



\*Notes

(1) Changes in significant subsidiaries during the period: None

(Changes in specified subsidiaries resulting in the change in scope of consolidation)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(Note) For details, see "Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements" on p.7 of the attached materials.

(3) 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 due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common stock)

(i) Total number of issued shares at the end of the period (including treasury stock)	Six months ended September 30, 2023	70,864,961 shares	Year ended March 31, 2023	70,864,961 shares
(ii) Number of treasury stock at the end of the period	Six months ended September 30, 2023	135,888 shares	Year ended March 31, 2023	19,743 shares
(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)	Six months ended September 30, 2023	70,811,988 shares	Six months ended September 30, 2022	70,845,515 shares

(Note) Treasury stock figures include company shares remaining in the trust that administers the stock compensation plan for officers (as of September 30, 2023, 116,000 shares).

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Proper use of consolidated earnings forecasts and other special matters

Forward-looking statements such as the earnings outlook included in these materials are based on information available to the company at the time of their compilation and on certain assumptions that have been determined to be reasonable. They do not constitute any commitment on the part of the company to achieve specific results. In addition, actual performance and other results may diverge significantly from forecasts for a variety of reasons. For precautionary information about the conditions that comprise the assumptions underlying earnings forecasts and about the use of earnings forecasts, see "Explanation of consolidated earnings forecasts and other forward-looking information" on p.2 of the attached materials.

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## 1. Qualitative information related to this quarterly financial report

### (1) Explanation of operating results

Order volume during the six months ended September 30, 2023, fell 8.3% from the corresponding period of the previous fiscal year to ¥245,063 million, thanks to steady efforts to secure orders for targeted projects while paying attention to construction capabilities. Although order volume declined from the corresponding period of the previous fiscal year, we are planning for annual order volume on par with last fiscal year against the backdrop of a robust order environment.

Net sales rose 19.0% from the corresponding period of the previous fiscal year to ¥200,617 million, on growth in both Kyushu and the Tokyo metropolitan region thanks to the large amount of construction-on-hand.

Operating income rose 32.7% from the corresponding period of the previous fiscal year to ¥13,692 million, on growth in net sales reflecting progress on large projects.

Ordinary income rose 31.2% from the corresponding period of the previous fiscal year to ¥15,766 million, due to factors including posting of non-operating income from an extraordinary dividend from some non-listed shares held by the company.

Quarterly profit attributable to owners of parent fell 8.6% from the corresponding period of the previous fiscal year to ¥10,160 million, reflecting the absence of the gain on sales of investment securities (Huis Ten Bosch shares) posted during the corresponding quarter of the previous fiscal year.

Concerning the status of the Ukujima solar project, we have not yet secured the understanding of a fishery cooperative with an interest in the which is a stakeholder. Operating entity UKUJIMA MIRAI ENERGY LLC remains engaged in substantial, detailed discussions on a variety of issues and will continue to seek the cooperative's understanding.

### (2) Explanation of financial position

Total assets rose ¥10,347 million (2.3%) from the end of the previous consolidated fiscal year to ¥456,758 million due to factors including an increase in cash and deposits.

Total liabilities rose ¥1,227 million (0.7%) from the end of the previous consolidated fiscal year to ¥184,621 million due to factors including an increase in advances received on uncompleted construction contracts.

Total net assets rose ¥9,119 million (3.5%) from the end of the previous consolidated fiscal year to ¥272,136 million thanks to factors including the posting of quarterly profit attributable to owners of parent and an increase in the valuation difference on available-for-sale securities.

### (3) Explanation of consolidated earnings forecasts and other forward-looking information

There has been no change to the earnings forecast announced along with year-end financial results on April 28, 2023.

