

FY2021 First Half Financial Results

November 9, 2021



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FY2021 First Half Results

(April 1 - September 30, 2021)

1. Business Environment Review
2. Financial Highlights
3. Segment Performance

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- First, the results for the first half of fiscal 2021.

1. Business Environment Review

Business Environment Review

- Although stable construction orders were secured with public sector investment remaining firm and private capital investment on a recovery trend, the competitive environment remains challenging, particularly for private building construction projects.
- While labor prices were stable, prices for steel and other materials stayed high. The impact on construction costs was limited both in Japan and overseas as a result of various measures.
- Demand for distribution warehouses was strong due to advancement of e-commerce, leading to construction awards received for related facilities in Japan and overseas. The distribution warehouse development business progressed steadily in Europe and the U.S.
- COVID-19 continued to spread in Southeast Asia, making an ongoing impact on occupancy rates at operating facilities as well as construction business productivity.

Domestic construction business maintained an adequate profit margin despite the lack of completed construction projects. Overseas real estate development business made a significant contribution to business results thanks to earlier investments.

- Let us review the business environment.
- In the domestic construction market, as public sector investment remained firm and private capital investment was on a recovery trend, we secured stable construction contract awards. However, the competitive environment remained challenging, particularly for private capital investment.
- Regarding construction costs, although labor costs were stable, prices of materials such as steel remained high. However, we have limited the impact on construction costs both domestically and internationally by implementing various measures.
- Due to the booming demand for distribution warehouses driven by the advance of e-commerce, we received construction contract awards for related facilities in Japan and overseas, and our distribution warehouse development business in Europe and the U.S. progressed steadily.
- In Southeast Asia, the spread of COVID-19 infections continued to have an impact on occupancy rates at operating facilities and the productivity of construction projects.
- In general, the domestic construction business maintained an adequate profit margin despite the low number of completed construction projects. The overseas real estate development business made a significant contribution to business performance due to the results of investments made to date.

2. Financial Highlights

- Higher revenues in the face of lower profit than H1 2020
- Good progress toward the initial full-year forecast

Billions of yen	H1 2020 Result	H1 2021 Result	YoY Change	YTD % Progress	FY21 Initial Forecast
Revenues	912.6	956.1	43.5	47.6%	2,010.0
Operating Income	72.0	56.4	(15.5)	54.3%	104.0
Ordinary Income	79.3	65.4	(13.8)	57.4%	114.0
Net Income ^{*1}	51.8	49.8	(1.9)	62.3%	80.0
Construction Contract Awards	703.4	807.1	103.7	45.3%	1,780.0
Interest-bearing Debt	317.0 ^{*2}	297.7	(19.3) ^{*3}	—	430.0

*1 Net Income Attributable to Owners of the Parent *2 As of Mar 31, 2021 *3 Change from Mar 31, 2021

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- Here are the highlights of consolidated financial results.
- In the first half of fiscal 2021, revenues increased year on year due to growth at overseas subsidiaries and affiliates, but operating income, ordinary income, and net income decreased due to a decline in profitability of the construction business at Kajima Corporation.
- Year-to-date progress against the full-year forecast announced at the beginning of the fiscal year exceeded 50% for each income.
- Amount of construction contract awards were larger than in fiscal 2020, mainly due to growth in regions where construction investment has recovered.
- Interest-bearing debt decreased from the end of FY2020.

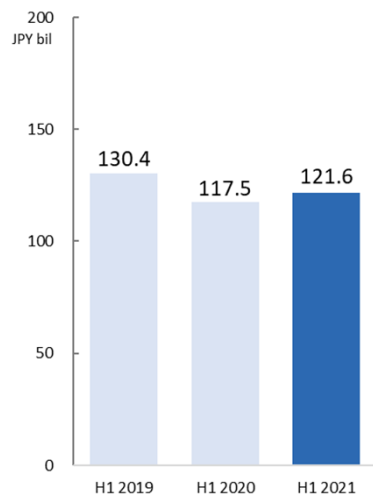
3. Civil Engineering (Kajima Corp)

Contracts ➤ Equivalent level to H1 2020, due to award of large-scale road construction project

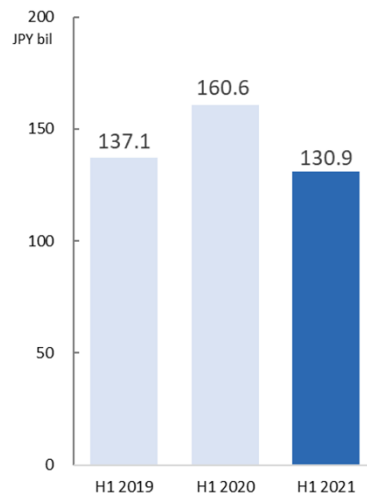
Revenues ➤ Decreased mainly due to fewer projects with significant progress

