 2024, the Japanese economy showed signs of gradual recovery, with consumer spending, employment and income environment improving, partly due to various government policies, and the Nikkei Stock Average hitting a record high. On the other hand, there is a risk that a downturn in overseas economies could put downward pressure on Japan's economy, not only because of upward pressure on energy prices and rising prices associated with the weak yen, but also because of concerns about the outlook for the Chinese economy. In addition, prolonged uncertainty over international conflicts and other factors continue to make it difficult to foresee the economic outlook.

In this business environment, both public construction investment and private-sector construction investment remained steady, reflecting the "Five-Year Acceleration Measures for Disaster Prevention, Disaster Mitigation, and National Land Resilience" and the recovery trend in the external environment, respectively. However, the business environment remains unpredictable due to soaring raw material and equipment prices and rising construction costs associated with the chronic shortage of construction workers. With regard to private-sector housing investment, the government's housing support measures are continuing and variable interest rates on housing loans are stabilizing at low levels. Meanwhile, the number of new housing starts continues to decline due to rising fixed interest rates and the impact of persistently high construction costs on housing prices.

Under these circumstances, orders received in the current consolidated fiscal year were 325,914 million yen (3.5% year-on-year decrease), net sales reached a record high of 312,680 million yen (10.7% year-on-year increase). As for profits, operating profit were 11,651 million yen (3.2% year-on-year decrease), ordinary profit were 11,310 million yen (3.9% year-on-year decrease) and profit attributable to owners of parent were 9,165 million yen (21.7% year-on-year increase).

Results by business segment are as follows.

Segment profit is adjusted with operating profit on the consolidated statement of income. Adjustments to segment profit include -4,750 million yen in general and administrative expenses that do not belong to any reportable segment and -114 million yen in other adjustments.

(Architecture)

Orders received were 159,570 million yen (down 12.9% to the previous fiscal year) and net sales were 150,403 million yen (up 10.0% to the previous fiscal year), resulting in the segment profit of 5,401 million yen (down 23.2% to the previous fiscal year).

(Civil engineering)

Orders received were 103,114 million yen (down 0.3% to the previous fiscal year) and net sales were 99,559 million yen (up 4.9% to the previous fiscal year), resulting in the segment profit of 6,861 million yen (up 2.4% to the previous fiscal year).

(Real estate)

Due to growth in the wood-frame detached housing business, net sales from real estate sales and leasing were 62,716 million yen (up 23.4% to the previous fiscal year), resulting in the segment profit of 4,253 million yen (up 13.1% to the previous fiscal year).

### (2) Overview of financial position for the fiscal year ended March 2024

(Assets)

Total assets at the end of the consolidated fiscal year ended March 2024 increased by 11,185 million yen compared to the end of the previous fiscal year to 245,149 million yen. The main factors were a 5,505 million yen increase in notes receivable, accounts receivable from completed construction contracts and other, and a 4,601 million yen increase in real estate for sale and a 6,793 million yen increase in costs on real estate business due to increased purchases associated with the expansion of the wooden detached housing business, while cash and deposits decreased by 9,261 million yen.

(Liabilities)

Total liabilities increased by 4,875 million yen from the end of the previous fiscal year to 111,079 million yen.

The main factors were a 6,000 million yen increase in short-term borrowings, while a 1,959 million yen decrease in other current liabilities.

(Net assets)

Net assets increased by 6,309 million yen compared to the end of the previous fiscal year to 134,069 million yen.

The main factors were increases of 6,589 million yen in retained earnings due to profit attributable to owners of parent of 9,165 million yen and dividend payments of 2,576 million yen.

As a result of the above, the amount of shareholders' equity, which is net assets minus non-controlling interests, amounted to 134,025 million yen, and the shareholders' equity ratio increased by 0.1 percentage points from the end of the fiscal year ended March 2023 to 54.7%.

(3) Overview of cash flows for fiscal year ended March 2024

Consolidated cash and cash equivalents (hereinafter 'cash') at the end of the fiscal year ended March 2024 totaled 26,785 million yen, down 9,261 million yen from the end of the previous fiscal year. Details are as follows.

(Cash flows from operating activities)

Operating activities resulted in a decrease in cash of 10,476 million yen (a decrease of 6,281 million yen in the previous fiscal year). This was mainly due to an increase in trade receivables of 5,505 million yen, an increase in inventories of 11,538 million yen, and income taxes paid of 5,501 million yen was among the outflows, while there was the inflow of profit before income taxes of 11,884 million yen.