## 2. Quarterly consolidated financial statements and principal notes

### (1) Quarterly consolidated balance sheet

(Millions of yen)

	Previous fiscal year As of March 31, 2023	Current 2nd Quarter As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	67,534	97,227
Notes receivable, accounts receivable from completed construction contracts and other	148,902	123,145
Costs of uncompleted construction contracts	7,428	13,592
Merchandise	1,203	1,363
Raw materials and supplies	31,364	32,392
Other	21,790	17,116
Allowance for doubtful accounts	(3)	(0)
Total current assets	278,220	284,838
Fixed assets		
Property and equipment		
Buildings and structures, net	34,222	33,388
Land	29,914	29,882
Other, net	17,608	17,077
Total property and equipment	81,745	80,347
Intangible assets		
Goodwill	821	642
Customer related assets	1,518	1,408
Other	1,938	2,519
Total intangible assets	4,278	4,569
Investments and other assets		
Investment securities	64,494	69,130
Long-term loans receivable	89	29
Retirement benefit asset	10,445	11,125
Deferred tax assets	2,468	1,517
Other	5,652	6,139
Allowance for doubtful accounts	(985)	(941)
Total investments and other assets	82,166	87,002
Total fixed assets	168,189	171,920
<b>Total assets</b>	<b>446,410</b>	<b>456,758</b>

(Millions of yen)

	Previous fiscal year As of March 31, 2023	Current 2nd Quarter As of September 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	69,832	58,210
Electronically recorded obligations	28,762	35,735
Short-term borrowings	2,461	1,996
Income taxes payable	5,984	5,220
Advances received on uncompleted construction contracts	26,550	31,727
Provision for loss on construction contracts	21	411
Other	8,077	9,193
Total current liabilities	141,691	142,495
Long-term liabilities		
Long-term borrowings	30,604	30,385
Lease obligations	3,341	3,472
Provision for retirement benefits for directors (and other officers)	327	283
Retirement benefit liability	3,980	3,966
Provision for share-based payments	—	43
Other	3,448	3,975
Total long-term liabilities	41,702	42,126
Total liabilities	183,393	184,621
Net assets		
Shareholders' equity		
Share capital	12,561	12,561
Capital surplus	13,046	13,064
Retained earnings	233,918	239,827
Treasury stock, at cost	(10)	(491)
Total shareholders' equity	259,516	264,962
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,428	5,480
Deferred gains or losses on hedges	(16)	114
Foreign currency translation adjustment	688	914
Retirement benefit liability adjustments	(1,774)	(1,550)
Total accumulated other comprehensive income	1,325	4,959
Non-controlling interests	2,175	2,214
Total net assets	263,017	272,136
Total liabilities and net assets	446,410	456,758

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

Quarterly consolidated statement of income

Second quarterly consolidated cumulative accounting period

(Millions of yen)

	Previous 2nd Quarter (From April 1, 2022 to September 30, 2022)	Current 2nd Quarter (From April 1, 2023 to September 30, 2023)
<b>Net sales</b>		
Construction contracts	161,186	193,335
Other	7,336	7,282
Total net sales	168,522	200,617
<b>Cost of sales</b>		
Construction contracts	140,181	168,666
Other	4,923	5,091
Total cost of sales	145,105	173,757
<b>Gross profit</b>		
Construction contracts	21,004	24,669
Other	2,412	2,190
Total gross profit	23,417	26,860
Selling, general and administrative expenses	13,101	13,167
Operating income	10,315	13,692
<b>Non-operating income</b>		
Interest income	23	64
Dividend income	520	1,166
Share of profit of entities accounted for using equity method	396	56
Gain on investments in partnerships	474	488
Rent income	165	154
Other	529	421
Total non-operating income	2,109	2,352
<b>Non-operating expenses</b>		
Interest expenses	195	229
Extra retirement payments	30	43
Transfer of allowance for doubtful accounts for affiliates	17	—
Settlement payments	87	—
Other	77	5
Total non-operating expenses	409	279
Ordinary income	12,015	15,766
<b>Extraordinary income</b>		
Gain on sales of fixed assets	176	34
Gain on sales of investment securities	4,246	165
Total extraordinary income	4,422	199
<b>Extraordinary losses</b>		
Impairment losses	—	258
Loss on disposal and sales of fixed assets	88	122
Loss on sales of investment securities	—	0
Loss on valuation of investment securities	51	147
Total extraordinary losses	139	528
Profit before income taxes	16,299	15,437
Income taxes	5,169	5,235
Profit	11,130	10,201
Profit attributable to non-controlling interests	13	41
Profit attributable to owners of parent	11,116	10,160

Quarterly consolidated statement of comprehensive income  
 Second quarterly consolidated cumulative accounting period

(Millions of yen)

