

# **FY2024 1st Quarter Financial Results**

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**August 6, 2024**



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## FY2024 Q1 Results

- **Consolidated Revenues Increased 5.1% YoY and Operating Income Increased 1.5% YoY**
  - Consolidated revenues and operational income experienced growth mainly due to the rise in overseas revenues and income  
Consolidated net income decreased YoY, with non-operating profit from the overseas real estate development business decreasing
  - Non-consolidated revenues and income decreased, with many of our major building construction projects yet to reach its peak; the gross profit margin for both civil engineering and building construction increased slightly YoY
  - Overseas subsidiaries and affiliates saw higher revenues and income due to the strong performance of the construction business and the increase in the sales of real estate in the U.S.
  - Both revenues and income are favorably progressing against the full-year forecast, which remains unchanged
- **Domestic and Overseas Construction Demand Strong; Multiple Orders for Large-Scale Projects Received**
  - Domestic construction demand remained strong; in our priority sectors, key construction contract awards are reported, such as infrastructure, redevelopment, and plant construction sectors
  - Overseas, multiple orders for large-scale construction projects were received in the U.S., Asia, and Oceania

### Consolidated Revenues and Operating Income Increased, Driven by Increase in Revenues and Income of Overseas Subsidiaries and Affiliates

#### FY2024 Q1 Results Highlights

The exchange rate is as follows:

•FY2023 Q1 Result: Rate as of March 31, 2023

•FY2023 Q1 Result: Rate as of March 31, 2024

Billions of yen

|  | Consolidated        |                             |            |
|--|---------------------|-----------------------------|------------|
|  | FY2023<br>Q1 Result | <b>FY2024<br/>Q1 Result</b> | YoY Change |
| Revenues   | 583.4               | <b>613.2</b>                | 29.7       |
| Operating Income                                   | 24.8                | <b>25.2</b>                 | 0.3        |
| Ordinary Income                                    | 29.1                | <b>25.9</b>                 | (3.1)      |
| Net Income Attributable<br>to Owners of the Parent | 19.3                | <b>17.4</b>                 | (1.9)      |
| Construction<br>Contract Awards                    | 801.8               | <b>554.8</b>                | (247.0)    |

| Non-Consolidated            |                | Domestic Subsidiaries<br>and Affiliates |            | Overseas Subsidiaries<br>and Affiliates |                |
|-----------------------------|----------------|---|------------|---|----------------|
| <b>FY2024<br/>Q1 Result</b> | YoY Change     | <b>FY2024<br/>Q1 Result</b>             | YoY Change | <b>FY2024<br/>Q1 Result</b>             | YoY Change     |
| 330.7                       | (47.8)         | 76.3                                    | (2.2)      | 231.0                                   | 76.6           |
| 18.8                        | (4.0)          | 2.5                                     | (0.2)      | 4.1                                     | 4.8            |
| 26.0                        | (4.3)          | 3.5                                     | (0.1)      | 1.7                                     | 1.7            |
| 19.5                        | (2.7)          | 2.6                                     | (0.0)      | 0.6                                     | 1.3            |
| <b>340.9</b>                | <b>(103.0)</b> | <b>55.1</b>                             | <b>2.7</b> | <b>179.3</b>                            | <b>(146.6)</b> |

Exchange rate per US\$1:      ¥133.53      ¥151.41

¥151.41

- On a non-consolidated basis, gross profit margin in the construction business increased YoY, but revenues and income decreased, mainly due to lower revenues in the construction business
- Overseas subsidiaries and affiliates saw revenues and income increase due to an increase in sales of properties in the U.S. real estate development business, as well as steady progress in on-hand projects and the impact of construction-related affiliates acquired in the U.S.
- Consolidated operating income increased YoY, mainly due to higher income from overseas subsidiaries and affiliates
- Despite multiple orders received for large-scale construction projects in Japan and overseas, construction contract awards fell below the record high achieved in the same period of the previous fiscal year

### Revenue and Income Forecast Unrevised

#### FY2023 Forecast Highlights

The exchange rate is as follows:

