

FY2025

April 1st, 2025 – March 31st, 2026

Financial Results

KAJIMA CORPORATION

May 14th, 2026



FY2025	<ul style="list-style-type: none">• Driven primarily by steady construction progress and improved profit margins in the domestic construction business, revenues and income grew for the fifth consecutive fiscal year. Consolidated revenues of 3.0672 trillion yen, operating income of 240.7 billion yen, and net income of 177.3 billion yen all set new record highs. ROE reached 13.3%, up 3.1 points from fiscal 2024.• For stockholder returns, the annual dividend was raised from the previous forecast of 132 yen to 146 yen.
FY2026	<ul style="list-style-type: none">• In fiscal 2026, while the unstable international situation will require careful monitoring, we expect the steady domestic construction business and the secure sale of real estate development properties in Japan and overseas to drive consolidated net income to 170.0 billion yen, significantly above the Medium-Term Business Plan target of “130.0 billion yen or more.”• Domestic construction demand remains high. We will continue with project order-taking that secures an appropriate construction system and thorough risk management during construction.• We plan to pay an annual dividend of 146 yen, the same as fiscal 2025, with further enhancement of stockholder returns planed through 40.0 billion yen share buybacks. In conjunction, we plan to cancel treasury shares so that the total treasury stock held will be reduced to approximately 5% of the total number of shares outstanding.
Update of the Financial Strategy	<ul style="list-style-type: none">• Looking ahead to medium- to long-term growth, we will intensively implement R&D and digital investments — as well as investment in human capital — with the aims of improving productivity and creating new value.• For real estate development investments in Japan and overseas, the net investment amount has decreased since the plan was formulated, primarily due to joint ventures aimed at improving capital efficiency and changes in investment and recoupment timing in light of market conditions.• With profits exceeding the Medium-Term Business Plan and proceeds from the sale of strategic shareholdings as the main funding sources, in addition to enhancing stockholder returns, we will strengthen the supply chain by taking measures such as paying construction fees early to subcontractors.

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1 Financial Results and Forecast

Consolidated revenues reached 3.0672 trillion yen and net income reached 177.3 billion yen, both setting new record highs.

Billions of yen

FY2025 Results Financial Highlights	Consolidated			Non-Consolidated			Domestic Subsidiaries and Affiliates			Overseas Subsidiaries and Affiliates		
	FY2024 Result	FY2025 Result	YoY Change	FY2024 Result	FY2025 Result	YoY Change	FY2024 Result	FY2025 Result	YoY Change	FY2024 Result	FY2025 Result	YoY Change
Revenues	2,911.8	3,067.2	+155.4	1,560.0	1,710.0	+150.0	356.4	417.2	+60.8	1,114.5	1,091.9	(22.5)
Operating Income	151.8	240.7	+88.8	114.7	177.6	+62.8	16.3	35.8	+19.5	21.6	28.2	+6.6
Ordinary Income	160.6	240.4	+79.7	126.9	190.0	+63.0	21.1	41.4	+20.2	23.5	19.1	(4.3)
Net Income Attributable to Owners of the Parent	125.8	177.3	+51.5	104.7	146.9	+42.1	16.2	29.5	+13.2	15.7	9.9	(5.7)
Construction Contract Awards	2,624.5	3,263.9	+639.3	1,773.5	2,171.5	+397.9	208.6	222.9	+14.2	724.0	967.4	+243.4
Exchange rate per US\$= Rate as of :	¥158.18 December 31, 2024	¥156.56 December 31, 2025								¥158.18 December 31, 2024	¥156.56 December 31, 2025	
ROE	10.2%	13.3%										
				GP Margin	FY2024	FY2025						
				Civil Engineering	15.4%	24.6%						
				Building Construction	9.6%	11.8%						
				Construction total	11.2%	15.2%						

Note: For overseas subsidiaries and affiliates, the fiscal year is from January 1 to December 31.

- Consolidated revenues increased 5.3% YoY, and net income increased 40.9%, achieving revenue and income growth for the fifth consecutive fiscal year. ROE reached 13.3%.
- On a non-consolidated basis, the gross profit margin in both the civil engineering and building construction businesses improved significantly over fiscal 2024. Net income of 146.9 billion yen was a record high.
- Domestic subsidiaries and affiliates reported higher revenues and income, driven by improved performance in the construction business and contributions from property sales in the real estate development business.
- At overseas subsidiaries and affiliates, although construction business revenues and income exceeded that of fiscal 2024, ordinary income and net income declined, primarily due to a decline in the number of properties sold in the real estate development business.
- Construction contract awards significantly exceeded fiscal 2024 levels both in Japan and overseas, surpassing ¥3 trillion and setting a new record high.

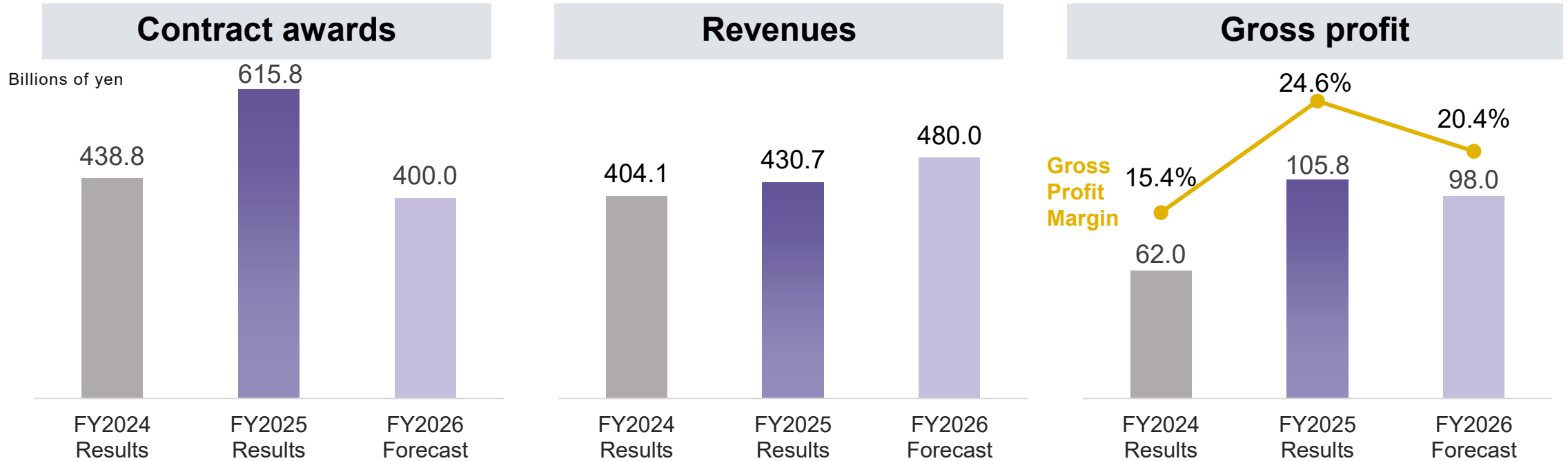
Consolidated net income is forecast to reach a record high of 130.0 billion yen; revenues and income are expected to increase for the fifth consecutive year.

Billions of yen

FY2026 Forecast Financial Highlights	Consolidated			Non-Consolidated			Domestic Subsidiaries and Affiliates			Overseas Subsidiaries and Affiliates		
	FY2025 Result	FY2026 Forecast	YoY Change	FY2025 Result	FY2026 Forecast	YoY Change	FY2025 Result	FY2026 Forecast	YoY Change	FY2025 Result	FY2026 Forecast	YoY Change
Revenues	3,067.2	2,900.0	(167.2)	1,710.0	1,630.0	(80.0)	417.2	380.0	(37.2)	1,091.9	1,050.0	(41.9)
Operating Income	240.7	200.0	(40.7)	177.6	155.0	(22.6)	35.8	23.0	(12.8)	28.2	25.0	(3.2)
Ordinary Income	240.4	206.0	(34.4)	190.0	165.0	(25.0)	41.4	27.0	(14.4)	19.1	26.0	+6.8
Net Income Attributable to Owners of the Parent	177.3	170.0	(7.3)	146.9	142.0	(4.9)	29.5	20.0	(9.5)	9.9	18.0	+8.0
Construction Contract Awards	3,263.9	2,670.0	(593.9)	2,171.5	1,700.0	(471.5)	222.9	210.0	(12.9)	967.4	850.0	(117.4)
Exchange rate per US\$= Rate as of :	¥156.56 December 31, 2025	¥156.56 December 31, 2025								¥156.56 December 31, 2025	¥156.56 December 31, 2025	
				GP Margin	FY2025	FY2026						
				Civil Engineering	24.6%	20.4%						
				Building Construction	11.8%	12.0%						
				Construction total	15.2%	14.6%						

Note: For overseas subsidiaries and affiliates, the fiscal year is from January 1 to December 31.

- Consolidated net income is forecast at 170.0 billion yen, significantly exceeding the Medium-Term Business Plan target of “130.0 billion yen or more.” Given the unstable international situation, we forecast declines in revenues and income; however, we will continue to strive for medium- to long-term profit growth.
- On a non-consolidated basis and at domestic subsidiaries and affiliates, revenues and income are expected to be lower than in fiscal 2025, when multiple performance-boosting factors converged. We will drive improved performance by practicing thorough risk management during construction and pursuing productivity gains with digital technology.
- At overseas subsidiaries and affiliates, net income is expected to increase, supported by a recovery in the real estate development business.
- Consolidated construction contract awards are expected to decrease over fiscal 2025 results. Against the backdrop of solid construction demand, we will continue to practice order-taking in a manner that secures profitability and the construction system.

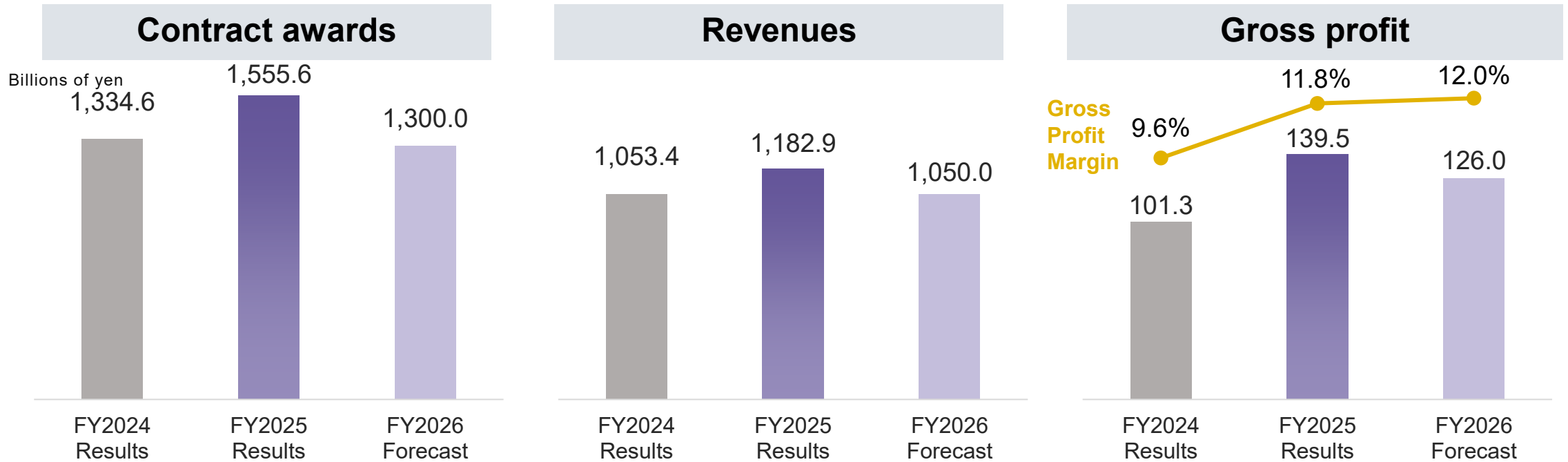


FY2025 Result

- Contract awards reached a record high, exceeding 600.0 billion yen, driven by orders for multiple large-scale public works projects in Q4.
- Revenues exceeded fiscal 2024, with construction on multiple large-scale projects in their peak phase progressing steadily.
- Profit margins continued to exceed forecasts in Q4. The gross profit margin reached 24.6%, with gross profit topping 100.0 billion yen.