(Cash flows from investing activities)

Investing activities resulted in a decrease in cash of 2,066 million yen (a decrease of 5,351 million yen in the previous fiscal year). This was mainly because there was the inflow of 2,306 million yen for proceeds from sale of investment securities, while there was expenditure of 3,163 million yen for the purchase of property, plant and equipment.

(Cash flows from financing activities)

Financing activities resulted in an increase of 3,244 million yen (a decrease of 19,556 million yen in the previous fiscal year). This was because while an increase in short-term borrowings was 6,000 million yen, there was a dividends paid of 2,573 million yen.

(Reference) Cash flow index trends

	FY3/20	FY3/21	FY3/22	FY3/23	FY3/24
Equity ratio (%)	52.1	52.4	51.3	54.6	54.7
Equity ratio based on market cap (%)	38.2	34.0	30.3	30.2	40.3
Interest-bearing debt /Annual Cash flow	0.8	—	13.0	—	—
Interest coverage ratio	127.8	—	10.8	—	—

Notes:1. Equity ratio: Shareholders' equity / Total assets

2. Equity ratio based on market cap: Market capitalization /Total assets

3. Interest-bearing debt/ Annual Cash flow: Interest-bearing debt/Annual operating cash flows

4. Interest coverage ratio: Operating cash flows / Interest expenses

(1) All indicators are based on figures in the consolidated financial statements.

(2) Market capitalization is calculated by share price times the number of shares outstanding (excluding treasury shares) as of the end of the fiscal year.

(3) Interest-bearing debt is the sum of all liabilities on the consolidated balance sheet on which the Company is obligated to pay interest.

(4) The ratio of interest-bearing debt to cash flow and the interest coverage ratio for the fiscal year ended March 31, 2021, 2023 and 2024 are not shown because cash flows from operating activities was negative.

(4) Outlook for the future

In the fiscal year ending March 31, 2024, the second year in our current mid-term business plan "Co-creation x 2025", our business performances were below the plan, mainly due to soaring resource prices, rising construction costs originated in a chronic shortage of construction workers, and uncertain currency trends etc.

Under these circumstances, continuously following our mid-term business plan, while expanding current construction contracting business, we will work to improve performances by optimizing our business portfolio to venture into solution-providing businesses in our upstream supply chain where higher growth is anticipated as well as to strengthen the stock business in our downstream supply chain where recurring revenue can be expected. In accordance with this transformation, we will accelerate the reorganization of our group structure and enhancement of its function.

Along with these efforts, in terms of securing a workforce, while pursuing improvements in production efficiency through construction digital transformation, and so on, we will develop a variety of recruitment activities such as hiring foreigners and establish a firm foundation to be able to recover our business performance even in the current circumstance that will lead us to sustainably maximize our corporate value.

Furthermore, as for the base of those activities, we will work to prepare an environment where diverse talents can thrive, strengthen the development of the next-generation of leaders, aim for a work style that allows each employee to enjoy self-realization, and challenge to be a top-classed "white company" to realize the sustainable company for the future.

Through all these initiatives, our group aims for further business growth and contributes to the construction of a "recycling-oriented and sustainable social infrastructure" that will bring the happiness to all people in the community.

(Million yen)

	Consolidated Earnings Forecast	Rate of increase / decrease compared to the fiscal year ended March 2024
Orders received	390,000	19.7%
Net sales	350,000	11.9%
Operating profit	15,000	28.7%
Ordinary profit	14,000	23.8%
Profit attributable to owners of parent	8,000	(12.7%)

- (5) **Basic Principles on profit distribution and dividends for the current and next fiscal years**  
 Distributing earnings to shareholders is one of our highest priorities. We will pursue disciplined capital policy by seeking the optimal balance between strengthening business management basis towards persistent growth of the Group and the steady distribution of profits to our shareholders. In addition, during the target years of our mid-term business plan “Co-creation x 2025” (FY2023-FY2025), we set the minimum annual dividend per share at 70 yen with the basic policy of progressive dividends in line with our business performances.  
 Regarding dividends for the fiscal year ending March 2024, based on the fact that consolidated net profit attributable to owners of parent for the fiscal year ending March 2024 was 9,165 million yen, exceeding the initial forecast, the annual dividend per share was revised from the initial forecast of 77 yen to 82 yen (dividend payout ratio of 31.1%).  
 For the fiscal year ending March 2025, we plan to pay a dividend of 82 yen per share, with the dividend payout ratio of 35.7%. Retained earnings will be used effectively from a medium to long term perspective with the primary objective to strengthen and enhance our business management structure and to build a sound base for future operations.