•FY2023 Q1 Result: Rate as of March 31, 2023

•FY2023 Q1 Result: Rate as of March 31, 2024

Billions of yen

|  | Consolidated        |                    |          |
|--|---------------------|--------------------|----------|
|  | FY2024<br>Q1 Result | FY2024<br>Forecast | Progress |
| Revenues   | 613.2               | 2,780.0            | 22.1%    |
| Operating Income                                   | 25.2                | 132.0              | 19.1%    |
| Ordinary Income                                    | 25.9                | 137.0              | 18.9%    |
| Net Income Attributable<br>to Owners of the Parent | 17.4                | 105.0              | 16.6%    |
| Construction<br>Contract Awards                    | 554.8               | 2,180.0            | 25.4%    |

| Non-Consolidated    |                    | Domestic Subsidiaries<br>and Affiliates |                    | Overseas Subsidiaries<br>and Affiliates |                    |
|---------------------|--------------------|---|--------------------|---|--------------------|
| FY2024<br>Q1 Result | FY2024<br>Forecast | FY2024<br>Q1 Result                     | FY2024<br>Forecast | FY2024<br>Q1 Result                     | FY2024<br>Forecast |
| 330.7               | 1,470.0            | 76.3                                    | 360.0              | 231.0                                   | 1,080.0            |
| 18.8                | 90.0               | 2.5                                     | 17.0               | 4.1                                     | 26.0               |
| 26.0                | 101.0              | 3.5                                     | 21.0               | 1.7                                     | 25.0               |
| 19.5                | 80.0               | 2.6                                     | 15.0               | 0.6                                     | 20.0               |
| 340.9               | 1,360.0            | 55.1                                    | 200.0              | 179.3                                   | 700.0              |

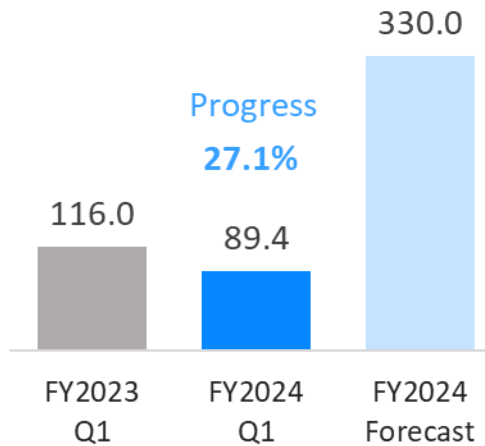
Exchange rate per US\$1:      ¥151.41                      ¥141.83

¥151.41      ¥141.83

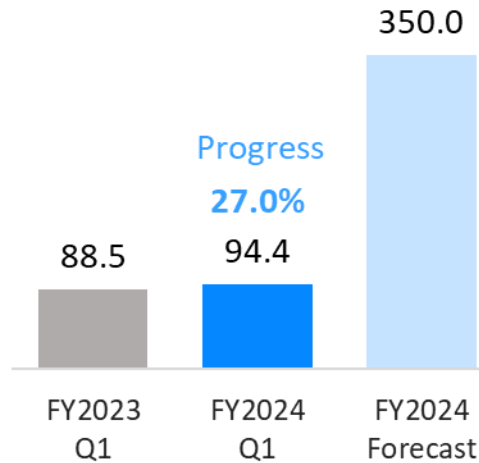
- Full-year revenue and income forecast announced on May 14, 2024, remains unchanged; the consolidated contract awards forecast has been updated to 2.18 trillion yen, which excludes the backlog of the construction work (about 160 billion yen) from a newly acquired construction company in the U.S.
- Non-consolidated and domestic subsidiaries and affiliates results are on track to meet the full-year forecast
- Overseas subsidiaries and affiliates are expected to achieve the full-year forecast through the sale of properties, mainly in the second half of the fiscal year