FY2026 Forecast

- Taking into account the substantial backlogs and the construction system, contract awards are forecast at 400.0 billion yen, a level that will allow us to maintain or improve revenues over the medium term.
- Revenues are forecast at 480.0 billion yen, exceeding fiscal 2025 due to the continuation of projects in their peak phase and contributions from short-duration large-scale projects.
- Profitability on projects in progress continues to remain high, and the fiscal 2026 gross profit margin is expected to exceed 20% from the start of the fiscal year.



FY2025 Result

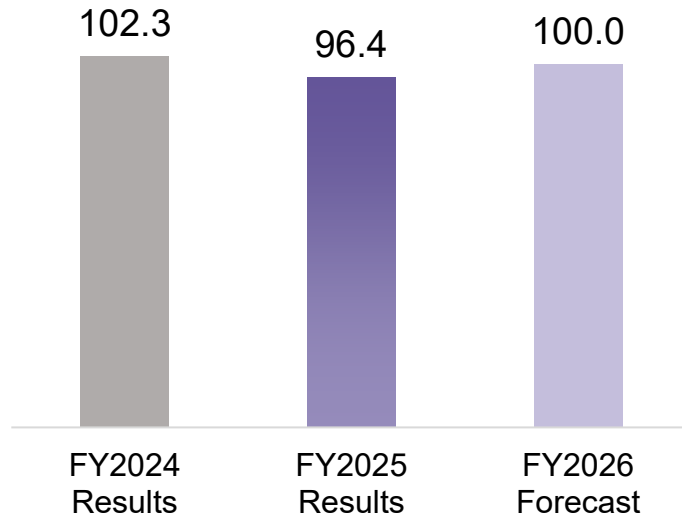
- Contract awards exceeded 1.5 trillion yen, driven by orders for large-scale projects, including priority areas such as production facilities and redevelopment projects, as well as accommodation facilities.
- Profitability on new contracts continued to improve gradually.
- Many projects were completed in fiscal 2025, contributing significantly to revenues and income. Both revenues and gross profit exceeded fiscal 2024 results, and the gross profit margin recovered to a level above 10% for the first time in four fiscal years.

FY2026 Forecast

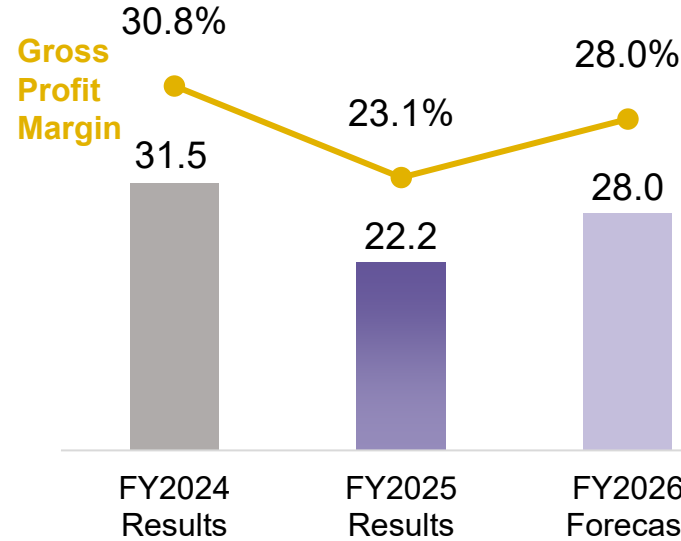
- Contract awards are forecast to remain at a high level of 1.3 trillion yen, reflecting solid construction demand and progress on target projects.
- In fiscal 2026, we forecast a decline in revenues compared to fiscal 2025, as there will be a higher proportion of projects in the early stages of construction, where progress is limited.
- Due to the decline in revenues, we expect gross profit to decrease; however, reflecting improved profitability on new contracts, we forecast a gross profit margin of 12.0%.

Revenues

Billions of yen

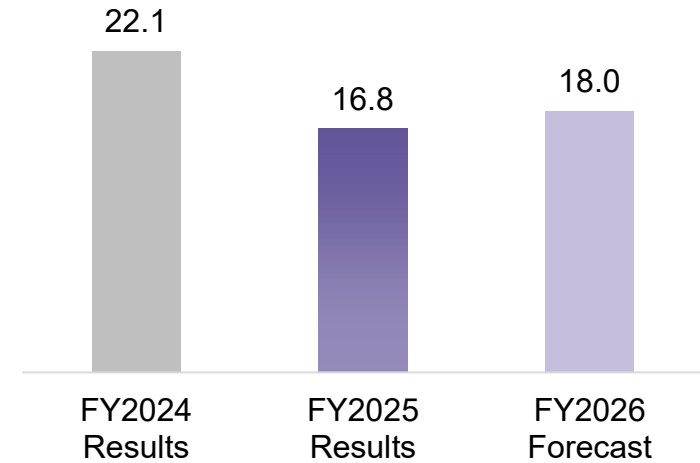


Gross Profit



Domestic real development business net income

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



FY2025 Result

- Revenues remained roughly on par with fiscal 2024, supported by the sale of multiple office buildings and other properties.
- Income decreased compared with fiscal 2024, when there were sales and deliveries of large-scale condominium properties.

FY2026 Forecast

- We forecast revenues of 100.0 billion yen. Multiple property sales are expected again in fiscal 2026, with sales contracts already concluded for some.
- In addition to profit contributions from the sales business, with rent increases expected in the leasing business, we forecast domestic real estate development business net income, which includes profits from real estate development-related subsidiaries and affiliates, of 18.0 billion yen, exceeding fiscal 2025.

Overview of New Projects Started in Fiscal 2025

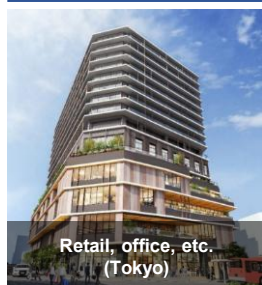
Name	Osaka Sakurajima Resort	New Chichibunomiya Rugby Stadium (tentative name) Development and Operation Project
Location	Osaka City, Osaka Prefecture	Shinjuku-ku, Tokyo
Use	Hotel	Indoor rugby stadium
Total floor area	100,494 m ²	72,957 m ²
Opening	2029	2030
Features	<ul style="list-style-type: none"> ■ The only foreign-affiliated hotel serving as an official hotel of Universal Studios Japan. ■ Development is being advanced as an integrated project with the adjacent waterfront area, aiming to enhance the vibrancy of the Osaka Bay area. 	<ul style="list-style-type: none"> ■ Japan's first all-weather indoor rugby stadium. The venue can also be used for live music events and exhibitions. ■ Drawing on extensive expertise in Private Finance Initiative (PFI) projects, Kajima is participating as a member of the special-purpose company (SPC) consortium and is scheduled to operate and maintain the facility for 30 years after completion.



New Chichibunomiya Rugby Stadium (tentative name) Development and Operation Project

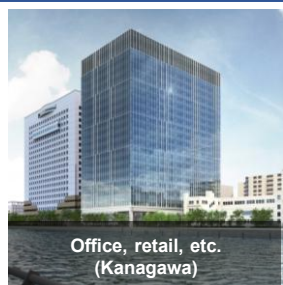
Other Projects in Progress

Scheduled for completion in FY2026



Retail, office, etc. (Tokyo)

Construction start: November 2023
Completion: July 2026



Office, retail, etc. (Kanagawa)

Construction start: May 2024
Completion: January 2027



Logistics warehouse (Miyagi)

Construction start: January 2026
Completion: March 2027

in FY2027



Office (Tokyo)

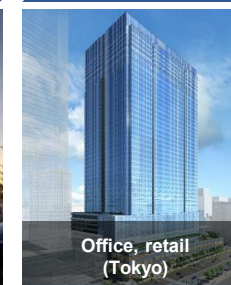
Construction start: July 2024
Completion: September 2027



Hotel* (Kyoto)

Construction start: May 2025
Completion: January 2028

in FY2028 and beyond



Office, retail (Tokyo)

Construction start: August 2024
Completion: January 2029

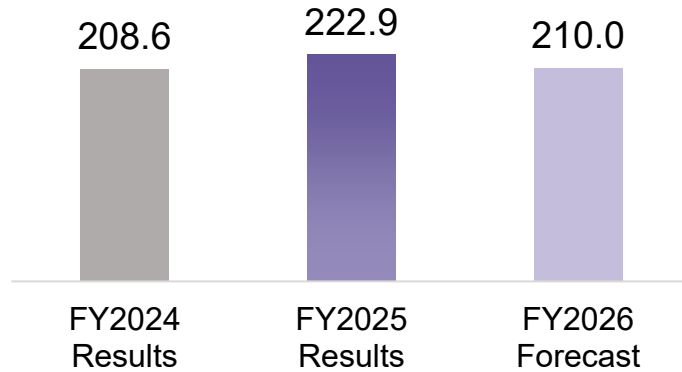


Office, commercial facilities (Kanagawa)

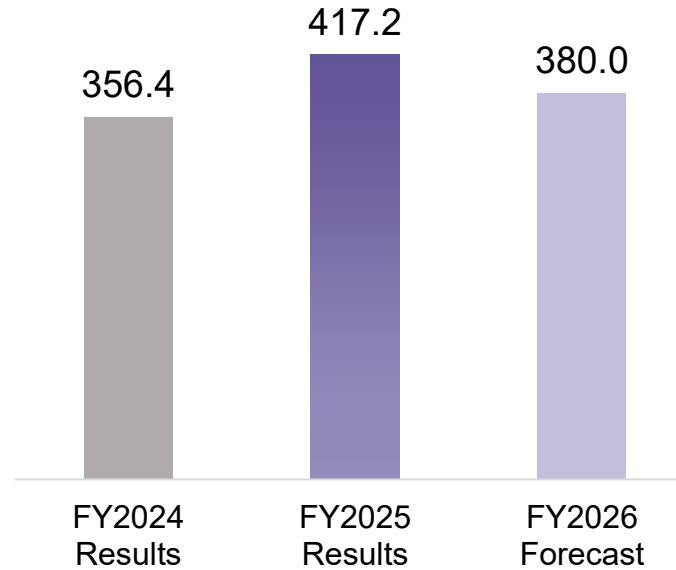
Construction start: FY2026
Completion: FY2030