Gross Profit ➤ Decreased mainly due to fewer projects with improved profit margins such as completed projects

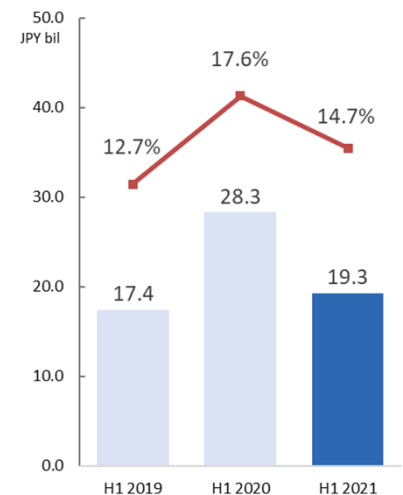
■ Contract Awards



■ Revenues



■ Gross Profit



- Next, we will review the results for each business segment. First, the Civil Engineering business of Kajima Corporation.
- Contract awards were 121.6 billion yen, the same level as in the corresponding period of the previous fiscal year, mainly owing to acquisition of large-scale road construction projects.
- Revenues were 130.9 billion yen, and gross profit was 19.3 billion yen. The decrease compared to the same period of the previous year was mainly because there were fewer projects with significant progress and fewer completed projects and other projects that improved the profit margin.
- The profit margin was 14.7%.

3. Building Construction (Kajima Corp)

Contracts

- Recovered from the same period of the previous fiscal year, which was affected by the state of emergency declared due to COVID-19

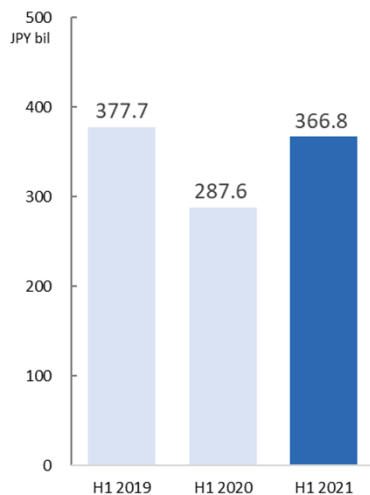
Revenues

- Increased due to the gradual progress of large-scale projects

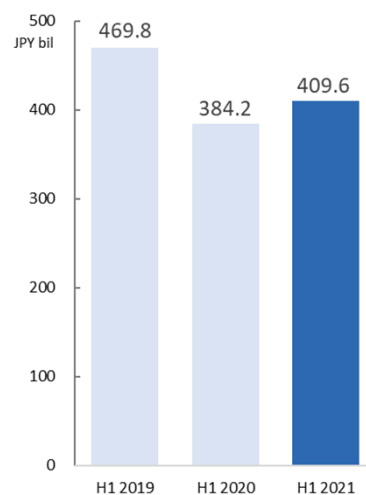
Gross Profit

- Decreased mainly due to fewer projects completed

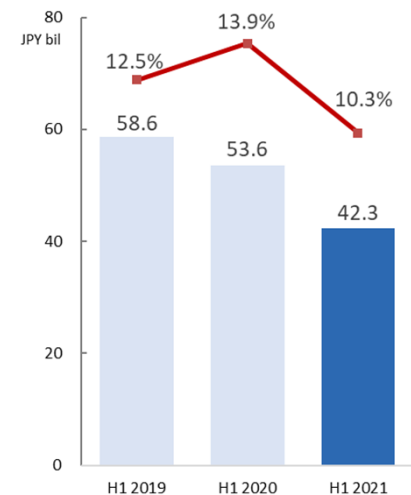
■ Contract Awards



■ Revenues



■ Gross Profit



- Next, the Building Construction business of Kajima Corporation.
- Contract awards came to 366.8 billion yen. It recovered from the same period of the previous fiscal year, which was affected by the state of emergency declared due to COVID-19.
- Revenues came to 409.6 billion yen. This was an increase year on year as large-scale projects gradually progressed.
- Gross profit was 42.3 billion yen, and the profit margin was 10.3%. The year on year decrease was mainly due to completion of fewer construction projects.