Billions of yen

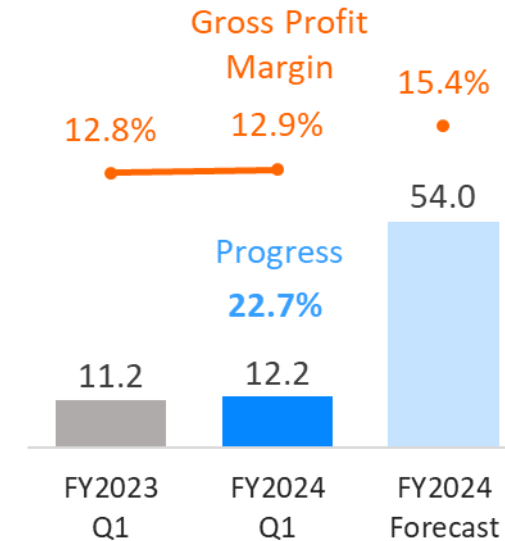
### Contract awards



### Revenues



### Gross profit

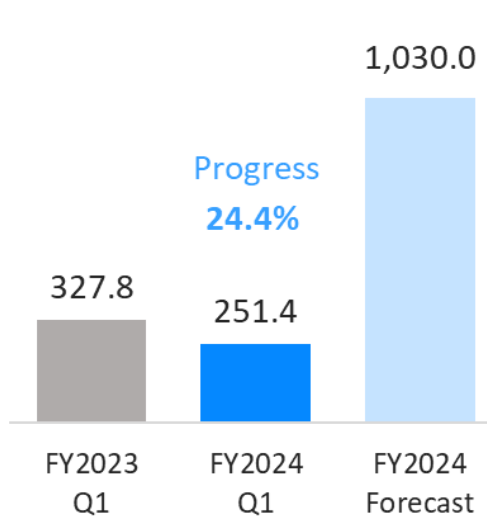


### FY2024 Q1 Result

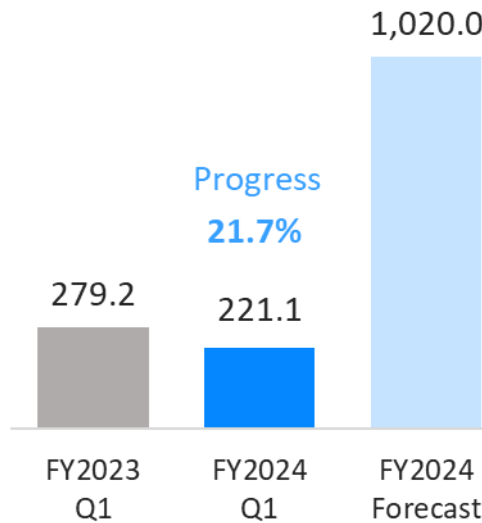
- Although contract awards declined YoY, results are on track to meet the full-year forecast due to multiple large-scale contract awards
- Revenues increased due to steady progress, particularly on large construction projects in progress
- Gross profit increased due to higher revenues and a slight improvement in gross profit margin
- Although gross profit margin fell short of the full-year forecast, the projected profit margin is expected to be achieved due to improved profitability from completed construction projects, which will increase toward the end of the fiscal year