Construction contract awards

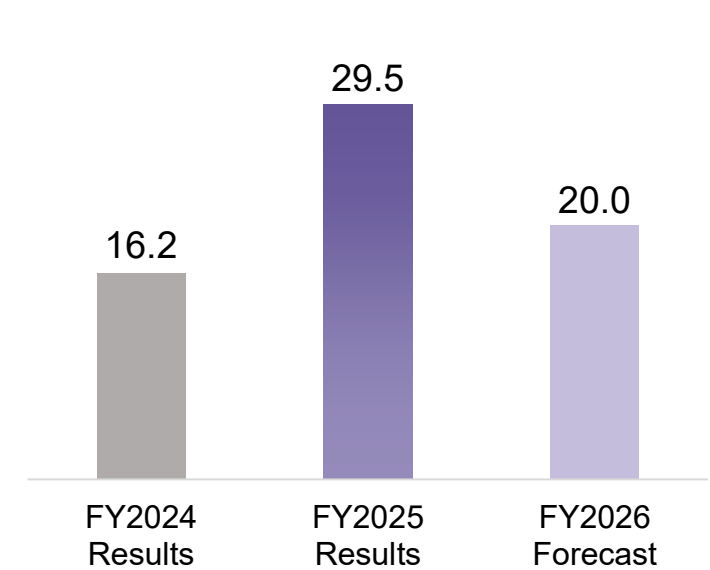
Billions of yen



Revenues



Net income



FY2025 Result

- Construction contract awards exceeded fiscal 2024, driven by orders for multiple large-scale projects.
- Revenues and net income significantly exceeded fiscal 2024 results, driven by property sales by real estate development-related subsidiaries and affiliates, as well as strong performance at construction-related companies.

FY2026 Forecast

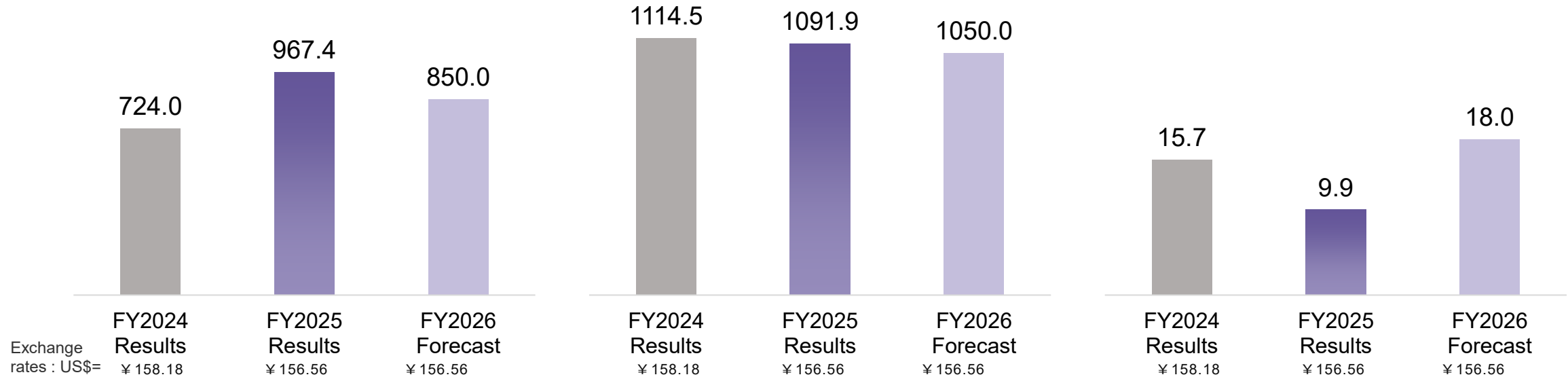
- Both revenues and net income are expected to decline from the high level of fiscal 2025.
- We expect construction-related subsidiaries and affiliates to secure solid performance through the steady execution of large-scale projects.
- Real estate development-related subsidiaries and affiliates have no property sales planned for fiscal 2026, but are advancing investments to strengthen future earnings power.

Construction contract awards

Revenues

Net income

Billions of yen



FY2025 Result

- Construction contract awards increased across all regions, including Southeast Asia and the U.S., significantly exceeding fiscal 2024.
- Revenues decreased, primarily due to a decline in the number of property sales in the U.S. real estate development business.
- Net income declined, primarily because the sale of certain developed properties was rescheduled to fiscal 2026 or later, based on assessments of interest rate trends and real estate market conditions.

FY2026 Forecast

- While construction contract awards are expected to fall short of the high level of fiscal 2025, 850.0 billion yen is forecast, with thorough pre-contract risk management.
- Revenues are expected to exceed 1 trillion yen for the third consecutive fiscal year, supported by the steady progress of projects on hand and sales of developed properties.
- Net income is forecast at 18.0 billion yen, exceeding fiscal 2025, supported by a recovery in real estate development business performance through property sales.

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

Billions of yen

	Construction and Other					Real Estate				
	FY2024	FY2025		FY2026		FY2024	FY2025		FY2026	
	Result	Result	YoY change	Forecast	YoY change	Result	Result	YoY change	Forecast	YoY change
Revenues	949.1	948.1	(0.9)	850.0	(98.1)	172.1	143.1	(29.0)	200.0	56.8
Gross Profit	40.1	64.9	24.8	49.5	(15.4)	44.4	28.6	(15.7)	41.8	13.2
	4.2%	6.9%	+2.7pp	5.8%	-1.1pp	25.8%	20.0%	-5.8pp	20.9%	+0.9pp
Operating Income	2.3	23.0	20.7	9.8	(13.2)	22.1	8.9	(13.2)	17.8	8.8
Nonoperating Income	4.6	4.3	(0.3)	1.6	(2.6)	0.8	(9.6)	(10.5)	2.7	12.4
<i>Equity in Earnings of Partnership</i>	0.0	0.0	(-)	0.0	(-)	6.4	0.0	(6.3)	1.6	1.5
Ordinary Income	7.0	27.4	20.3	11.5	(15.8)	23.0	(0.7)	(23.8)	20.5	21.3
Extraordinary Income	0.2	(0.0)	(0.2)	0.0	0.0	3.1	1.5	(1.6)	4.9	3.4
Net Income Attributable to Noncontrolling Interests	6.2	19.8	13.5	8.2	(11.5)	14.7	(4.5)	(19.3)	15.1	19.7
Exchange rate per US\$=	¥158.18	¥156.56		¥156.56		¥158.18	¥156.56		¥156.56	
Rate as of :	December 31, 2024	December 31, 2025		December 31, 2025		December 31, 2024	December 31, 2025		December 31, 2025	

- Fiscal 2025 results in the construction and other businesses showed income significantly exceeding fiscal 2024, primarily due to improved profitability in Europe and Southeast Asia. Although fiscal 2026 is expected to see lower revenues and income, the gross profit margin should remain above 5%, generating stable earnings.
- Fiscal 2025 results in the real estate development business showed lower revenues and income due to fewer sales of U.S. distribution warehouses and properties held in joint ventures with partners. In fiscal 2026, we will move forward with leasing and sales activities across each region — including properties whose sales were postponed — to drive a recovery in performance. Amid the unstable international situation, we will flexibly address changes in interest rates and real estate market conditions, thereby ensuring a steady cycle of investment and recoupment.

Region/ Characteristics of business	Core business (operating company, property name, etc.)	Type of business*	Items recorded as profit*	Current status
United States Mainly short-term turnover sales business	Distribution warehouse (Core5)	Sales business On-balance sheet	Gross profit Operating income	<ul style="list-style-type: none"> FY2025 results: 9 properties sold and 14 new projects started. 48 properties in operation or development. FY2026 plan: 10–15 property sales. As the supply-demand balance will improve, with fewer new warehouse constructions since 2023, vacancy rates are expected to decline starting in 2026, with progress in leasing.
	Multifamily development (Flournoy, BCDC)	Sales business Off-balance sheet	Non-operating income (Gain on investments in the real estate development business)	<ul style="list-style-type: none"> FY2025 results: 2 properties sold and 6 new projects started. 53 properties in operation or development. Sales progress will be pursued by improving NOI through rent increases and reductions in free-rent ratios, including for properties whose sale has been rescheduled to FY2026 or beyond. Occupancy rates at operating properties remain at around 90%.
Europe Mainly short-term turnover sales business	Distribution warehouse (KPE)	Sales business Off-balance sheet	Non-operating income (Equity in earnings of affiliates)	<ul style="list-style-type: none"> FY2025 results: 1 property sold. 13 properties in operation or development. Multiple property sales are planned in FY2026. Despite inflation concerns amid heightened international tensions, real estate market conditions are recovering, supported by stable interest rates. Leasing activities for operating properties will remain a focus.
	Renewable energy generation facility (PAD-RES, Poland)	Sales business Off-balance sheet	Non-operating income (Equity in earnings of affiliates)	<ul style="list-style-type: none"> FY2025 results: 2 properties sold. 2 properties in operation, and 18 in development or planning (mostly solar power facilities). The combined power generation capacity of the 20 facilities is approx. 1,500 MW. Multiple property sales are planned in FY2026. We will increase the number of property sales, including partial-stake sales of completed properties and sales of permitted properties prior to construction start.
Asia Mainly long-term holdings in the leasing business Strengthening sales business	Complex facility management and operation (Senayan Square, Indonesia)	Leasing business On-balance sheet	Gross profit Operating income	<ul style="list-style-type: none"> Hotel and commercial facility occupancy rates remain at solid levels, contributing to performance. In Asia, office occupancy rates for FY 2025 generally rose compared to FY 2024. Leasing activities will continue to strengthen earnings power.
	Hotels, warehouses, etc. (Indochina Kajima Development, Vietnam)	Sales business On-balance sheet	Gross profit Operating income	<ul style="list-style-type: none"> FY2025 results: 2 partial-stake sales. 20 properties in operation, development, or planning in Vietnam. The 3 Core5-branded rental factories continue to maintain high occupancy rates. Multiple property sales, including partial-stake sales, are planned for FY2026.

* Depending on the project, the business structure differs, and profits may be recorded under different accounts.



2 Updating Financial Strategy

Strengthening stockholder returns and invest in the supply chain, using profits exceeding the plan and proceeds from the sale of strategic shareholdings as the main funding sources

Cash Allocation (figures show change vs. the time the Medium-Term Business Plan was formulated)

Cash In

Sale of strategic shareholdings: Up ¥40.0 billion

Sales amount increased to meet target of “less than 20% of consolidated net assets.”