Dividends per share			(Yen)
FY3/22	FY3/23	FY3/24	FY3/25 (Est.)
63	70	82	82

## 2. Selection of Accounting Principles

Takamatsu Construction Group uses the Japanese Accounting Principle to prepare consolidated financial statements. Using this standard allows comparing our financial data with the other Japanese companies as well as with our previous results.

We will take appropriate actions to study the possibility of adopting International Financial Reporting Standards (IFRS) by considering trends and events in Japan and the other countries, with the current view that the possibility to switch the standard in the near future is very limited.

### 3. Consolidated Financial Statements and Major Notes

#### (1) Consolidated balance sheet

(Million yen)

	Fiscal year ended March 2023 (As of March 31, 2023)	Fiscal year ended March 2024 (As of March 31, 2024)
<b>ASSETS</b>		
Current assets		
Cash and deposits	36,047	26,785
Notes receivable, accounts receivable from completed construction contracts and other	91,742	97,248
Real estate for sale	23,404	28,005
Costs on construction contracts in progress	1,429	1,573
Costs on real estate business	11,415	18,209
Accounts receivable - other	2,544	4,972
Other	2,228	2,911
Allowance for doubtful accounts	(102)	(100)
<b>Total current assets</b>	<b>168,709</b>	<b>179,605</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,521	15,702
Machinery, vehicles, tools, furniture and fixtures, net	1,627	2,353
Vessels, net	1,075	988
Land	27,720	27,733
Leased assets, net	69	88
Construction in progress	10,566	13
<b>Total property, plant and equipment</b>	<b>47,580</b>	<b>46,880</b>
Intangible assets		
Goodwill	845	676
Other	887	933
<b>Total intangible assets</b>	<b>1,732</b>	<b>1,610</b>
Investments and other assets		
Investment securities	8,976	7,982
Deferred tax assets	4,554	6,628
Other	2,665	2,640
Allowance for doubtful accounts	(253)	(198)
<b>Total investments and other assets</b>	<b>15,941</b>	<b>17,053</b>
<b>Total non-current assets</b>	<b>65,254</b>	<b>65,543</b>
<b>Total assets</b>	<b>233,963</b>	<b>245,149</b>



(Million yen)

	Fiscal year ended March 2023 (As of March 31, 2023)	Fiscal year ended March 2024 (As of March 31, 2024)
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable for construction contracts	29,271	29,779
Short-term borrowings	—	6,000
Income taxes payable	3,074	2,804
Advances received on construction contracts in progress	29,270	28,982
Provision for warranties for completed construction	675	730
Provision for bonuses	3,995	4,311
Other	10,787	8,828
Total current liabilities	77,075	81,436
Non-current liabilities		
Bonds payable	15,000	15,000
Deferred tax liabilities for land revaluation	256	231
Deferred tax liabilities	498	505
Provision for special repairs of vessels	44	65
Retirement benefit liability	10,838	11,728
Other	2,491	2,110
Total non-current liabilities	29,129	29,642
Total liabilities	106,204	111,079
<b>NET ASSETS</b>		
Shareholders' equity		
Share capital	5,000	5,000
Capital surplus	797	797
Retained earnings	121,233	127,822
Treasury shares	—	(0)
Total shareholders' equity	127,030	133,619
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	615	275
Revaluation reserve for land	(1,266)	(1,242)
Foreign currency translation adjustment	881	1,089
Remeasurements of defined benefit plans	462	282
Total accumulated other comprehensive income	692	405
Non-controlling interests	36	43
Total net assets	127,759	134,069
Total liabilities and net assets	233,963	245,149

(2) Consolidated statements of income and comprehensive income  
Consolidated statement of income

(Million yen)

