

KAJIMA CORPORATION

Announcement of Revisions to the Financial Projections for the 1st Half and Entire Financial Year ending March 31, 2011

Please be advised that we have revised the financial projections for the 1st half and entire financial year ending March 31, 2011, which we announced on May 13, 2010. The revisions were made based on the latest financial performance of our group.

1. Revisions to the Financial Projections for the 1st Half of FY2010 (From April 1, 2010 to September 30, 2010)

(1) Consolidated

(Millions of Yen)

	Revenues	Operating Income	Recurring Profit	Net Income	Basic Net Income per Share
Projections announced on May 13, 2010 (A)	700,000	8,500	7,000	3,000	¥2.89
Revisions announced herein (B)	650,000	28,500	32,000	20,000	¥19.24
Change (B-A)	(50,000)	20,000	25,000	17,000	-
Change (%)	(7.1%)	235.3%	357.1%	566.7%	-
Results for the 1 st half of FY2009	829,591	13,190	17,894	9,586	¥9.45

(2) Non-consolidated

(Millions of Yen)

	Revenues	Operating Income	Recurring Profit	Net Income	Basic Net Income per Share
Projections announced on May 13, 2010 (A)	540,000	5,500	4,500	2,000	¥1.92
Revisions announced herein (B)	486,600	25,300	25,400	16,100	¥15.46
Change (B-A)	(53,400)	19,800	20,900	14,100	-
Change (%)	(9.9%)	360.0%	464.4%	705.0%	-
Results for the 1 st half of FY2009	649,187	10,175	15,075	8,095	¥7.95

2. Revisions to the Financial Projections for the FY2010 (From April 1, 2010 to March 31, 2011)

(1) Consolidated

(Millions of Yen)

	Revenues	Operating Income	Recurring Profit	Net Income	Basic Net Income per Share
Projections announced on May 13, 2010 (A)	1,440,000	26,000	25,000	13,000	¥12.51
Revisions announced herein (B)	1,380,000	26,000	25,000	13,000	¥12.51
Change (B-A)	(60,000)	0	0	0	-
Change (%)	(4.2%)	0.0%	0.0%	0.0%	-
Results for the FY2009	1,637,362	(6,762)	9,011	13,225	¥13.03

(2) Non-consolidated

(Millions of Yen)

	Revenues	Operating Income	Recurring Profit	Net Income	Basic Net Income per Share
Projections announced on May 13, 2010 (A)	1,080,000	20,000	20,000	11,000	¥10.56
Revisions announced herein (B)	1,040,000	20,000	20,000	11,000	¥10.56
Change (B-A)	(40,000)	0	0	0	-
Change (%)	(3.7%)	0.0%	0.0%	0.0%	-
Results for the FY2009	1,244,411	(7,976)	7,530	3,128	¥3.07

3. Reasons for Revised Projections

(1) The 1st Half of FY 2010

a) Non-consolidated

Revenues will be ¥486.6 billion, declined by ¥53.4 billion, since the percentage of completion ratios for some big projects were less than expected at the beginning of the financial year.

The operating income will be ¥25.3 billion, increased by ¥19.8 billion, primarily due to positive outcome derived from domestic construction projects.

The gross profit margin of construction contracts is expected to be 10.9% (civil engineering, 11.7%, building construction, 10.5%, respectively), while the previous projection was 6.3% (civil engineering, 5.8%, building construction, 6.5%, respectively).

Also, the recurring profit will be ¥25.4 billion, improved by ¥20.9 billion and the net income for the 1st half of fiscal year 2010 will be ¥16.1 billion, increased by ¥14.1 billion.

b) Consolidated

Mainly reflecting the upward revisions on the non-consolidated outcome, each figure is revised accordingly. With regard to the recurring profit, the subsidiaries contributed another ¥0.4 billion in addition to business plan mainly due to the increased volumes of warehouse sales by a subsidiary in North America, which were ahead of plan.

(2) The Entire Year for the FY2010

a) Non-consolidated

Revenues will be ¥1,040 billion, declined by ¥40 billion, taking into account the current projected volumes of new awards and progresses of projects on hand.

The operating income, recurring profit and net income remain the same since the surrounding business circumstances and the market trend for the construction and real estate industry are still uncertain.

b) Consolidated

Revenues will be ¥1,380 billion, declined by ¥60 billion, taking into consideration that revenues posted by foreign subsidiaries will be less than the original business plan due to the appreciation of Japanese Yen against foreign currencies in addition to the change in non-consolidated revenues. The operating income, recurring profit and net income remain the same due to the same reasons above.

Supplementary Information: Contract awards for the 1st half of FY2010 (Non-consolidated)
(Billions of Yen)

	Projection Announced on May 13, 2010	Result
Civil Engineering	100.0	86.2
<i>Domestic</i>	85.0	94.1
<i>Overseas</i>	15.0	(7.8)
Building Construction	280.0	300.2
<i>Domestic</i>	280.0	300.2
<i>Overseas</i>	0.0	0.0
Construction Total	380.0	386.4
<i>Domestic</i>	365.0	394.3
<i>Overseas</i>	15.0	(7.8)
Real Estate and Other	20.0	22.9
Grand Total	400.0	409.4

Disclaimer

Projections contained herein are based on information available as at the date of this announcement, and are subject to risks and uncertainties that may cause the actual results to vary.

For inquiries, please contact

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