


FY2023 1st Quarter Financial Results

August 9, 2023



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 3. Segment Performance
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FY2023 Q1 Results

- **Consolidated Revenues Increased 16.8% YoY and Operating Income Increased 31.9% YoY**
 - Non-consolidated revenues and income increased due to steady progress in the domestic construction business and improvement in gross profit margin on building construction business (gross profit margin of non-consolidated building construction business for FY2023 Q1 is 9.6%)
 - Overseas subsidiaries and affiliates posted a loss (-0.6 billion yen) mainly due to a decrease in the number of sales of development properties, but several distribution warehouses in the U.S. are certain to be sold in the second quarter and profit improvement is expected from the second quarter onward
 - The full-year forecast remains unchanged. Consolidated net income is expected to be 105.0 billion yen
- **Consolidated Contract Awards Reached 801.8 Billion Yen, a Record High for the First Quarter**
 - Domestic construction demand is high and contract awards for both civil engineering and building construction increased YoY
 - Overseas contract awards increased significantly due to orders for large-scale construction projects in the U.S.

FY2023 Q1 Financial Results

2. Financial Highlights

Consolidated Revenues and Operating Income Increased, Driven by Increase in Non-Consolidated Revenues and Income

FY2023 Q1 Results Financial Highlights

Billions of yen

	Consolidated		
	FY2022 Q1 Result	FY2023 Q1 Result	YoY Change
Revenues	499.6	583.4	83.8
Operating Income	18.8	24.8	6.0
Ordinary Income	27.6	29.1	1.4
Net Income Attributable to Owners of the Parent	19.6	19.3	(0.2)
Construction Contract Awards	493.0	801.8	308.8

Exchange rates US\$=

¥122.39

¥133.53

Non-Consolidated		Domestic Subsidiaries and Affiliates		Overseas Subsidiaries and Affiliates	
FY2023 Q1 Result	YoY Change	FY2023 Q1 Result	YoY Change	FY2023 Q1 Result	YoY Change
378.5	61.5	78.6	1.4	154.4	14.6
22.9	7.9	2.7	0.0	(0.7)	(2.3)
30.3	8.6	3.7	0.0	0.0	(7.3)
22.2	6.1	2.6	(0.0)	(0.6)	(6.3)
443.9	97.4	52.4	2.2	326.0	204.2

¥133.53

- Non-consolidated revenues and gross profit margin for construction business increased YoY, resulting in higher revenues and income
- Profits at overseas subsidiaries and affiliates decreased due to a decline in properties sold in the real estate development business
- Consolidated net income was largely unchanged YoY
- Contract awards achieved a record high for the first quarter due to strong construction demand in Japan and the U.S.

Q1 Results Were Largely in Line with Plans, and the Full-Year Forecast Remains Unchanged

FY2023 Forecast Financial Highlights

Billions of yen

	Consolidated		
	FY2023 Q1 Result	FY2023 Forecast	Progress
Revenues	583.4	2,480.0	23.5%
Operating Income	24.8	142.0	17.5%
Ordinary Income	29.1	150.0	19.4%
Net Income Attributable to Owners of the Parent	19.3	105.0	18.4%
Construction Contract Awards	801.8	2,250.0	35.6%

Exchange rates US\$=

¥133.53

¥132.70

Non-Consolidated		Domestic Subsidiaries and Affiliates		Overseas Subsidiaries and Affiliates	
FY2023 Q1 Result	FY2023 Forecast	FY2023 Q1 Result	FY2023 Forecast	FY2023 Q1 Result	FY2023 Forecast
378.5	1,440.0	78.6	350.0	154.4	820.0
22.9	98.0	2.7	19.5	(0.7)	26.0
30.3	115.0	3.7	22.5	0.0	28.0
22.2	83.0	2.6	17.0	(0.6)	20.0
443.9	1,500.0	52.4	200.0	326.0	650.0