Billions of yen

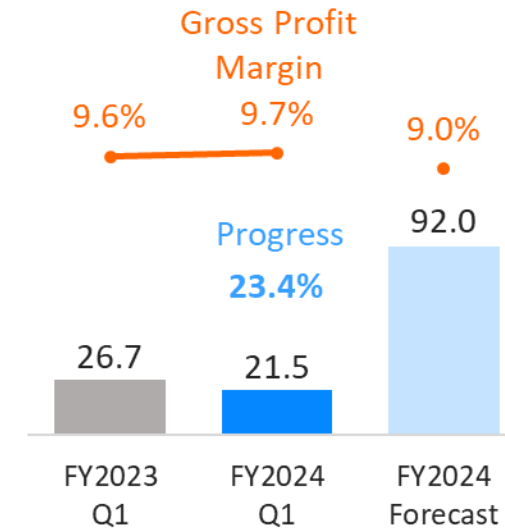
### Contract awards



### Revenues



### Gross profit

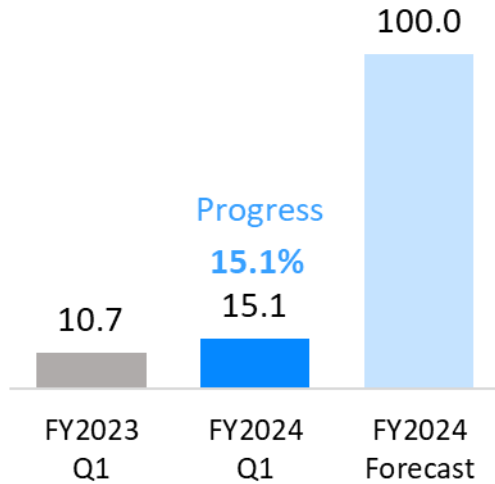


### FY2024 Q1 Result

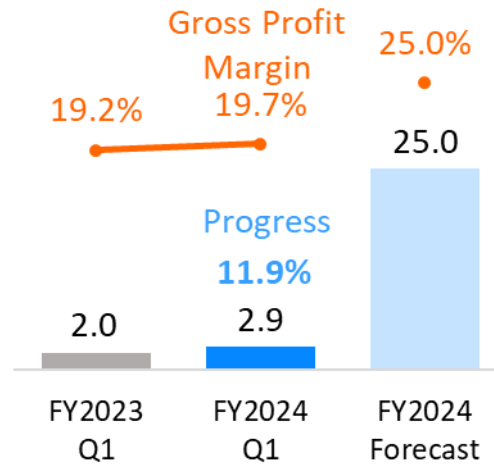
- Although contract awards fell below the record high achieved in the same period of the previous fiscal year, results are on track to meet the full-year forecast, thanks to the steady acquisition of multiple large-scale contracts
- Revenues declined due to more large-scale construction projects in the initial stages compared to the same period of the previous fiscal year
- The gross profit margin was above the full-year forecast, and is progressing favorably

Billions of yen

### Revenues

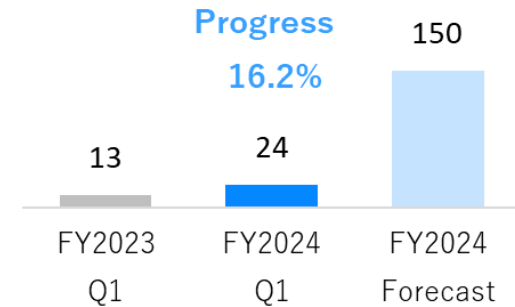


### Gross profit



### Domestic real estate development business net income

Figures are the (total) net income of Kajima Corporation's development business and its development-related domestic subsidiaries and affiliates.