	Fiscal year ended March 2023 (April 1, 2022-March 31, 2023)	Fiscal year ended March 2024 (April 1, 2023-March 31, 2024)
<b>Net sales</b>		
Net sales of completed construction contracts	231,677	249,963
Sales in real estate business	50,818	62,716
<b>Total net sales</b>	<b>282,495</b>	<b>312,680</b>
<b>Cost of sales</b>		
Cost of sales of completed construction contracts	196,955	215,463
Cost of sales in real estate business	43,517	54,164
<b>Total cost of sales</b>	<b>240,472</b>	<b>269,628</b>
<b>Gross profit</b>		
Gross profit on completed construction contracts	34,721	34,499
Gross profit - real estate business	7,301	8,552
<b>Total gross profit</b>	<b>42,022</b>	<b>43,052</b>
<b>Selling, general and administrative expenses</b>	<b>29,983</b>	<b>31,400</b>
<b>Operating profit</b>	<b>12,038</b>	<b>11,651</b>
<b>Non-operating income</b>		
Interest income	3	4
Dividend income	110	102
Rental income	82	92
Foreign exchange gains	-	248
Other	328	176
<b>Total non-operating income</b>	<b>524</b>	<b>624</b>
<b>Non-operating expenses</b>		
Interest expenses	188	189
Share of loss of entities accounted for using equity method	335	608
Commission expenses	82	30
Settlement payments	118	-
Other	68	137
<b>Total non-operating expenses</b>	<b>794</b>	<b>965</b>
<b>Ordinary profit</b>	<b>11,768</b>	<b>11,310</b>
<b>Extraordinary income</b>		
Gain on sale of non-current assets	140	5
Gain on sale of investment securities	294	1,426
Gain on sale of shares of subsidiaries and associates	119	-
<b>Total extraordinary income</b>	<b>554</b>	<b>1,431</b>
<b>Extraordinary losses</b>		
Loss on retirement of non-current assets	23	108
Impairment losses	545	-
Office relocation expenses	-	554
Retirement benefit expenses	-	194
<b>Total extraordinary losses</b>	<b>568</b>	<b>857</b>
<b>Profit before income taxes</b>	<b>11,755</b>	<b>11,884</b>
Income taxes - current	4,931	4,663
Income taxes - deferred	(709)	(1,951)
<b>Total income taxes</b>	<b>4,221</b>	<b>2,711</b>
<b>Profit</b>	<b>7,533</b>	<b>9,173</b>
Profit (loss) attributable to non-controlling interests	(0)	7
<b>Profit attributable to owners of parent</b>	<b>7,534</b>	<b>9,165</b>

## Consolidated statement of comprehensive income

(Million yen)

	Fiscal year ended March 2023 (April 1, 2022-March 31, 2023)	Fiscal year ended March 2024 (April 1, 2023-March 31, 2024)
Profit	7,533	9,173
Other comprehensive income		
Valuation difference on available-for-sale securities	(133)	(339)
Revaluation reserve for land	—	24
Foreign currency translation adjustment	236	(61)
Remeasurements of defined benefit plans, net of tax	261	(179)
Share of other comprehensive income of entities accounted for using equity method	584	269
Total other comprehensive income	949	(287)
Comprehensive income	8,482	8,886
Comprehensive income attributable to owners of parent	8,483	8,878
Comprehensive income attributable to non-controlling interests	(0)	7

(3) Consolidated statement of changes in equity  
Previous fiscal year (April 1, 2022 –March 31, 2023)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,000	797	115,892	—	121,689
Changes during period					
Dividends of surplus			(1,392)		(1,392)
Interim dividends from surplus			(800)		(800)
Profit attributable to owners of parent			7,534		7,534
Purchase of treasury shares				—	—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	5,340	—	5,340
Balance at end of period	5,000	797	121,233	—	127,030

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	748	(1,266)	60	201	(256)	38	121,471
Changes during period							
Dividends of surplus							(1,392)
Interim dividends from surplus							(800)
Profit attributable to owners of parent							7,534
Purchase of treasury shares							—
Net changes in items other than shareholders' equity	(133)	—	821	261	949	(2)	947
Total changes during period	(133)	—	821	261	949	(2)	6,287
Balance at end of period	615	(1,266)	881	462	692	36	127,759

Current fiscal year (April 1, 2023 –March 31, 2024)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,000	797	121,233	—	127,030
Changes during period					
Dividends of surplus			(1,636)		(1,636)
Interim dividends from surplus			(940)		(940)
Profit attributable to owners of parent			9,165		9,165
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	6,589	(0)	6,589
Balance at end of period	5,000	797	127,822	(0)	133,619