¥133.53

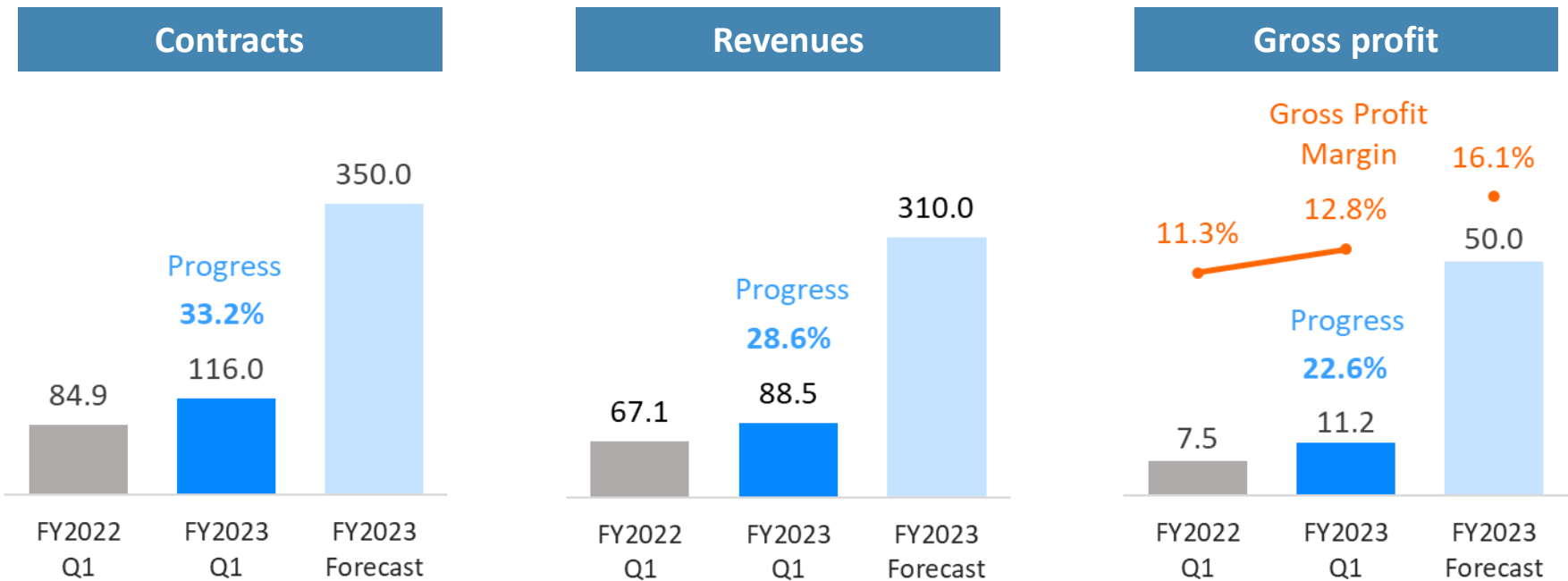
¥132.70

- Unchanged from the full-year forecast announced on May 15, 2023
- Non-consolidated results are on track to meet the full-year forecast
- Domestic and overseas subsidiaries and affiliates' performance is expected to improve from the second quarter onward

Segment Performance Civil Engineering (Kajima Corp)