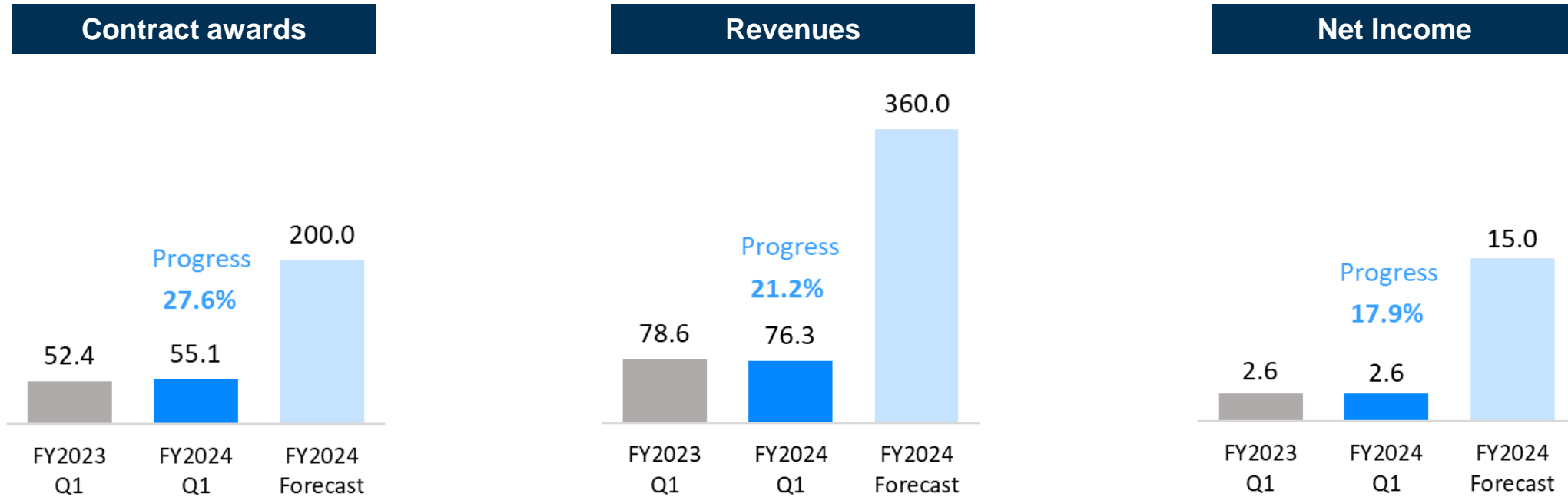


### FY2024 Q1 Result

- Both revenues and gross profit increased due to the sale and delivery of condominiums and other properties
- Both sales and income are expected to achieve the full year forecast due to the scheduled delivery of office projects and large-scale condominiums in the fourth quarter
- The combined net income of the non-consolidated real estate development business and the real estate development-related domestic subsidiaries and affiliates (a business management figure for the domestic real estate development business) is expected to achieve the full-year forecast of 15.0 billion yen due to the contribution from the delivery of properties for sale in the non-consolidated real estate development business



Billions of yen

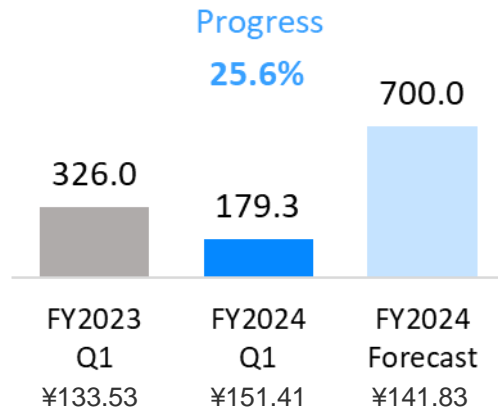


### FY2024 Q1 Result

- Construction contract awards, revenues, and net income were largely unchanged YoY
- Although revenue and net income progress against the full-year forecast was low, as in past years, achievement of the full-year forecast is expected due to improvements anticipated from the second quarter onwards

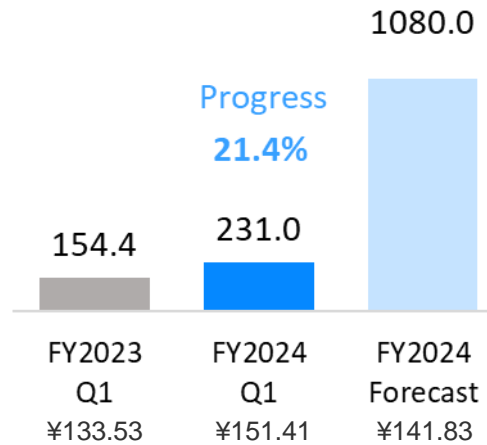
Billions of yen

### Contract awards



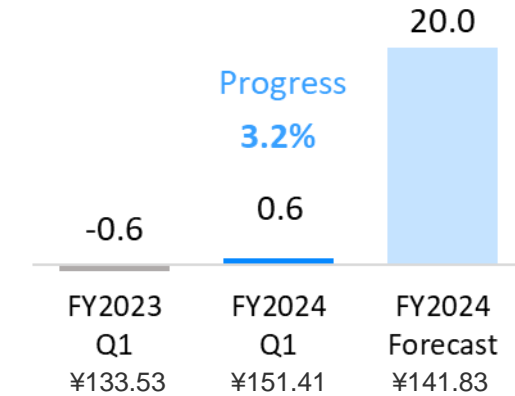
US\$ exch. rate:    ¥133.53    ¥151.41    ¥141.83

### Revenues



US\$ exch. rate:    ¥133.53    ¥151.41    ¥141.83

### Net Income



US\$ exch. rate:    ¥133.53    ¥151.41    ¥141.83

### FY2024 Q1 Result

- Despite a decline in construction orders from the high achieved in the same period of the previous fiscal year, revenues increased YoY due to the acquisition of a construction company in the U.S.
- Net income increased due to the robust performance of the construction business and the sale of distribution warehouse and rental housing complexes in the U.S. real estate development business
- Revenues and income are expected to increase toward the end of the fiscal year and achieve the full-year forecast due to multiple property sales planned in each business region in the second half of the year