Interest-bearing debt (no change)

D/E ratio guideline of 0.7x maintained

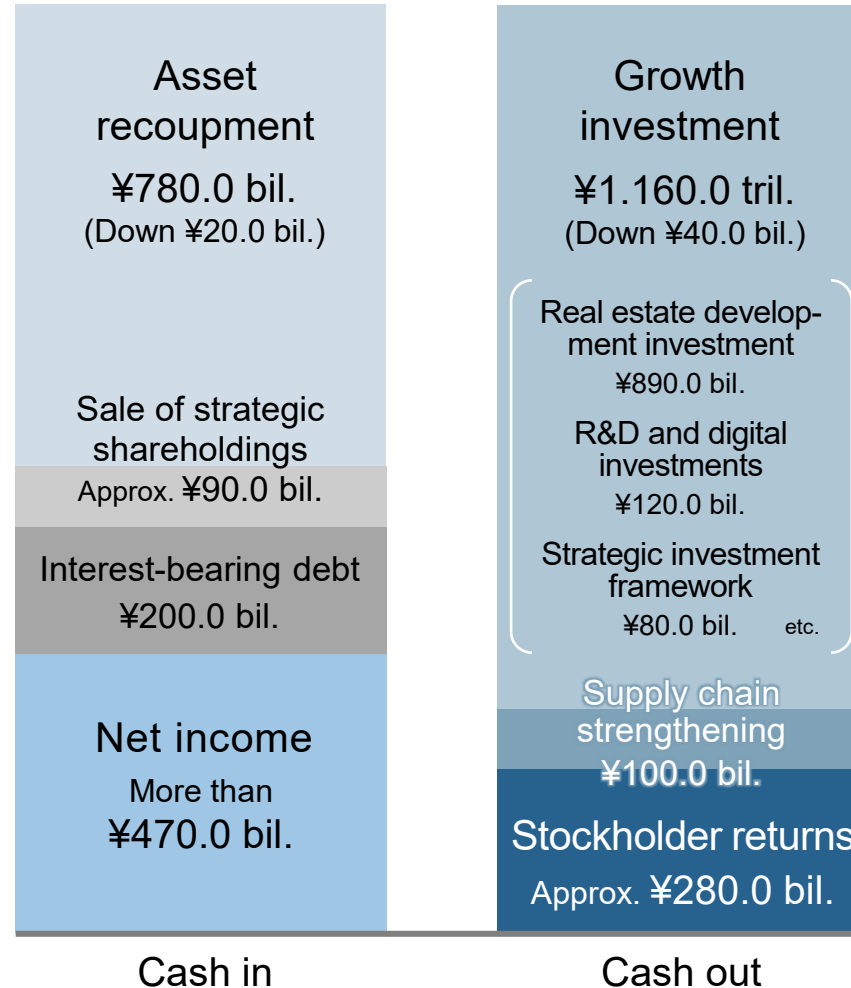
Note: Temporary increases in working capital and interest-bearing debt accompanying the larger scale and longer duration of construction projects are excluded from cash allocation.

Net income: Up ¥120.0 billion

Driven by the domestic construction and real estate development, profit growth is accelerating.

We will maintain ROE above 10%.

Note: Figures take into account human capital investment, such as wage increases. Wage increases have been implemented for five consecutive years.



Cash Out

Net investment: Down ¥20.0 billion

Investment focused on projects that contribute to corporate value, with recoupment targeted through well-timed sales of developed properties.

Note: Net investment = growth investment – asset recoupment

Supply chain strengthening: Up ¥100.0 billion

Measures implemented to strengthen the supply chain over the medium- to long-term (Details on p.29)

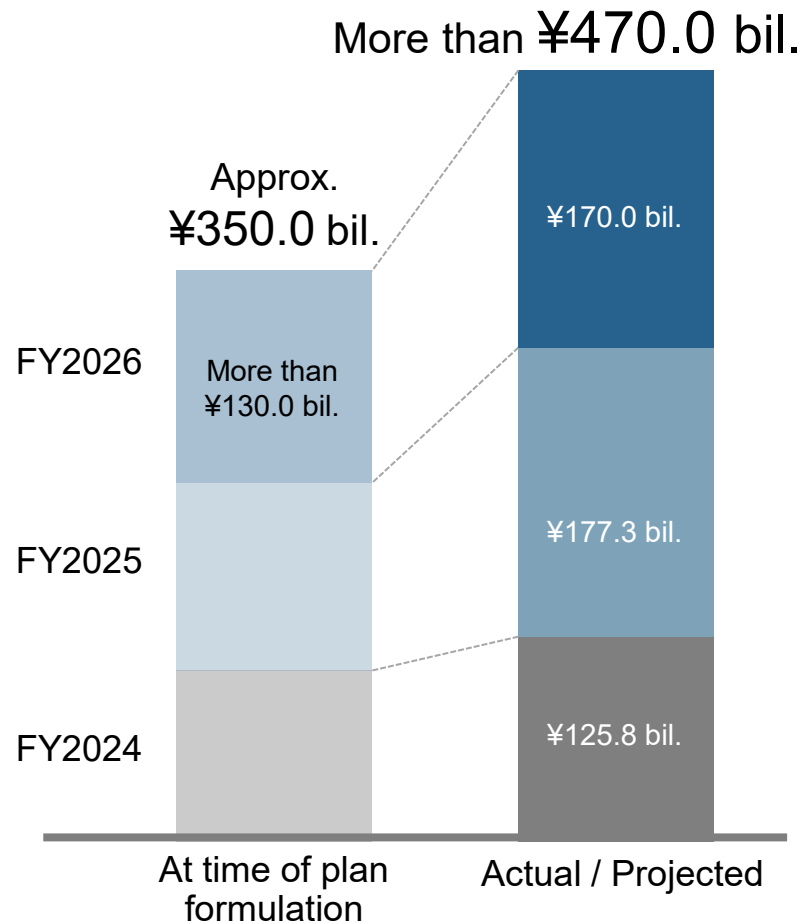
Stockholder returns: Up ¥80.0 billion

Dividends: approx. ¥190.0 bil. (Up ¥50.0 bil.)
Share buybacks: approx. ¥90.0 bil. (Up ¥30.0 bil.)

With dividends targeting a payout ratio of 40% and flexible share buybacks, we will enhance stockholder returns in line with profit growth.

Cumulative consolidated net income over the three years of the Medium-Term Business Plan was up by more than 120.0 billion yen over the plan.

Three-year cumulative net income under the Medium-Term Business Plan



Net income by business (three-year cumulative)

Brekdown	At plan formulation	Current projection	Overview
Domestic construction business	Approx. ¥220.0 billion	Approx. ¥375.0 billion	<ul style="list-style-type: none"> Profit margins improved in the civil engineering and building construction businesses, contributed by better profitability on new contracts and contributions from large-scale projects. Order activity that secures profitability and a sound construction system, combined with thorough risk management during construction, contributed to profit growth.
Domestic real estate development business	More than ¥45.0 billion	¥56.9 billion	<ul style="list-style-type: none"> Earning power steadily improved, reflecting the results of past investments. Toward further growth, selective investment in scarce, prime-location projects continues.
Overseas business	More than ¥90.0 billion	¥43.6 billion	<ul style="list-style-type: none"> In the construction business, earning power recovered from the COVID-19 slowdown, and risk management has been enhanced. In the real estate development business, in light of interest rate trends and real estate market conditions, the timing of property sales has been postponed. A flexible response to changes in the business environment, such as prices and interest rates, is being pursued to quickly achieve a net income of 30.0 billion yen or more in a single year.

Note: The breakdown shows net income by business before consolidation adjustments and therefore does not match the total consolidated net income.

To meet the target of “less than 20% of consolidated net assets,” the sales amount of strategic shareholdings has been increased.

	Target	Current Status
Sales amount	about 50 billion yen over the three years (FY2024-FY2026)	about 90 billion yen over the three years (FY2024-FY2026)
balance	We aim to achieve “Less than 20% of consolidated net assets by the end of fiscal 2026” , and will keep reducing holdings even after reaching the target.	

Strategic shareholdings balance

	FY 2023 end	FY 2024 end	FY 2025 end
Balance sheet value	316.1	253.5	304.1
ratio to consolidated net assets	25.8%	19.8%	21.2%
Number of stocks (listed stocks)	291 (113)	278 (100)	272 (97)

Strategic shareholdings sales amount

	FY2022	FY2023	FY2024	FY2025	FY2026 (target)
Amount of sales	10.0	28.4	20.3	21.0	Approx. 50.0
Number of stocks sold (including partial sales)	17	27	34	23	-

Factors of changes from the FY2024 year-end balance

Increased amount: 50.5 billion yen

Breakdown:

Decrease from stock sales: 21.0 billion yen

Increase from rising stock prices, etc.: Approx. 71.6 billion yen

We are selectively pursuing investments that will contribute to the medium- to long-term growth of the Group.

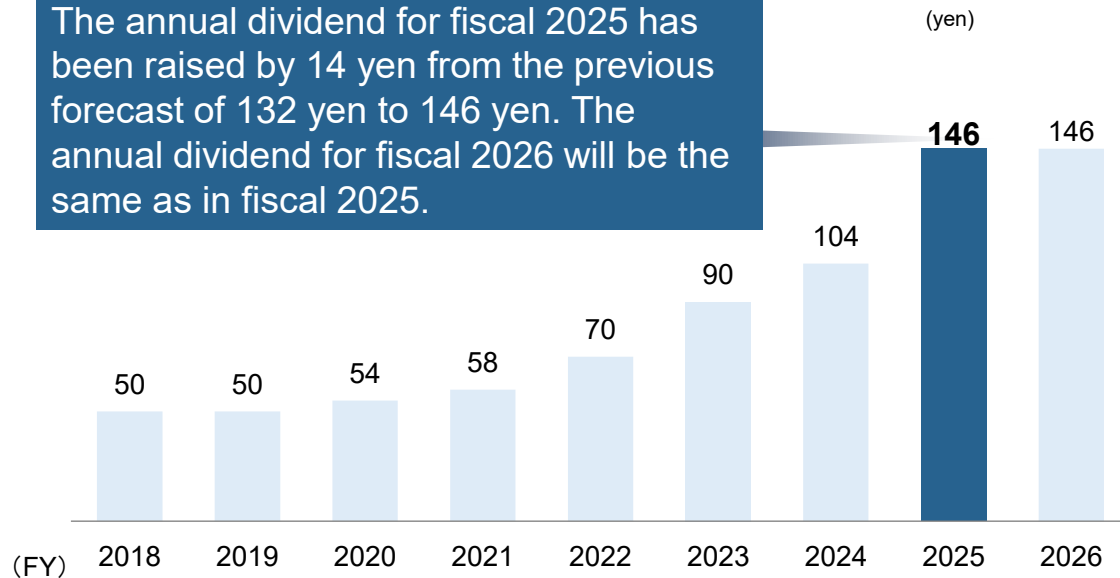
Item	At plan formulation	Updated	Change	FY2024 actual + FY2025 actual	Status	(Billions of yen)
R&D investment	60.0	60.0	-	43.0	■ We are intensively pursuing R&D and digital investments in order to improve productivity and create new value.	
Digital investment	50.0	60.0	+10.0	37.0		
Strategic investment framework	80.0	80.0	-	11.0	■ We are also considering M&A that contributes to the growth of the Kajima Group.	
Other capex	60.0	70.0	+10.0	33.0	■ As part of investment in human capital, high-quality offices and welfare facilities are being developed through renovations that enhance functionality while addressing environmental considerations.	
Domestic Real Estate Development	320.0	280.0	(40.0)	187.0	■ Investment amounts have decreased due to joint ventures aimed at improving capital efficiency. ■ Meanwhile, recoupment amounts are also expected to decrease due to portfolio rebalancing of assets sold, so net investment is projected to be in line with the original plan. ■ The earning power of the domestic real estate development business is steadily improving as a result of past investments.	
Recoup of investment	170.0	130.0	(40.0)	102.0		
Net investment	150.0	150.0	-	85.0		
Overseas Real Estate Development	630.0	610.0	(20.0)	323.0	■ Primarily reflecting changes in investment and recoupment timing based on assessments of interest rates and the real estate sales market, we expect net investment to be lower than planned by 40.0 billion yen. ■ To strengthen the earning power of the overseas real estate development business, investment and recoupment are being pursued with an emphasis on financial soundness and investment efficiency.	
Recoup of investment	520.0	540.0	+20.0	266.0		
Net investment	110.0	70.0	(40.0)	57.0		
Total	1,200.0	1,160.0	(40.0)	634.0		
Net investment	510.0	490.0	(20.0)	266.0		

Stockholder Return Policy

The basic policy is to implement dividends with a target payout ratio of 40%, as well as to flexibly contribute to stockholder returns through purchases of treasury stock and other means, with consideration of business performance, financial condition, and business environment.