3. Segment Performance

Billions of yen



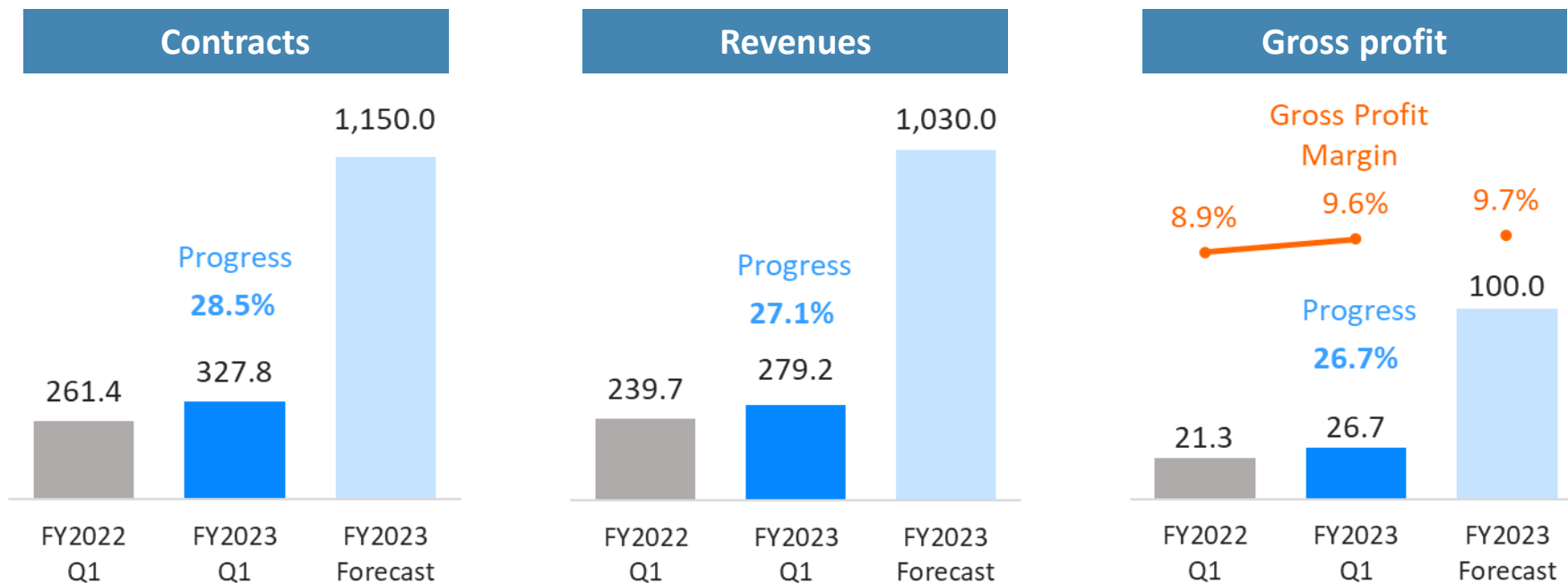
FY2023 Q1 Results

- Contract awards increased YoY mainly due to multiple orders for large-scale construction projects
- Revenues increased due to steady progress of construction in progress
- In addition to the increase in revenues, the gross profit margin also increased YoY, resulting in higher gross profit
- Although the gross profit margin is below the full-year forecast, it is expected to improve mainly due to the contribution of completed construction projects which will increase toward the end of the period

Segment Performance Building Construction (Kajima Corp)