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	615	(1,266)	881	462	692	36	127,759
Changes during period							
Dividends of surplus							(1,636)
Interim dividends from surplus							(940)
Profit attributable to owners of parent							9,165
Purchase of treasury shares							(0)
Net changes in items other than shareholders' equity	(339)	24	207	(179)	(287)	7	(279)
Total changes during period	(339)	24	207	(179)	(287)	7	6,309
Balance at end of period	275	(1,242)	1,089	282	405	43	134,069

## (4) Consolidated statement of cash flows

(Million yen)

	Fiscal year ended March 2023 (April 1, 2022-March 31, 2023)	Fiscal year ended March 2024 (April 1, 2023-March 31, 2024)
<b>Cash flows from operating activities</b>		
Profit before income taxes	11,755	11,884
Depreciation	1,381	1,973
Impairment losses	545	–
Amortization of goodwill	246	169
Increase (decrease) in allowance for doubtful accounts	52	(57)
Increase (decrease) in provision for warranties for completed construction	(27)	54
Increase (decrease) in provision for bonuses	227	316
Increase (decrease) in long-term retirement benefits payable to directors	(0)	(300)
Increase (decrease) in retirement benefit liability	602	810
Increase (decrease) in provision for special repairs of vessels	(26)	21
Interest and dividend income	(113)	(106)
Interest expenses	188	189
Share of loss (profit) of entities accounted for using equity method	335	608
Foreign exchange losses (gains)	40	(248)
Insurance claim income	(111)	(10)
Compensation for damage	1	71
Settlement payments	118	–
Loss (gain) on sale of investment securities	(294)	(1,426)
Loss (gain) on sale of shares of subsidiaries and associates	(119)	–
Office relocation expenses	–	554
Decrease (increase) in trade receivables	(11,988)	(5,505)
Decrease (increase) in inventories	(12,423)	(11,538)
Increase (decrease) in trade payables	752	508
Increase (decrease) in advances received on construction contracts in progress	5,318	(288)
Decrease (increase) in accounts receivable - other	1,068	(2,004)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(1,922)	944
Increase (decrease) in deposits received	2,522	(1,581)
Other, net	(495)	505
Subtotal	(2,365)	(4,455)
Interest and dividends received	285	259
Interest paid	(187)	(190)
Income taxes paid	(4,025)	(5,501)
Income taxes refund	20	13
Proceeds from insurance income	111	10
Compensation paid for damage	(1)	(71)
Settlement paid	(118)	–
Payments of office relocation expenses	–	(540)
Net cash provided by (used in) operating activities	(6,281)	(10,476)

(Million yen)

	Fiscal year ended March 2023 (April 1, 2022-March 31, 2023)	Fiscal year ended March 2024 (April 1, 2023-March 31, 2024)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(6,969)	(3,163)
Purchase of intangible assets	(189)	(271)
Payments for retirement of non-current assets	(4)	(64)
Purchase of investment securities	(126)	(881)
Proceeds from sale of investment securities	742	2,306
Proceeds from withdrawal of time deposits	492	–
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	446	–
Other, net	258	6
Net cash provided by (used in) investing activities	(5,351)	(2,066)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(17,200)	6,000
Repayments of lease liabilities	(163)	(181)
Purchase of treasury shares	–	(0)
Dividends paid	(2,192)	(2,573)
Dividends paid to non-controlling interests	(1)	–
Net cash provided by (used in) financing activities	(19,556)	3,244
Effect of exchange rate change on cash and cash equivalents	(170)	37
Net increase (decrease) in cash and cash equivalents	(31,360)	(9,261)
Cash and cash equivalents at beginning of period	67,407	36,047
Cash and cash equivalents at end of period	36,047	26,785

- (5) Notes to consolidated financial statements  
 (Going concern assumptions)  
 None

(Segment information)

1. Overview of reportable segment information

Reportable business segments are the constituent business units of the Takamatsu Construction Group companies for which separate financial information is available and that the board of directors examines periodically to determine the allocation of resources and to evaluate performance.

Activities of the group are divided into the construction business and the real estate business. In the construction business, there are consolidated subsidiaries engaged solely in either architecture or civil engineering business and consolidated subsidiaries that engage in both of these businesses. For consolidated subsidiaries that engage in both architecture and civil engineering operations, offices are organized with separate sections for these two businesses.

For these reasons, there are three reportable segments: architecture, civil engineering and real estate.