3. Real Estate and Other (Kajima Corp)

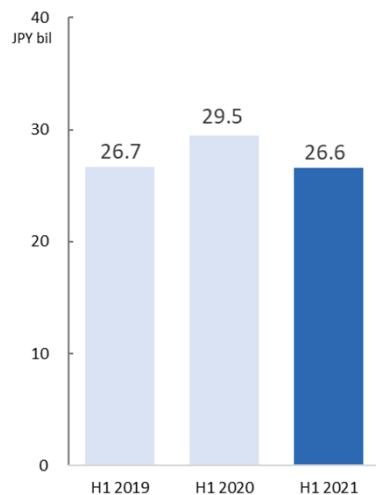
Contracts ➤ Slightly decreased, but remained stable

Revenues

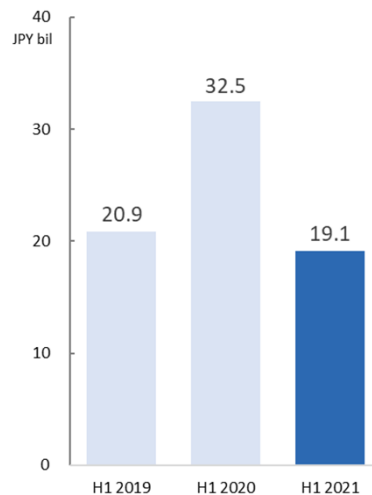
Gross Profit

➤ Decreased due to the absence of successful disposition of a specific large-scale property

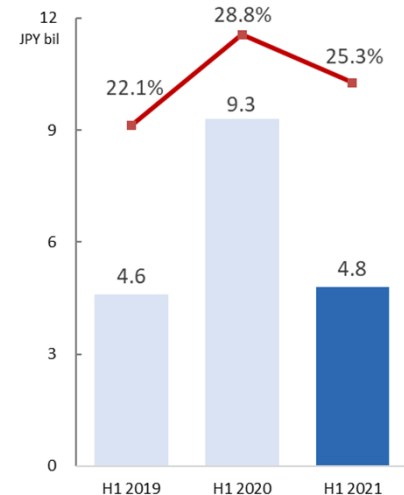
■ Contract Awards



■ Revenues



■ Gross Profit



- Next, the Real Estate and Other business of Kajima Corporation.
- Contract awards came to 26.6 billion yen. Although this was a slight decrease from the same period of the previous fiscal year, contract awards remained stable.
- Revenues and gross profit came to 19.1 billion yen and 4.8 billion yen, respectively. These decreases were due to a return to standard levels of performance following the disposition of a specific large-scale property in the real estate sales business in the same period of the previous fiscal year.

3. Domestic Subsidiaries and Affiliates

Contracts

➤ Decrease in interior finish works and equipment works

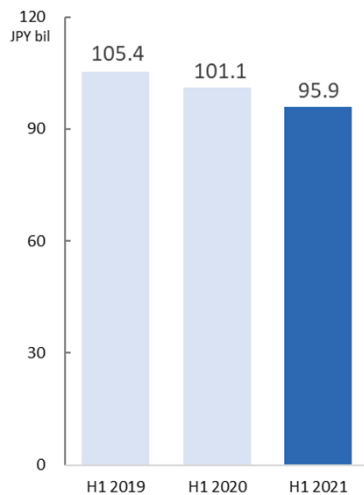
Revenues

➤ Decreased due to the impact of the adoption of the "Accounting Standard for Revenue Recognition"