# Segment Performance | Overseas Subsidiaries and Affiliates (Breakdown) 3. Segment Performance

## Results Highlights — Overseas Subsidiaries and Affiliates (Breakdown by construction and real estate development segments)

The exchange rate is as follows:  
 •FY2023 Q1 Result : Rate as of March 31, 2023  
 •FY2023 Q1 Result : Rate as of March 31, 2024  
 •FY2024 Forecast : Rate as of December 31, 2023

\* Figures for each business segment are before inter-segment transaction adjustments

Billions of yen

|   | Construction and Other |                  |            |                 | Real Estate      |                  |            |                 |
|---|------------------------|------------------|------------|-----------------|------------------|------------------|------------|-----------------|
|   | FY2023 Q1 Result       | FY2024 Q1 Result | YoY Change | FY2024 Forecast | FY2023 Q1 Result | FY2024 Q1 Result | YoY Change | FY2024 Forecast |
| Revenues  | 149.6                  | 204.2            | 54.6       | 931.9           | 7.2              | 29.0             | 21.8       | 171.6           |
| Gross Profit  | 5.8                    | 7.5              | 1.7        | 44.0            | 2.6              | 8.5              | 5.8        | 39.0            |
|   | 3.9%                   | 3.7%             | (0.2pt)    | 4.7%            | 36.9%            | 29.4%            | (7.5)      | 22.7%           |
| Operating Income                                    | 0.0                    | (0.0)            | (0.0)      | 7.4             | (0.3)            | 4.3              | 4.7        | 21.2            |
| Nonoperating Income                                 | 0.5                    | 0.8              | 0.2        | 0.4             | 0.9              | (2.2)            | (3.2)      | 2.2             |
| <i>Equity in Earnings of Partnership</i>            | 0.0                    | 0.0              | —          | 0.0             | 0.8              | 0.2              | (0.6)      | 5.4             |
| Ordinary Income                                     | 0.5                    | 0.8              | 0.2        | 7.8             | 0.6              | 2.0              | 1.4        | 23.4            |
| Extraordinary Income                                | 0.0                    | 0.1              | 0.1        | 0.0             | (0.0)            | 0.2              | 0.2        | 4.2             |
| Net Income Attributable to Noncontrolling Interests | 0.3                    | 0.7              | 0.3        | 5.1             | (0.0)            | 0.8              | 0.8        | 19.2            |

Exchange rate per US\$1:                      ¥133.53                      ¥151.41                      ¥141.83                      ¥133.53                      ¥151.41                      ¥141.83

- In the construction and other business, revenues increased substantially due to steady construction progress and the acquisition of a construction company in the U.S.
- The real estate development business saw higher revenues and income , primarily driven by the sale of 1 distribution warehouse and 1 rental housing complexes in the U.S. real estate development business

## Acquired a mid-sized construction company in the U.S.

- **Acquired Rodgers Builders, a Major Player in the Medical and Education Sectors**
  - The company operates in the southeastern U.S., and its annual sales are about 80 billion yen (average for the past five years)
  - The acquisition has increased the amount of contract backlogs by about 160 billion yen
  - Part of the U.S. construction business's growth strategy to strengthen the medical and education fields, where stable demand is expected

# RODGERS

Our Passion is Building®

Company Name: Rogers Builders, Inc.

Established: 1963

Number of employees: 280 (approx.)

Headquarters: Charlotte, North Carolina



Atrium Health Palmetto Bed  
Tower and Parking Deck



North Carolina State University  
Talley Student Union



### **Inquiries**

**Corporate Communication Group, Corporate Planning Department**

**Kajima Corporation**

**E-Mail: [ir@ml.kajima.com](mailto:ir@ml.kajima.com)**

All financial forecasts and other forward-looking statements contained herein are based on information available as of the date of this announcement, and the actual results may differ materially from forecasts due to various factors.