3. Segment Performance

Billions of yen



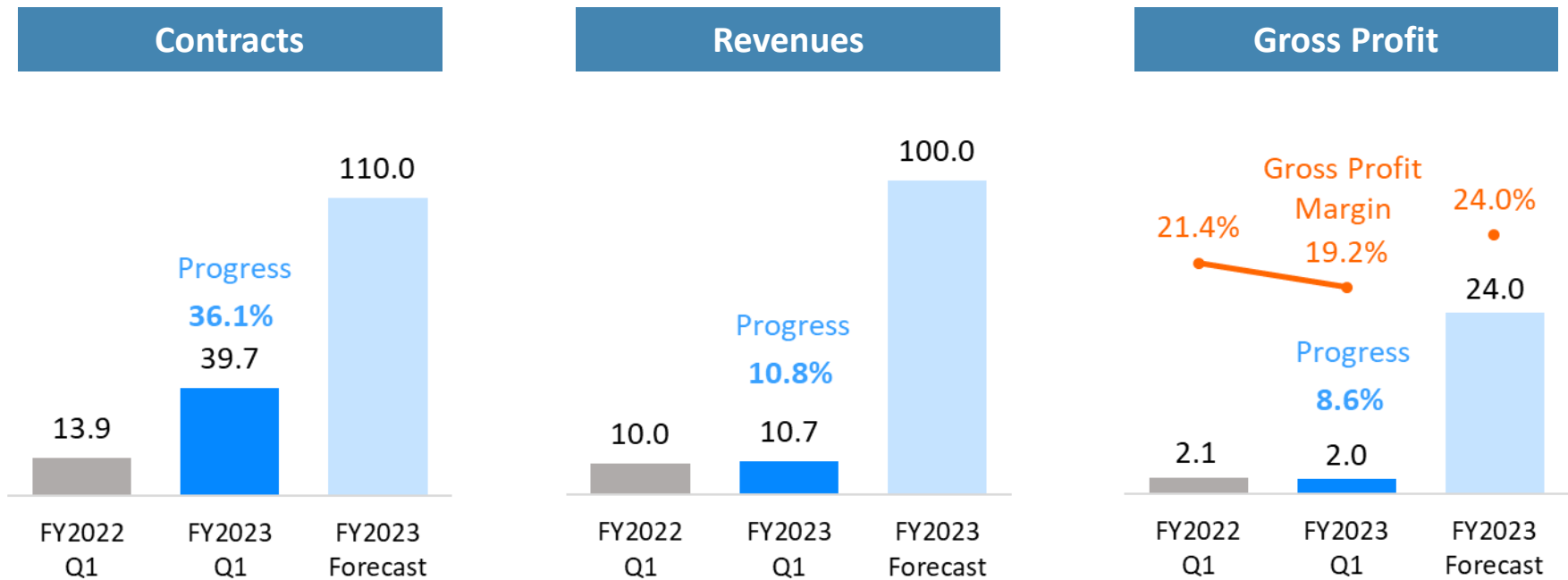
FY2023 Q1 Results

- Contract awards increased YoY due to multiple orders for large-scale construction projects, such as large offices
- Revenues increased due to steady progress of construction in progress
- Gross profit margin increased from 8.9% to 9.6%, mainly due to improved profitability of construction projects to be completed this fiscal year. The full-year forecast of gross profit margin is 9.7%, which exceeds the FY2022 result of 8.5%.

Segment Performance Real Estate and Other (Kajima Corp)