Dividends per share

The annual dividend for fiscal 2025 has been raised by 14 yen from the previous forecast of 132 yen to 146 yen. The annual dividend for fiscal 2026 will be the same as in fiscal 2025.



Share buybacks

(FY)	2023	2024	2025	2026(Est.)
Strategic shareholdings sales (billions of yen)	28.4	20.3	21.0	Approx. 50.0
Acquisition of own shares (billions of yen)	10.0	30.0	20.0	40.0

In fiscal 2026, in light of profit growth, we plan share buybacks totaling 40.0 billion yen, adding approximately 20.0 billion yen to the proceeds from the sale of strategic shareholdings. In conjunction, we plan to cancel treasury shares so that the total treasury stock held will be reduced to approximately 5% of the total number of shares outstanding.

(FY)	2018	2019	2020	2021	2022	2023	2024	2025	2026
Dividend payout ratio	23.6%	24.9%	28.0%	27.9%	30.7%	37.7%	39.0%	38.4%	40.0%
Acquisition of own shares (billions of yen)	-	10.0	10.0	20.0	10.0	10.0	30.0	20.0	40.0
Consolidated net income (billions of yen)	109.8	103.2	98.5	103.9	111.8	115.0	125.8	177.3	170.0
ROE	15.5%	13.4%	11.8%	11.4%	11.2%	10.2%	10.2%	13.3%	A level above 10%



3 Action to Implement Management Conscious of Cost of Capital and Stock Price

1

Current Analysis and Evaluation

- Since the formulation of the Kajima Group Medium-Term Business Plan (fiscal 2024–2026), we have updated the financial strategy as appropriate, taking into account the business environment and earnings trends.
- The Board of Directors confirms and evaluates the cost of capital and the capital profitability of each business, and verifies financial strategies — including growth investment and stockholder returns — and cash allocation, after reviewing various stock market indicators and the results of IR activities.

Performance Trends

- In fiscal 2025, primarily driven by steady construction progress and improved profit margins in the domestic construction business, revenues and income grew for the fifth consecutive fiscal year. Revenues exceeded 3 trillion yen, and consolidated net income reached 177.3 billion yen. Both set new record highs.
- For fiscal 2026, while the unstable international situation will require careful monitoring, we expect the steady domestic construction business and the secure sale of real estate development properties in Japan and overseas to drive consolidated net income to 170.0 billion yen, significantly above the Medium-Term Business Plan target of “130.0 billion yen or more.” We anticipate that three-year consolidated net income under the Medium-Term Business Plan will exceed the plan by approximately 120.0 billion yen.
- We expect the favorable business environment to continue in 2027 and beyond, and we will pursue further profit growth under the next Medium-Term Business Plan.

Capital Profitability

- The cost of shareholders’ equity is recognized at approximately 8%, based on a review of interest rate trends and other factors.
- ROE rose to 13.3% in fiscal 2025. We expect ROE to continue to exceed 10% in 2026 and beyond, securing capital profitability that comfortably surpasses the cost of shareholders’ equity.
- For investments in the real estate development business in Japan and overseas, hurdle rates are set by region and by type of business, and projects are selectively chosen so as to secure capital profitability above the cost of capital.

Stock Market Evaluation

- As of the end of March 2025, the Company’s stock price had risen significantly compared with one year earlier, with PBR exceeding 2.
- We believe this reflects the market’s positive assessment of the Group’s profit growth and stockholder returns linked to performance.

Note: The cost of shareholders’ equity is verified using capital asset pricing model (CAPM), stock yield, etc.

2 Future Initiatives

- In May 2026, the financial strategy was updated to further enhance corporate value and market valuation.
- While steadily advancing measures and investments for growth — and funding from profits exceeding the plan and proceeds from the sale of strategic shareholdings — the Group will enhance stockholder returns and strengthen the supply chain by paying construction fees early to subcontractors, etc.
- The Group will enhance dialogue with investors and capital markets, while ensuring timely disclosure of management policies and earnings outlooks, to remain a corporate group that is trusted and highly valued by capital markets.

Key Points of Financial Strategy Update (Updated May 2026)

Growth Investment	<ul style="list-style-type: none"> • Looking ahead to medium- to long-term growth, we will intensively pursue R&D and digital investments — as well as investment in human capital — in order to improve productivity and create new value. • The net investment amount is down 20.0 billion yen versus the plan, primarily due to joint ventures in the real estate development business in Japan and overseas aimed at improving capital efficiency, and changes in investment and recoupment timing based on assessments of market conditions. • While remaining mindful of changes in the cost of shareholders' equity, we will maintain ROE above 10%.
Capital Structure	<ul style="list-style-type: none"> • We will continue to reduce strategic shareholdings. In light of stock price trends, to meet the target of “less than 20% of consolidated net assets by the end of fiscal 2026,” the three-year sales amount target is approximately 90.0 billion yen, an increase of 40.0 billion yen over the plan. • The D/E ratio guideline of around 0.7 will be maintained.
Shareholder Returns	<ul style="list-style-type: none"> • With a dividend payout ratio target of 40%, we will raise dividends in line with improved performance. • We will execute share buybacks flexibly based on actual proceeds from the sale of strategic shareholdings. In fiscal 2026, we plan to acquire ¥40.0 billion of shares, exceeding the amount of sales of strategic shareholdings, reflecting accelerated profit growth. In addition, we plan to cancel treasury shares so that treasury stock will be reduced to approximately 5% of the total number of shares outstanding. • The target total three-year stockholder returns have been enhanced by 80.0 billion yen versus the plan.
Supply Chain Strengthening	<ul style="list-style-type: none"> • We will allocate approximately 100.0 billion yen to strengthen the supply chain that supports sustainable growth. • Measures to accelerate payments are being implemented, including increasing the cash payment ratio for construction costs to support improvements in the financial base of subcontractors, while also promoting the introduction of a points-based service for construction workers and the enhancement of allowances and incentive bonuses.



4 Progress on Medium-Term Business Plan's Growth Strategies

Pursuing thorough risk management and leveraging digital technologies to improve profitability and productivity

Thorough risk management at every stage

● Pre-contract

Important Project Review Meeting

Confirms technical, construction, and contractual risks and clarifies the response policy.

○ During construction

Follow-up Meeting

Persons in charge at the project site and the management departments at the head and branch offices confirm the risk management implementation related to safety, environment, quality, schedule, and cost on each project. The system functions effectively as a mechanism for identifying risks early and preventing them.

○ After completion

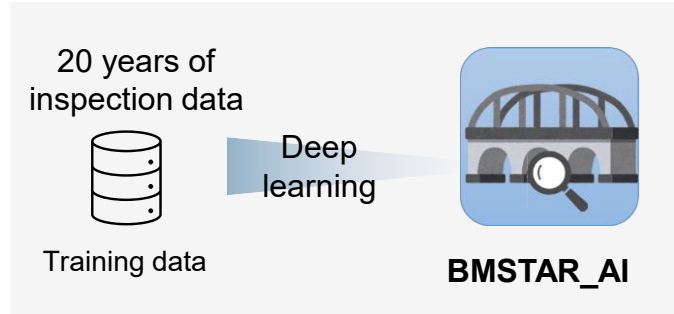
Feedback Meeting

Knowledge and know-how are accumulated and refined, and after-sales service is enhanced; the insights are also applied to future risk management.

Expanded use of IT and AI

Introduction of AI for bridge inspection

A system has been developed that uses AI to determine bridge integrity.



Converting expertise into AI improves inspection accuracy.

Items that AI can diagnose (examples)

- Cracks in concrete
- Spalling and exposure of reinforcing bars
- Damage from water leaks and free lime

External sales of the app have also begun.

Expanded application of fully automated construction layout robots

Features of the fully automated construction layout* robot RoboPRIN

- Fully automated and highly accurate layout work based on data
- No special equipment or preparation required; simple operation via smartphone or other device
- Approximately doubles the productivity of layout work

* "Construction layout" refers to writing dimensions and other information on the floor of a construction site — a process essential to building work.



In use at a total of 60 sites, including those of other companies.

Capable of handling curved layouts, which requires skilled techniques.

Enhancing the construction value chain, and expanding business areas via Kajima's global network

Domestic real estate development
Conversion of large-scale development projects into joint ventures

Construction



Real estate development



Partners

- High-quality projects are being developed in collaboration between the construction and real estate development businesses.
- Joint ventures with external partners are being pursued to reduce risk and improve capital efficiency.

Overseas real estate development
Global expansion of the distribution warehouse development business

Group company



Group company

- The business model established in the U.S. is being expanded to Europe and Asia.
- The first project in Australia was completed in fiscal 2025.
- Cumulative warehouse development floor area across regions: 7.45 million m².

Exploiting opportunities in new areas
Hybrid dam business employing public-private partnership

Government



Partners*



Kajima

- Participating in the new hydroelectric power plant installation and operation business at existing dams promoted by the Ministry of Land, Infrastructure, Transport and Tourism.
- The project also aims to promote carbon neutrality and regional revitalization.

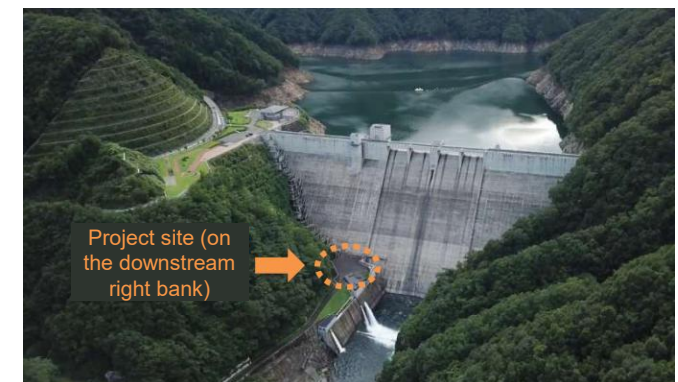
* TEPCO Renewable Power, Inc., NTT Anode Energy Corporation, CTI Engineering Co., Ltd., INPEX CORPORATION, Tobishima Corporation



Osaka Sakurajima Resort (Osaka Prefecture)
Source: Sakurajima Development G.K.



