

KAJIMA CORPORATION

Announcement of Revisions to the Financial Projections and the Dividend per Share for the Financial Year ended March 31, 2012

Please be advised that the Board of Directors of Kajima Corporation (“the Company”) declared at its today’s meeting that based on the year to date financial performance of the Company the financial projections announced on December 14, 2011 for the financial year ended March 31, 2012 was revised and also the dividend per share was revised, accordingly.

1. Revisions to the Financial Projections for the FY2011 (From April 1, 2011 to March 31, 2012)

(1) Consolidated

(Millions of Yen)

	Revenues	Operating Income	Recurring Profit	Net Income	Basic Net Income per Share
Projections announced on Dec.14, 2011 (A)	1,450,000	31,000	38,000	9,000	¥8.66
Revisions announced herein (B)	1,450,000	29,000	41,000	3,500	¥3.37
Change (B-A)	-	(2,000)	3,000	(5,500)	-
Change (%)	-	(6.5%)	7.9%	(61.1%)	-
Results for the FY2010	1,325,679	17,272	17,502	25,844	¥24.87

(2) Non-consolidated

(Millions of Yen)

	Revenues	Operating Income	Recurring Profit	Net Income	Basic Net Income per Share
Projections announced on Dec.14, 2011 (A)	1,100,000	23,000	26,000	2,000	¥1.92
Revisions announced herein (B)	1,100,000	17,600	23,800	(7,100)	(¥6.82)
Change (B-A)	-	(5,400)	(2,200)	(9,100)	-
Change (%)	-	(23.5%)	(8.5%)	-	-
Results for the FY2010	970,413	7,962	5,786	4,540	¥4.36

2. Reasons for Revised Projections

(1) Consolidated

Operating income is revised downward ¥2.0 billion to ¥29.0 billion mainly due to less-than-expected gross profit in building construction of the Company.

Recurring profit is revised upward ¥3.0 billion to ¥41.0 billion mainly due to improvement in other income of the Company.

Net income is revised downward ¥5.5 billion to ¥3.5 billion mainly due to a valuation loss on the preferred equity security reflecting decline in the market value of a real estate project and expenses arising from the incident at an undersea tunnel project (Kurashiki, Okayama) of the Company.

(2) Non-consolidated

Operating income is revised downward ¥5.4 billion to ¥17.6 billion, recurring profit is revised downward ¥2.2 billion to ¥23.8 billion, and net income is revised downward ¥9.1 billion to a net loss of ¥7.1 billion mainly due to the above-mentioned revisions.

Gross margin ratio of the construction contracts is 7.1% (8.1% for civil engineering and 6.7% for the building construction).

3. Revision for Annual Dividend per Share

	Amount of Annual Dividend				
	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter Year-end	Total
Forecast announced on May 13, 2011	-	-	-	¥3.00	¥6.00
Revisions announced herein	-	-	-	¥2.00	¥5.00
Paid to date	-	¥3.00	-	-	-
Actual Dividend for the FY2010 Ended Mar. 31, 2011	-	¥3.00	-	¥3.00	¥6.00

4. Reason for Revised Year-end Dividend per Share

Our basics policy for profit allocation is to provide stable dividends to stockholders in accordance with business performance while securing internal reserves to maintain a sound management foundation. We use internal reserves to reinforce our financial structure and raise capital efficiency.

Under this policy, in light of said downward revisions and expected business environment, the Board of Directors of the Company plans to reduce, with regret, the year-end dividend per share to be paid in June this year by ¥1.00 to ¥2.00 and accordingly annual dividend per share will be ¥5.00 with an interim dividend of ¥3.00 per share.

5. Reduction of Remunerations for Directors and Officers

In light of said downward revisions resulting in net loss projection at the Company for fiscal year 2011 and the reduction of annual dividend per share, bonuses are not be paid to the directors and officers relative to year 2011 and the directors' and officers' remunerations are to be reduced 20% in fiscal year 2012.

Supplementary Information: Contract awards for the FY2011 (Non-consolidated)

(Billions of Yen)

	FY2011		FY2010 Result
	Projection as of Nov. 10, 2011	Result	
Civil Engineering	345.0	305.2	226.0
<i>Domestic</i>	320.0	296.5	230.4
<i>Overseas</i>	25.0	8.7	(4.3)
Building Construction	750.0	747.8	731.9
<i>Domestic</i>	750.0	747.7	731.9
<i>Overseas</i>	0.0	0.0	0.0
Construction Total	1,095.0	1,053.0	957.9
<i>Domestic</i>	1,070.0	1,044.3	962.3
<i>Overseas</i>	25.0	8.7	(4.3)
Real Estate and Other	40.0	48.0	65.9
Grand Total	1,135.0	1,101.1	1,023.9

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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