3. Segment Performance

Billions of yen



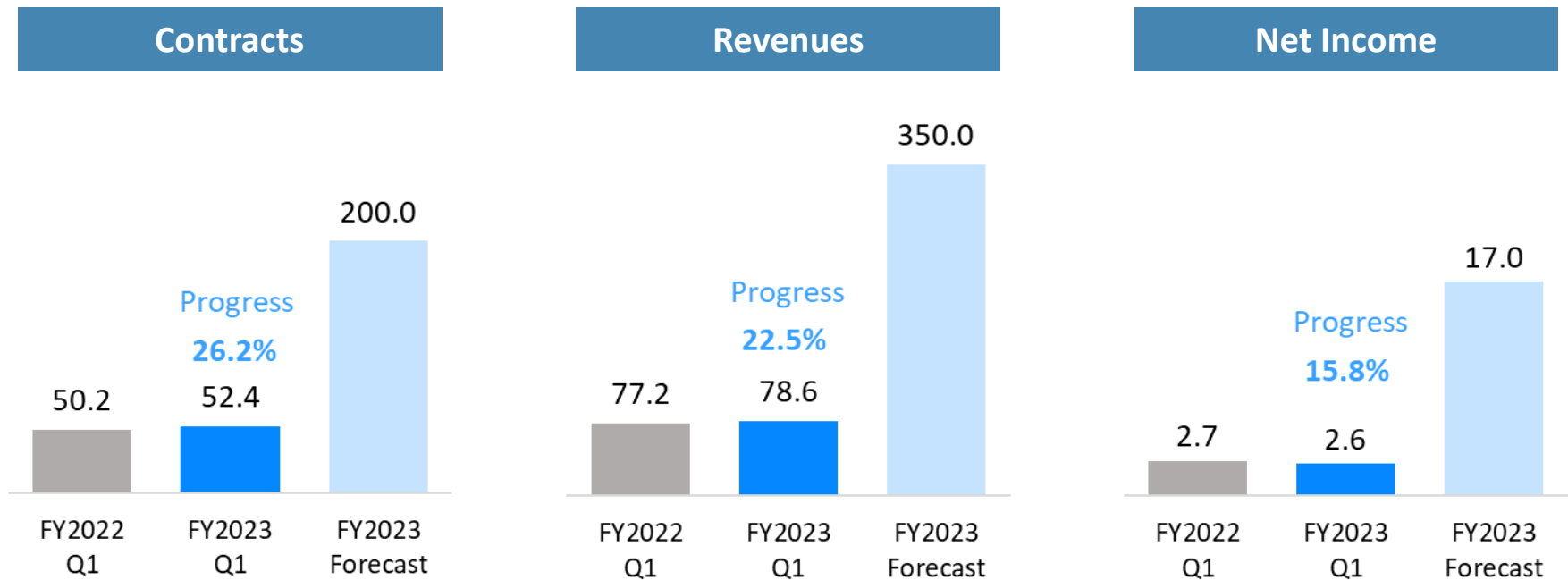
FY2023 Q1 Results

- Contract awards increased significantly YoY due to progress in sales contracts for condominiums (revenues will be recorded in FY2024)
- With no sales of large-scale properties, revenues and gross profit remained largely unchanged YoY
- With the planned sale of several properties starting in the second quarter, we expect to achieve the full-year forecast

Segment Performance Domestic Subsidiaries and Affiliates

3. Segment Performance

Billions of yen



FY2023 Q1 Results

- Construction contract awards, revenues, and net income were largely unchanged YoY
- Net income is expected to improve with the sale of properties at real estate development-related domestic subsidiaries and affiliates, despite the progress in Q1 being low against the full-year forecast

Segment Performance Overseas Subsidiaries and Affiliates

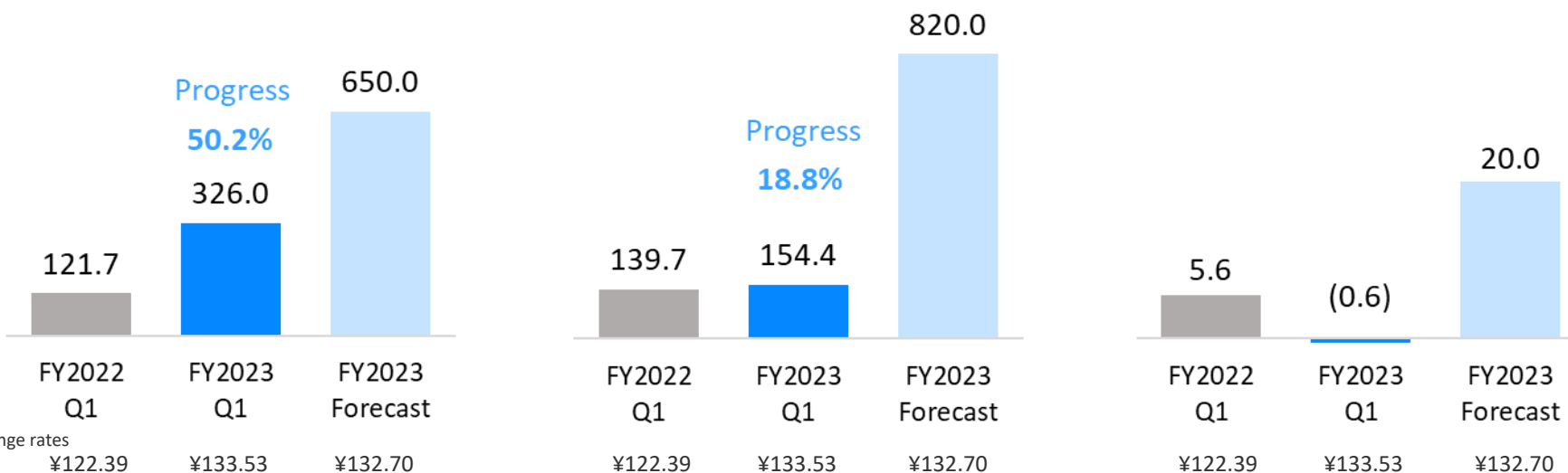
3. Segment Performance

Billions of yen

Contracts

Revenues

Net Income



FY2023 Q1 Results

- Contract awards increased YoY due to orders for large-scale projects in the U.S.
- Revenues increased due to a surge in construction business revenues in the U.S. and Southeast Asia
- Net income decreased mainly due to a decline in the number of properties sold in the U.S. real estate development business
- We expect to achieve the full-year forecast with the sale of U.S. distribution warehouses starting in Q2