Broadfield Road distribution warehouse (Victoria, Australia)



Yunishigawa Dam New Hydroelectric Power Plant Installation and Operation Project (Tochigi Prefecture)

Addressing social challenges and customer needs to deliver added value leveraging technical capabilities

Civil Engineering

Progress in R&D on optical fiber sensing technology

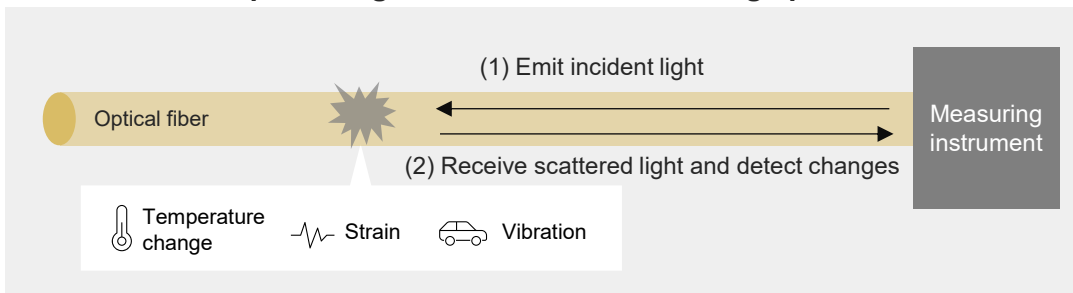
Integration with autonomous driving technology

- A demonstration test of “road–vehicle cooperative autonomous driving” has been launched on an expressway in Osaka Prefecture in collaboration with Subaru Corporation.
- Optical fiber sensor cables embedded in the road pavement detect vehicle vibrations and obtain location information.
- The aim is to make road infrastructure safer and reduce traffic accidents.

Development of underground cavity inspection technology

- Road surface collapses caused by damaged buried pipes exceed 10,000 cases per year, making this a serious issue.
- There is a growing need for technology that detects underground cavities — the cause of collapses.
- Development of a technology to detect such cavities at an early stage has been launched, utilizing existing underground optical fiber communications cables.*

Conceptual diagram of measurement using optical fiber



* Joint research with NTT EAST, Inc., the Institute of Industrial Science at the University of Tokyo, the Bureau of Sewerage of the Tokyo Metropolitan Government, and Tokyo Metropolitan Sewerage Service Corporation

Building Construction

Raising building value with the latest seismic-damping technologies

In response to the demand for renovation rather than rebuilding, newly developed seismic-damping technologies enable value-added construction work while the building remains in use.

Optimal seismic-damping technology is applied to meet each customer's needs.

Name	D ³ SKY-L	E ³ SKY
Application	Mainly high-rise buildings	Mainly mid- and low-rise buildings
Mechanism	A massive weight installed on the rooftop controls vibration.	A newly added top floor functions as the seismic-damping system (weight).
Benefits	<ul style="list-style-type: none"> ■ Building can be used during construction ■ Seismic performance comparable to the latest high-rise buildings ■ Effective use of rooftop space 	<ul style="list-style-type: none"> ■ Building can be used during construction ■ The weight is significantly increased, greatly reducing deformation during earthquakes ■ Building functions are improved through extension work
Project examples	Tokyo Stock Exchange Building Main Building (Tokyo)	Kajima Technical Research Institute (Tokyo)

Employing low-impact technologies and collaborating with external partners to help build a sustainable society

Two types of environmentally friendly concrete applied at scale on a MLIT* project

* Ministry of Land, Infrastructure, Transport and Tourism

CO₂ emissions reduced by approximately 45 tonnes at the Yamatosaka Dam Temporary Drainage Tunnel Project (Ehime Prefecture)

Kajima's environmentally friendly concrete

Category	CO ₂ -absorbing/fixing concrete	Low-carbon concrete
Features	<ul style="list-style-type: none"> Part of the cement is replaced with a special admixture containing γ-C₂S, reducing CO₂ emissions during manufacturing. During hardening, γ-C₂S absorbs and fixes CO₂, performing as the world's first carbon-negative concrete. 	<ul style="list-style-type: none"> ECM cement is used, which blends 60–70% ground blast-furnace slag in place of ordinary cement. CO₂ emissions during manufacturing are reduced by approximately 65%.
Name	CO₂-SUICOM	ECM (Energy and CO₂ Minimized) Concrete



Installation of CO₂-SUICOM formwork



Pouring of ECM concrete



Completion of pouring

MLIT plans to gradually expand concrete decarbonization in directly managed projects.

Invested in a U.S. forestry fund and aim to collaborate with our forest management operations

Kajima Group's forest resources and technology

- Over 100 years of company-owned forest history
 - Since the divestiture of the Shakubetsu mountain forest (Hokkaido), Kajima has owned approximately 5,500 ha of forests at 49 locations across Japan.
- Refined proprietary technology
 - The forest management support service Forest Asset, which uses drones and digital technology, has been developed and is now being deployed widely.

Insights held by the fund

- Sustainable forest management
 - Forest management is practiced to maximize multifaceted functions, including carbon sequestration, biodiversity, and water resource recharge.
- Carbon credit business
 - Forest management based on high-quality technology is used to create reliable carbon credits.

Forest utilization services will be expanded by integrating the knowledge and information held by the fund with our resources and technologies.

Overview of U.S. forestry fund

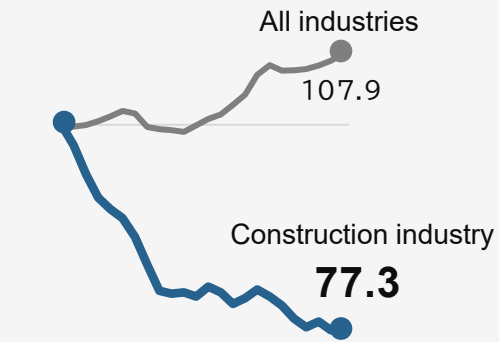
Investment target	a forestry fund managed by EFM Sojitz Management, LLC
Business	<ul style="list-style-type: none"> Acquisition of forests in the Pacific Northwest region of the United States Implementation of sustainable forest management with a focus on balancing environmental, social, and economic considerations

Working to secure an appropriate construction system and addressing fundamental issues facing the industry

Examples of initiatives to strengthen the supply chain

While the total number of workers in Japan is increasing, **the number of construction workers continues to decline.**

Number of workers in Japan by industry (2002 = 100)



vs. 2002:

a decline of approx. 23%

2002 2025

Source: Ministry of Internal Affairs and Communications, Labour Force Survey

Improvement of payment terms



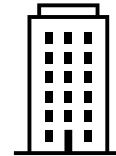
- For payment of construction fees to subcontractors, the cash ratio is being raised, and payments are being made earlier.
- This supports strengthening subcontractors' financial bases by improving cash flow and reducing financing costs, thereby promoting investment in human capital.

Improved treatment of skilled construction workers



- An initiative has been launched in which skilled construction workers are awarded points — exchangeable for electronic money or the like — for entering construction sites and submitting work-improvement proposals.*
- The focus is on initiatives that enhance the appeal of the construction industry through improved treatment, including expanded reward systems and additional days off.

Recruitment and talent development support



- To secure the next generation of construction workers, grants are being provided to cover the costs of effective recruitment and training for engineers and skilled workers.
- Development of future executives and skilled workers at partner companies through the establishment and operation of the "Kajima Partner College"

Looking toward medium- to long-term growth, the goal is to establish a strong management foundation.

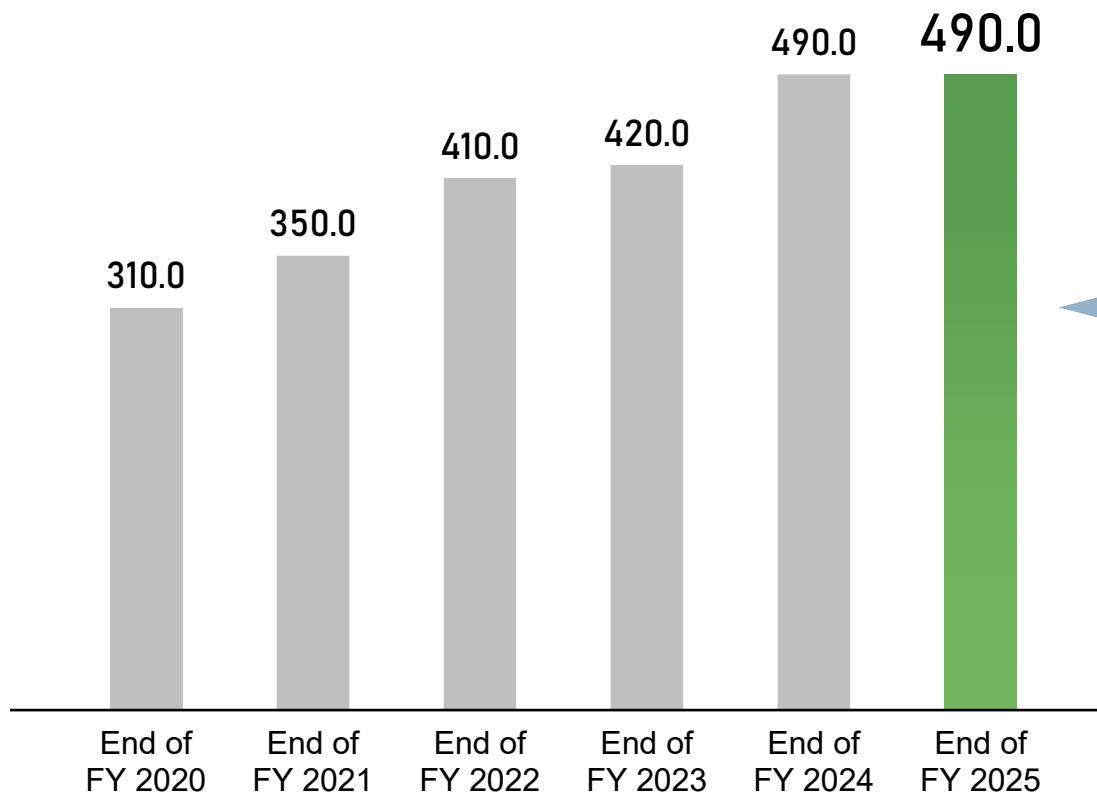
* [Builders Point](#), a points service for skilled construction workers offered by RVSTA, Inc., has been adopted.