	Previous 2nd Quarter (From April 1, 2022 to September 30, 2022)	Current 2nd Quarter (From April 1, 2023 to September 30, 2023)
Profit	11,130	10,201
Other comprehensive income		
Valuation difference on available-for-sale securities	390	3,031
Foreign currency translation adjustment	549	257
Retirement benefit liability adjustments	242	224
Share of other comprehensive income of entities accounted for using equity method	154	152
Total other comprehensive income	1,338	3,665
Comprehensive income	12,468	13,867
(of which)		
Comprehensive income attributable to owners of parent	12,402	13,794
Comprehensive income attributable to non-controlling interests	65	73



### (3) Notes on the quarterly consolidated financial statements

(Notes on the premise of a going concern)

None

(Notes on noteworthy changes in shareholders' equity)

None

(Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements)

Calculation of tax expenses

Tax expenses have been calculated by making a reasonable estimate of the effective tax rate after the application of tax effect accounting to pre-tax income for the consolidated fiscal year that includes the second consolidated quarterly accounting period and then applying the effective tax rate used in that estimate to the pre-tax quarterly income.

### 3. Reference

#### Overview of non-consolidated results

(Yen amounts are rounded down to millions.)

Non-consolidated financial results for the six months ended September 30, 2023

(From April 1, 2023 to September 30, 2023)

(1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2023	174,843	22.4	10,908	34.8	13,283	41.4	8,623	(10.1)
Six months ended September 30, 2022	142,829	3.1	8,094	(14.0)	9,394	(12.7)	9,595	22.3

	Profit per share	Diluted profit per share
	Yen	Yen
Six months ended September 30, 2023	121.74	—
Six months ended September 30, 2022	135.40	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	410,596	221,340	53.9
As of March 31, 2023	395,807	214,457	54.2

(Note) This overview of non-consolidated operating results is provided for reference purposes only and as such does not fall within the scope of review of legally mandated disclosures.

#### 4. Supplemental information

##### (1) Breakdown of consolidated results by business segment and customer

###### (i) Net sales

Accounting period	Six months ended September 30, 2022 (April 2022 to September 2022)		Six months ended September 30, 2023 (April 2023 to September 2023)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total	Amount (millions of yen)	As percent of total	Amount (millions of yen)	Rate (%)
Power distribution line work	21,142	12.5	21,487	10.7	344	1.6
Electrical work	83,577	49.6	105,210	52.5	21,632	25.9
HVAC and sanitary facility work	56,466	33.5	66,637	33.2	10,171	18.0
Total, facilities construction business	161,186	95.6	193,335	96.4	32,148	19.9
Other businesses	7,336	4.4	7,282	3.6	(53)	(0.7)
Total	168,522	100	200,617	100	32,095	19.0

###### (ii) Construction orders

Accounting period	Six months ended September 30, 2022 (April 2022 to September 2022)		Six months ended September 30, 2023 (April 2023 to September 2023)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total	Amount (millions of yen)	As percent of total	Amount (millions of yen)	Rate (%)
Power distribution line work	21,874	8.2	22,860	9.3	985	4.5
Electrical work	145,720	54.5	127,246	52.0	(18,474)	(12.7)
HVAC and sanitary facility work	99,728	37.3	94,956	38.7	(4,771)	(4.8)
Total	267,323	100	245,063	100	(22,259)	(8.3)

###### (iii) Construction contract balance at end of period

Accounting period	As of September 30, 2022		As of September 30, 2023		Increase (Decrease)	
	Amount (millions of yen)	As percent of total	Amount (millions of yen)	As percent of total	Amount (millions of yen)	Rate (%)
Power distribution line work	1,979	0.4	4,402	0.8	2,422	122.4
Electrical work	347,151	67.6	345,046	66.5	(2,104)	(0.6)
HVAC and sanitary facility work	164,653	32.0	170,080	32.7	5,426	3.3
Total	513,785	100	519,529	100	5,744	1.1

###### (iv) Construction sales by customer

Accounting period	Six months ended September 30, 2022 (April 2022 to September 2022)		Six months ended September 30, 2023 (April 2023 to September 2023)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total	Amount (millions of yen)	As percent of total	Amount (millions of yen)	Rate (%)
Kyushu Electric Power Group*	21,138	13.1	21,661	11.2	523	2.5
General customers	140,048	86.9	171,673	88.8	31,625	22.6
Total	161,186	100	193,335	100	32,148	19.9