Segment Performance

Overseas Subsidiaries and Affiliates

(breakdown by construction and real estate development segments)

3. Segment Performance

Results Highlights — Overseas Subsidiaries and Affiliates

(Breakdown by construction and real estate development segments)

*Figures for each business segment are before internal transaction adjustments

	Construction and Other				Real Estate			
	FY2022 Q1 Result	FY2023 Q1 Result	YoY Change	FY2023 Forecast	FY2022 Q1 Result	FY2023 Q1 Result	YoY Change	FY2023 Forecast
Revenues	130.7	149.6	18.8	696.7	13.3	7.2	(6.1)	170.3
Gross Profit	5.3	5.8	0.5	31.8	5.4	2.6	(2.7)	42.5
	4.1%	3.9%	(0.2pt)	4.6%	40.9%	36.9%	(4.0)	25.0%
Operating Income	(0.0)	0.0	0.0	4.7	2.0	(0.3)	(2.4)	24.0
Nonoperating Income	0.2	0.5	0.2	0.8	5.3	0.9	(4.3)	3.4
<i>Equity in Earnings of Partnership</i>	0.0	0.0	—	0.0	2.4	0.8	(1.6)	6.6
Ordinary Income	0.2	0.5	0.3	5.5	7.4	0.6	(6.8)	27.5
Extraordinary Income	(0.0)	0.0	0.0	0.0	0.0	(0.0)	(0.0)	1.8
Net Income Attributable to Noncontrolling Interests	0.0	0.3	0.3	3.4	5.8	(0.0)	(5.8)	20.6
Exchange rates: US\$=	¥122.39	¥133.53		¥132.70	¥122.39	¥133.53		¥132.70

Billions of yen

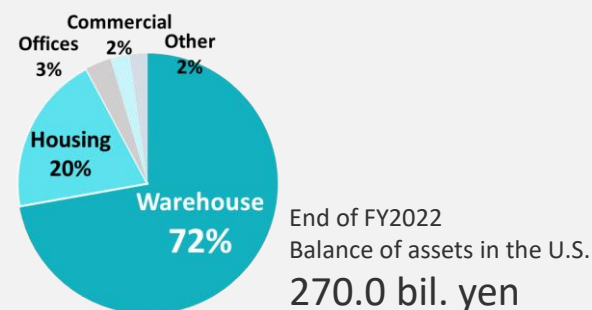
- Construction and other businesses achieved a high level of revenues due to steady progress of construction in progress
- Real estate development business recorded lower earnings YoY due to a decrease in the number of sales in the U.S. development business, but we expect to achieve the full-year forecast with the sale of U.S. distribution warehouses starting in Q2

U.S. Real Estate Development Business

Despite no first-quarter sales in the distribution warehouse development business, several property sales were booked for Q2 (Apr.-June 2023) and steady progress was made on the full-year forecast

Reference : Breakdown of real estate development business assets
by use in the U.S

- Distribution warehouses are the core of our real estate development assets in the U.S.
- Tenant demand for distribution warehouse is strong. In the real estate sales market, there is solid demand for prime properties that are already leased



Reduction of Strategic Shareholdings

The Board of Directors reviewed the significance of holdings and formulated a reduction plan for FY2023

	FY2021 Result	FY2022 Result	FY2023 Forecast	FY2023 Target
Number of Stocks Sold	17 stocks	17 stocks	around 20 stocks	-
Amount of Sales	14.8 bil. yen	10.0 bil. yen		At least 30.0 bil. yen over 3 years



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Disclaimer: All financial information has been prepared in accordance with generally accepted accounting principles in Japan. While every attempt has been made to ensure the accuracy of information, forecasts contained in this slides are based on the judgments made with information available as at August 9, 2023, and are subject to risks and uncertainties that may cause the actual results to vary.