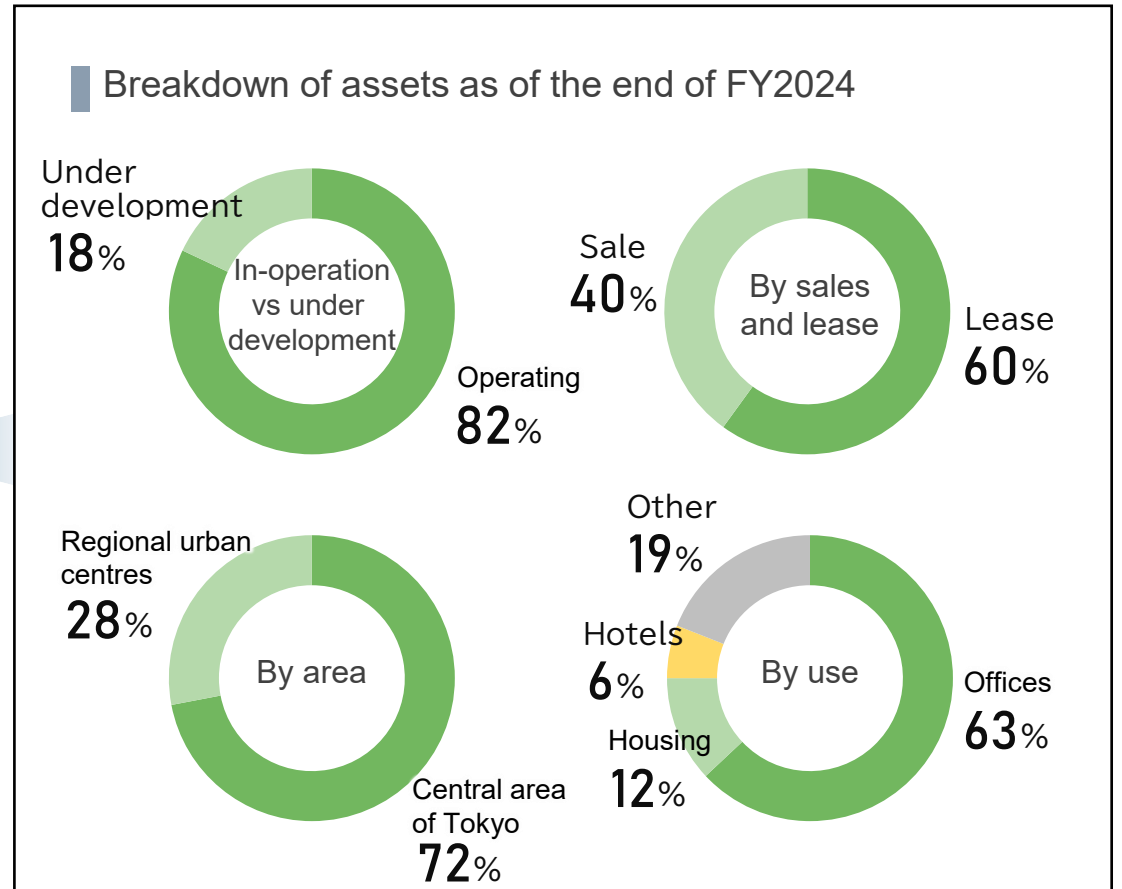
5 Current Status and Trends in Domestic and Overseas Real Estate Development Businesses

Assets

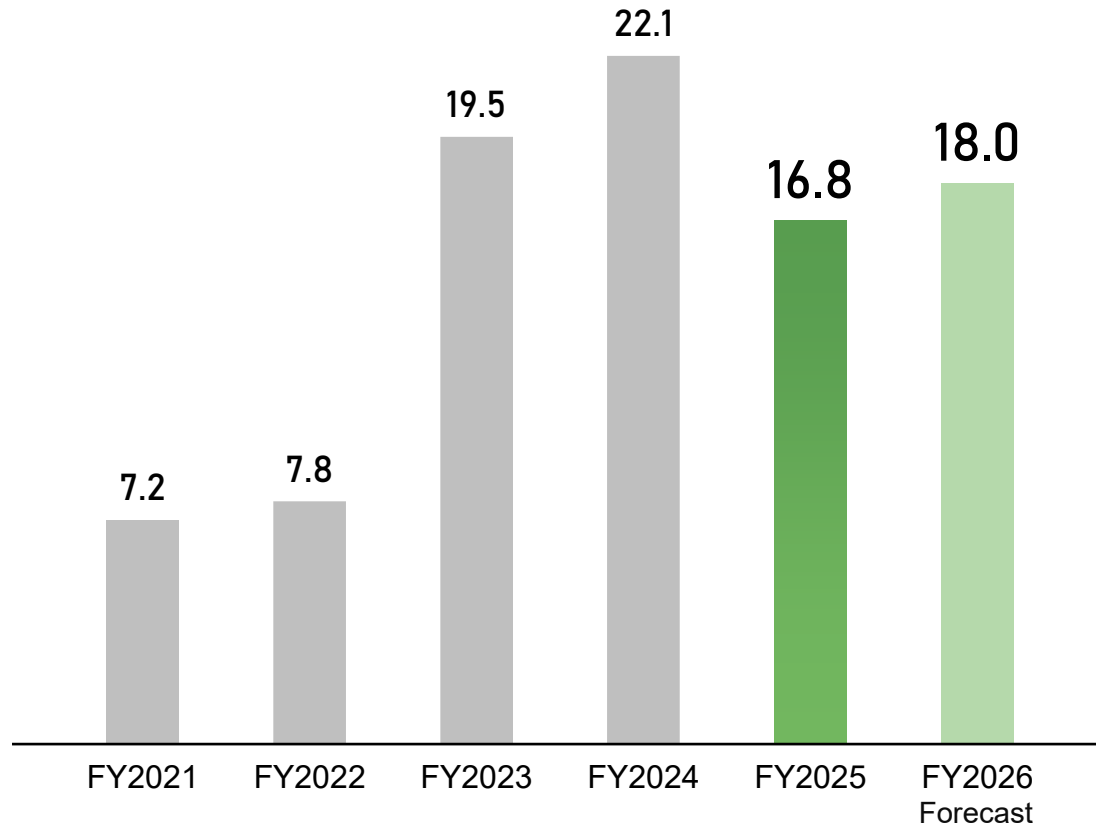
Billions of yen



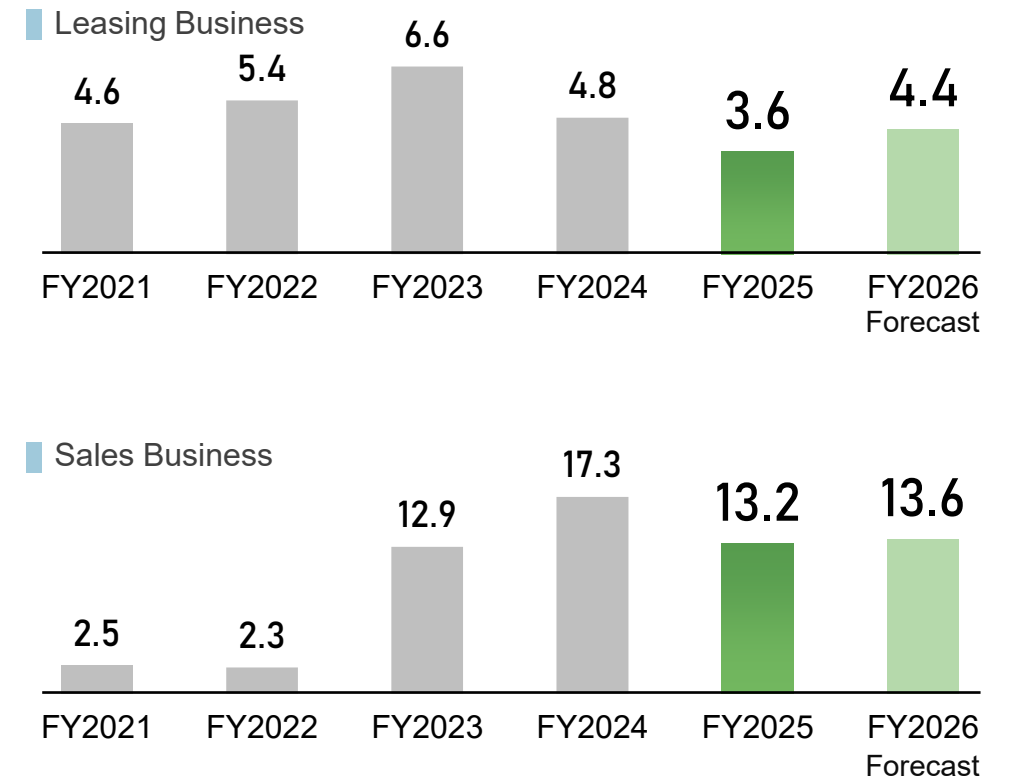
By use, the diversification of the repertoire has progressed