###### (v) Construction orders by customer

Accounting period	Six months ended September 30, 2022 (April 2022 to September 2022)		Six months ended September 30, 2023 (April 2023 to September 2023)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total	Amount (millions of yen)	As percent of total	Amount (millions of yen)	Rate (%)
Kyushu Electric Power Group*	21,704	8.1	22,931	9.4	1,226	5.7
General customers	245,618	91.9	222,132	90.6	(23,486)	(9.6)
Total	267,323	100	245,063	100	(22,259)	(8.3)

###### (vi) Full-year sales and construction order volume forecast for the fiscal year ending March 2024

Business segment	Sales (millions of yen)	Construction order volume (millions of yen)
Power distribution line work	49,000	49,000
Electrical work	250,000	244,000
HVAC and sanitary facility work	147,000	148,000
Total, facilities construction business	446,000	441,000
Other businesses	14,000	
Total	460,000	

\*Kyushu Electric Power Group: Kyushu Electric Power Co., Inc., Kyushu Electric Power Transmission and Distribution Co., Inc., and Kyuden T&D Service Co., Inc.

## (2) Breakdown of non-consolidated results by business segment and customer

### (i) Net sales

Accounting period Business segment	Six months ended September 30, 2022 (April 2022 to September 2022)		Six months ended September 30, 2023 (April 2023 to September 2023)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total	Amount (millions of yen)	As percent of total	Amount (millions of yen)	Rate (%)
Power distribution line work	20,276	14.2	20,672	11.8	396	2.0
Electrical work	75,281	52.7	98,115	56.1	22,834	30.3
HVAC and sanitary facility work	44,697	31.3	53,645	30.7	8,947	20.0
Sub total	140,254	98.2	172,433	98.6	32,178	22.9
Other businesses	2,574	1.8	2,410	1.4	(164)	(6.4)
Total	142,829	100	174,843	100	32,014	22.4

### (ii) Construction orders

Accounting period Business segment	Six months ended September 30, 2022 (April 2022 to September 2022)		Six months ended September 30, 2023 (April 2023 to September 2023)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total	Amount (millions of yen)	As percent of total	Amount (millions of yen)	Rate (%)
Power distribution line work	20,765	9.1	21,570	10.0	805	3.9
Electrical work	131,558	57.4	117,203	54.3	(14,355)	(10.9)
HVAC and sanitary facility work	76,679	33.5	76,956	35.7	276	0.4
Total	229,004	100	215,730	100	(13,273)	(5.8)

### (iii) Construction contract balance at end of period

Accounting period Business segment	As of September 30, 2022		As of September 30, 2023		Increase (Decrease)	
	Amount (millions of yen)	As percent of total	Amount (millions of yen)	As percent of total	Amount (millions of yen)	Rate (%)
Power distribution line work	950	0.2	3,226	0.7	2,276	239.4
Electrical work	331,802	71.0	329,337	69.7	(2,464)	(0.7)
HVAC and sanitary facility work	134,330	28.8	140,020	29.6	5,689	4.2
Total	467,083	100	472,585	100	5,501	1.2

### (iv) Construction sales by customer

Accounting period Customer	Six months ended September 30, 2022 (April 2022 to September 2022)		Six months ended September 30, 2023 (April 2023 to September 2023)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total	Amount (millions of yen)	As percent of total	Amount (millions of yen)	Rate (%)
Kyushu Electric Power Group*	20,608	14.7	21,041	12.2	433	2.1
General customers	119,646	85.3	151,392	87.8	31,745	26.5
Total	140,254	100	172,433	100	32,178	22.9

### (v) Construction orders by customer

Accounting period Customer	Six months ended September 30, 2022 (April 2022 to September 2022)		Six months ended September 30, 2023 (April 2023 to September 2023)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total	Amount (millions of yen)	As percent of total	Amount (millions of yen)	Rate (%)
Kyushu Electric Power Group*	20,960	9.2	21,945	10.2	984	4.7
General customers	208,043	90.8	193,785	89.8	(14,258)	(6.9)
Total	229,004	100	215,730	100	(13,273)	(5.8)

\*Kyushu Electric Power Group: Kyushu Electric Power Co., Inc., Kyushu Electric Power Transmission and Distribution Co., Inc., and Kyuden T&D Service Co., Inc.