2. Calculation methods for sales and profit (loss) by reportable segments

The accounting methods used for the reportable segments are basically the same as the methods used to present the consolidated financial statements.

Operating profit is used for reportable segment earnings.

3. Information of sales and profit (loss) by reportable segments

Previous fiscal year (April 1, 2022 - March 31, 2023)

(Million yen)

	Reportable segments				Adjustment (Note1)	Amount on statements of income (Note 2)
	Architecture	Civil engineering	Real estate	Total		
Net sales (of which to outside customers)	136,774	94,902	50,818	282,495	—	282,495
(of which inter- segment or transfers)	6,572	56	1,410	8,038	(8,038)	—
Total	143,346	94,959	52,228	290,534	(8,038)	282,495
Segment profit	7,035	6,702	3,761	17,498	(5,459)	12,038

Notes:

- 5,459 million yen negative adjustment for segment profit is the sum of 4,310 million yen of selling, general and administrative expenses that cannot be allocated to a reportable segment and 1,148 million yen of other adjustments.
- Reportable segment profit is adjusted to match with operating profit on the consolidated statement of income.

Current fiscal year (April 1, 2023 - March 31, 2024)

(Million yen)

	Reportable segments				Adjustment (Note1)	Amount on statements of income (Note 2)
	Architecture	Civil engineering	Real estate	Total		
Net sales (of which to outside customers)	150,403	99,559	62,716	312,680	—	312,680
(of which inter- segment or transfers)	1,248	1	1,235	2,485	(2,485)	—
Total	151,652	99,561	63,952	315,166	(2,485)	312,680
Segment profit	5,401	6,861	4,253	16,516	(4,864)	11,651

Notes:

- 4,864 million yen negative adjustment for segment profit is the sum of 4,750 million yen of selling, general and administrative expenses that cannot be allocated to a reportable segment and 114 million yen of other adjustments.
- Reportable segment profit is adjusted to match with operating profit on the consolidated statement of income.



(Per share information)

(Yen)

	Previous fiscal year (April 1, 2022 – March 31, 2023)	Current fiscal year (April 1, 2023 – March 31, 2024)
Net assets per share	3,668.25	3,849.26
Earnings per share	216.38	263.25
Earnings per share (diluted)	Not presented since the company has no potential stock	Not presented since the company has no potential stock

Note 1. The bases for calculating net assets per share are as follows.

	Previous fiscal year (April 1, 2022 – March 31, 2023)	Current fiscal year (April 1, 2023 – March 31, 2024)
Total net assets (million yen)	127,759	134,069
Amount deducted from total net assets (million yen)	36	43
of which non-controlling interests (million yen)	36	43
Net assets attributable to ordinary shares (million yen)	127,723	134,025
Number of shares at the end of fiscal year (thousand shares)	34,818	34,818

Note 2. The bases for calculating earnings per share are as follows.

	Previous fiscal year (April 1, 2022 – March 31, 2023)	Current fiscal year (April 1, 2023 – March 31, 2024)
Comprehensive income attributable to owners of parent (million yen)	7,534	9,165
Amount not attributable to ordinary shareholders (million yen)	—	—
Comprehensive income attributable to owners of parent attributable to ordinary shares (million yen)	7,534	9,165
Average number of ordinary shares during the fiscal year (thousand shares)	34,818	34,818

(Important subsequent events)

None

#### 4. Consolidated Orders Received and Net Sales

(Million yen, %)

		Fiscal year ended March 2023 (April 1, 2022 – March 31, 2023)		Fiscal year ended March 2024 (April 1, 2023 – March 31, 2024)		Changes	
		Amount	Share	Amount	Share	Amount	%
Orders received	Architecture	183,241	54.3	159,570	49.0	(23,670)	(12.9)
	Civil engineering	103,438	30.6	103,114	31.6	(323)	(0.3)
	Total construction	286,679	84.9	262,685	80.6	(23,994)	(8.4)
	Real estate	51,000	15.1	63,229	19.4	12,228	24.0
	Total	337,680	100.0	325,914	100.0	(11,765)	(3.5)
Net sales	Architecture	136,774	48.4	150,403	48.1	13,629	10.0
	Civil engineering	94,902	33.6	99,559	31.8	4,657	4.9
	Total construction	231,677	82.0	249,963	79.9	18,286	7.9
	Real estate	50,818	18.0	62,716	20.1	11,898	23.4
	Total	282,495	100.0	312,680	100.0	30,185	10.7