Net Income Billions of yen

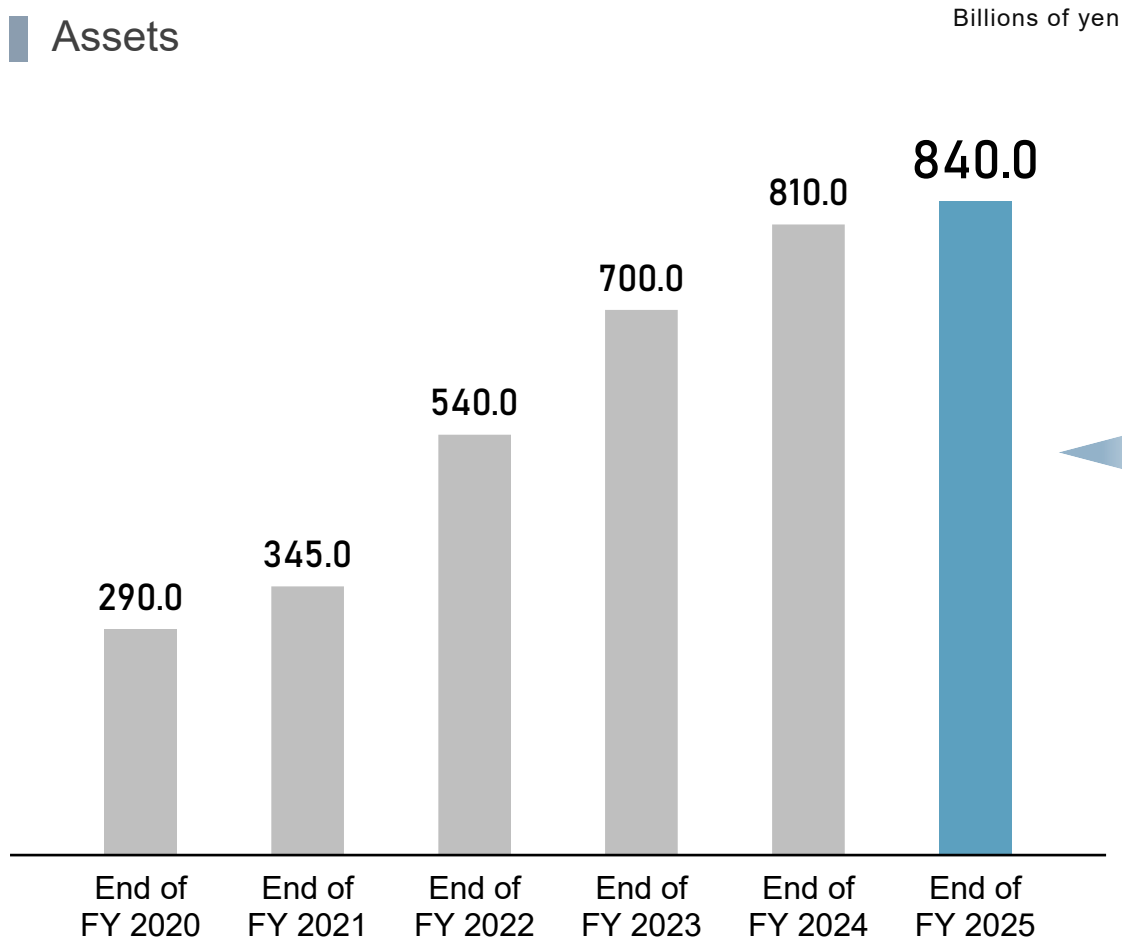


Breakdown by Business Segment Billions of yen

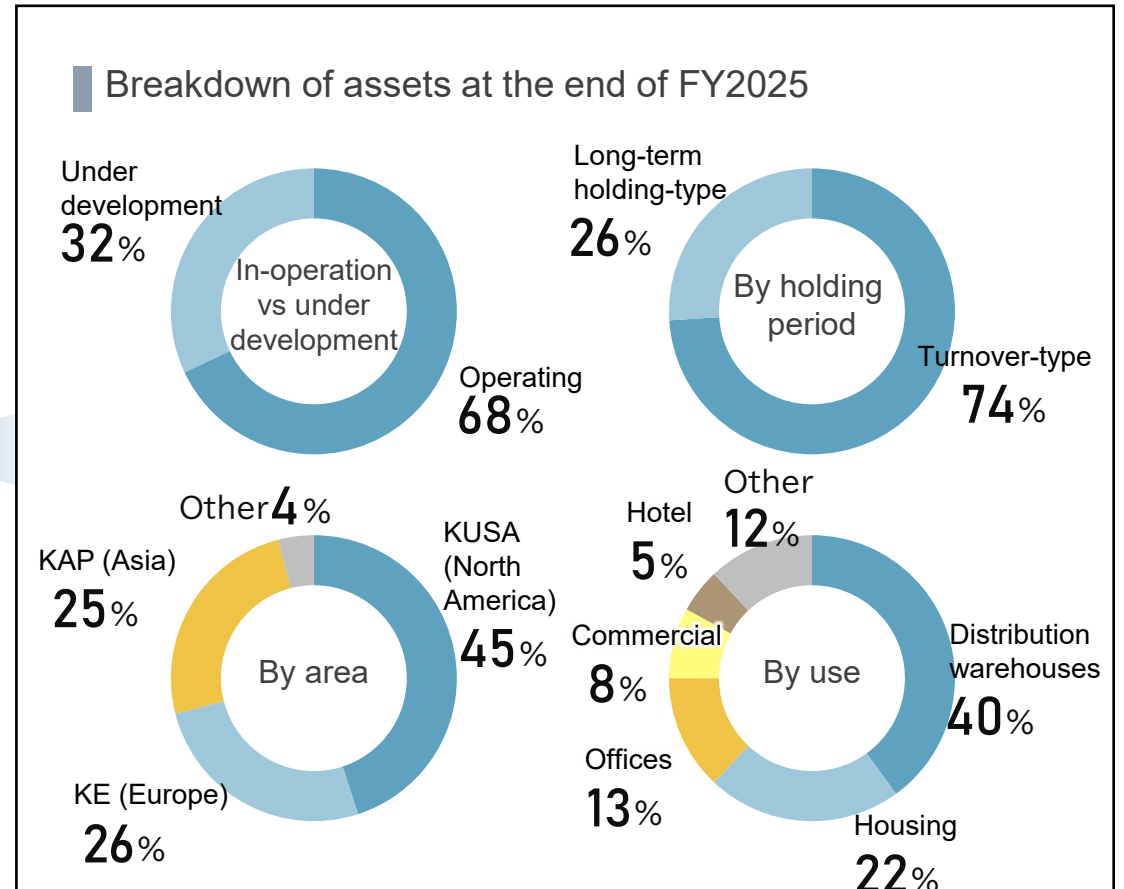


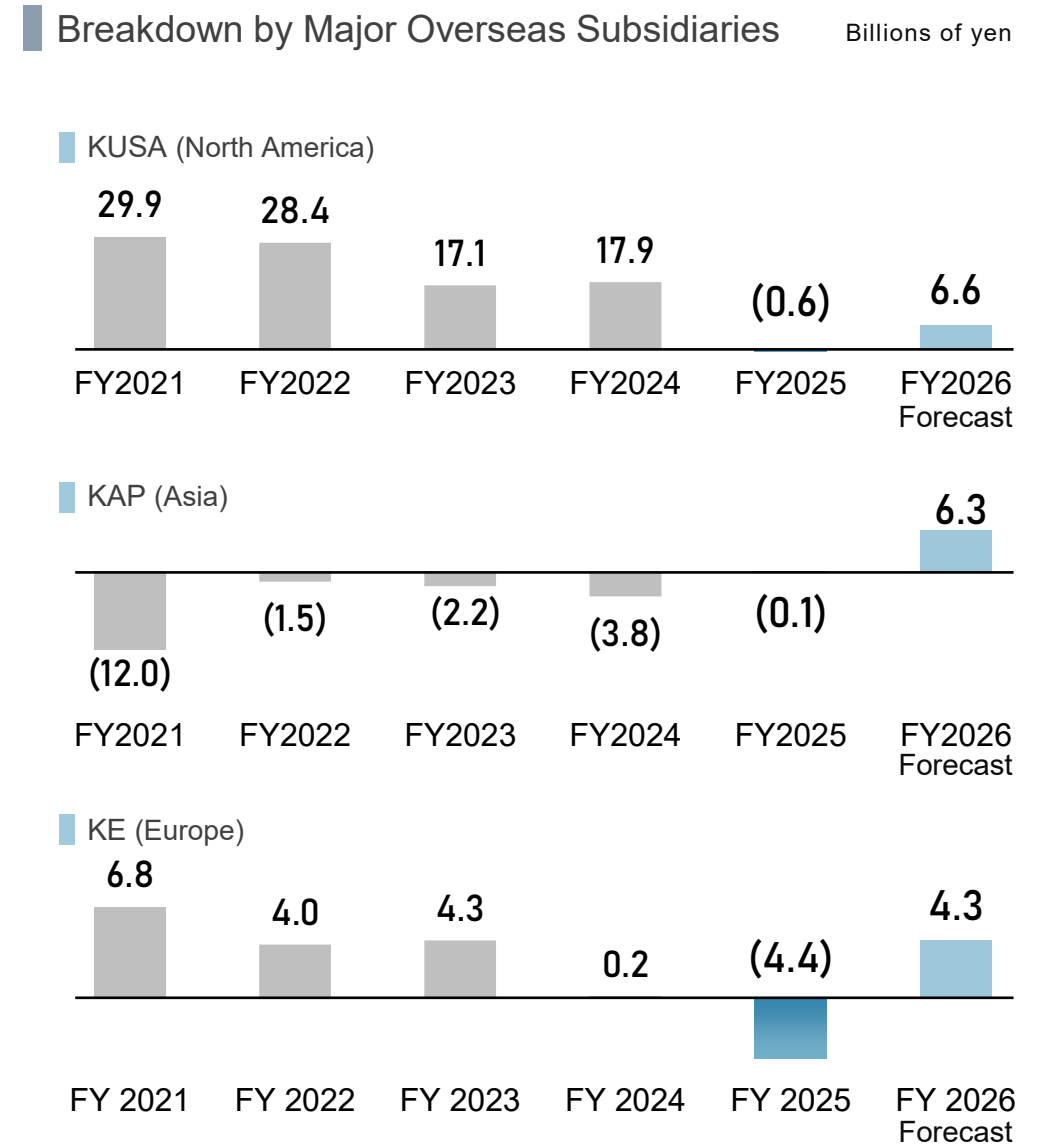
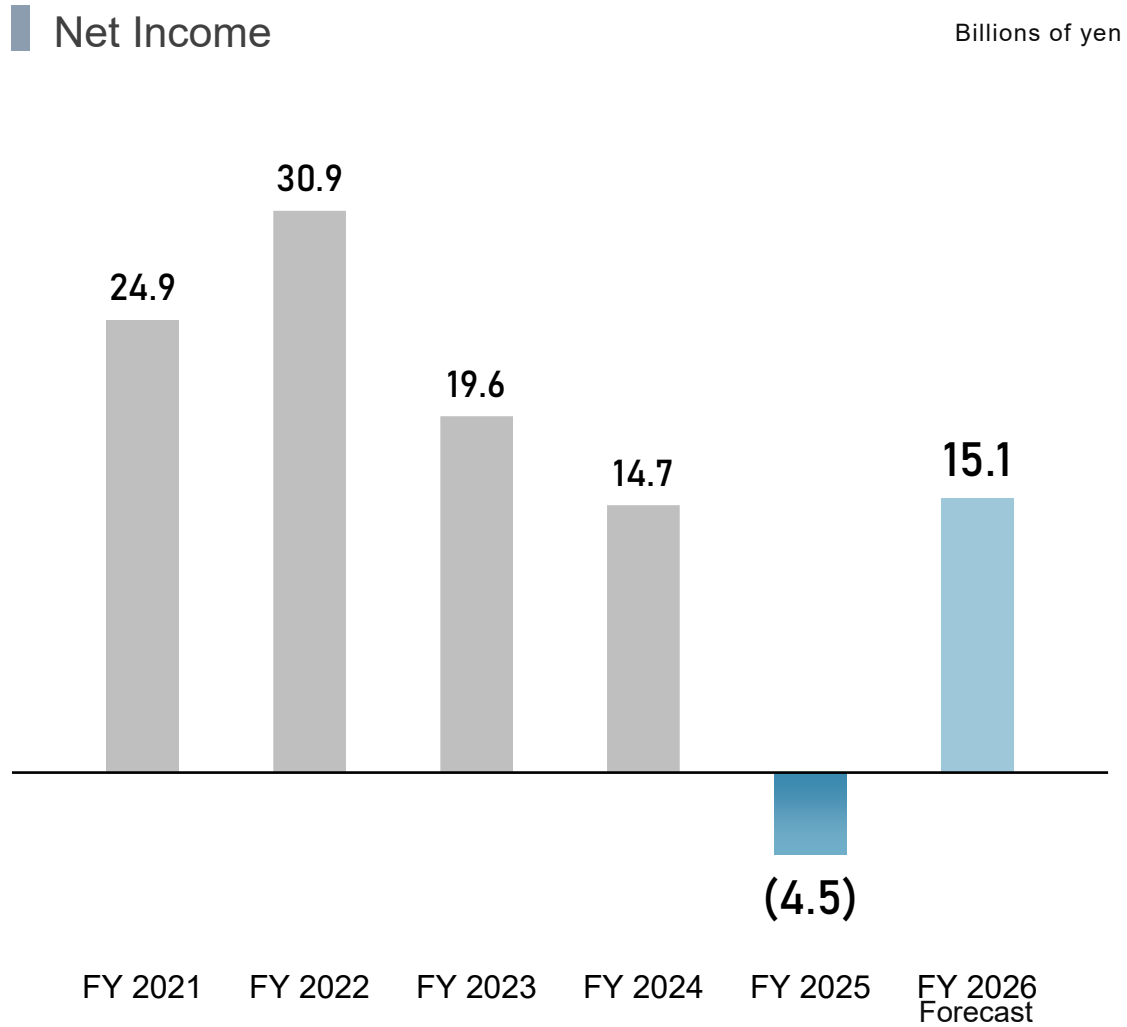
Figures are the (total) net income of Kajima Corporation's development business and its development-related domestic subsidiaries and affiliates.

Assets



Focus on investing in short-term turnover businesses and the U.S.





Total of net income from real estate development business of each overseas subsidiary (before adjustment for internal transactions, etc.)



KAJIMA GROUP

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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 May 14, 2026, and are subject to risks and uncertainties that may cause the actual results to vary. The Company provides this translation for your reference and convenience only without any warranty as to its accuracy. In case of any discrepancy between the translation and the Japanese original, the latter shall prevail.