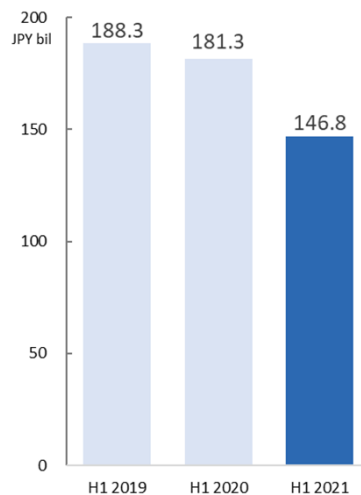
Net Income

➤ Decreased mainly due to lower profit in construction business

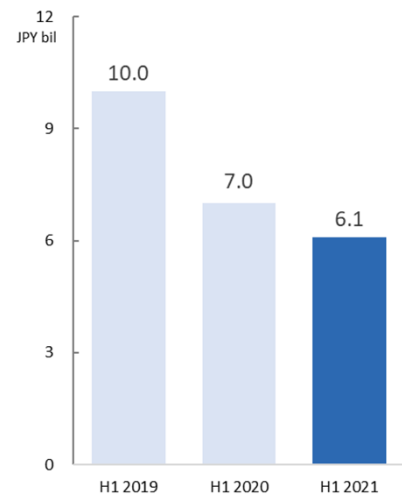
■ Construction Contract Awards



■ Revenues



■ Net Income



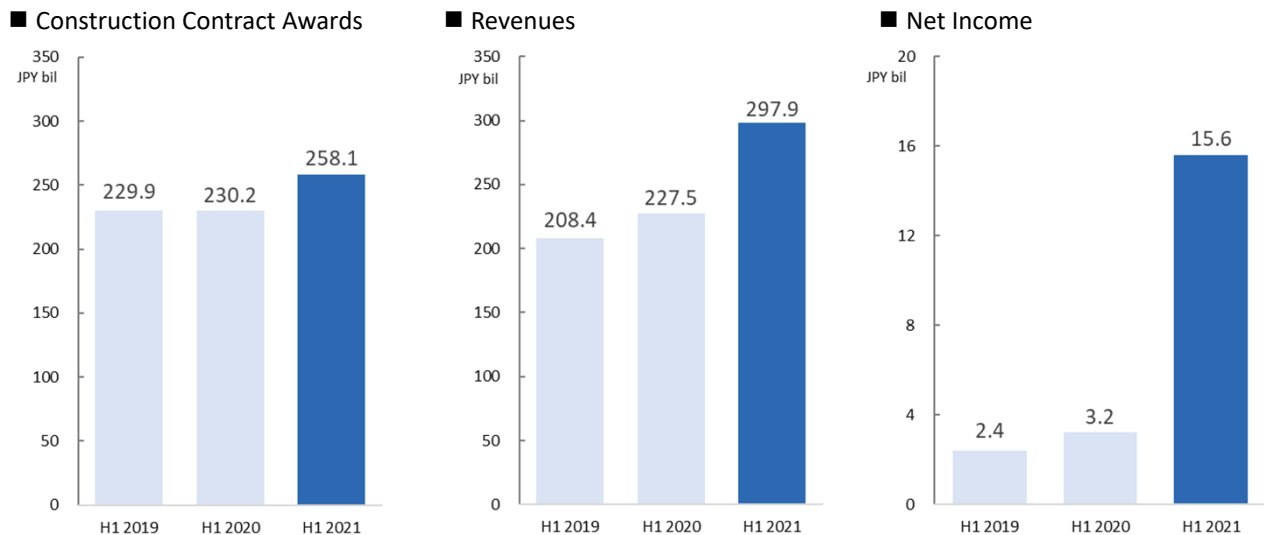
- Next, Domestic Subsidiaries and Affiliates.
- Construction contract awards were down to 95.9 billion yen, mainly due to a decrease in contracts for interior finishing and equipment work on buildings.
- Revenues were 146.8 billion yen, down year on year mainly owing to the impact of the "Accounting Standard for Revenue Recognition", which was applied from fiscal 2021. The application of the "Accounting Standard for Revenue Recognition" had no impact on income.
- Net income decreased to 6.1 billion yen year on year, due to lower gross profit in the construction business.

3. Overseas Subsidiaries and Affiliates

Contracts ➤ Increased mainly in the U.S. (KUSA)

Revenues ➤ Increased in both construction and real estate development businesses in the U.S. (KUSA) and Europe (KE).

Net Income ➤ Contribution from warehouse property business in the U.S. (KUSA) and Europe (KE) (KUSA: ¥12.8 billion, KE: ¥3.2 billion)



- Next, Overseas Subsidiaries and Affiliates.
- Construction contract awards came to 258.1 billion yen, up year on year due to the increase in contract awards particularly in KUSA (North America).
- Revenues came to 297.9 billion yen, an increase year on year, mainly due to growth in both the construction business and the real estate development business in KUSA (North America) and KE (Europe).
- Net income was 15.6 billion yen, a significant increase year on year. In addition to the revenue growth, this is in part due to the favorable disposition of distribution warehouses at KUSA (North America) and KE (Europe).
- Net income of KUSA (North America) and KE (Europe) came to 12.8 billion yen and 3.2 billion yen respectively.



FY2021 Forecast

(April 1, 2021 - March 31, 2022)

1. Business Environment Outlook
2. Financial Highlights
3. Segment Performance

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- Next, the forecast for fiscal 2021.

1. Business Environment Outlook

Business Environment Outlook

- Public sector investment will remain firm. Private capital investment is expected to recover mainly due to redevelopment plans in urban areas and in regional urban centers, and industries that are improving their business performance.
- As construction demand recovers, environment requiring close attention to the rise in material and labor prices will continue.

Updates on Full-Year Forecast

- Consolidated net income is expected to exceed the forecast made at the beginning of the fiscal year, driven by the overseas real estate development business, including the distribution warehouse development business in Europe and the United States.
- At Kajima Corporation, net sales are expected to decline slightly, but the profit margin is expected to stay steady due to the effect of productivity improvements and other factors.

In accordance with the medium-term business plan, we will achieve sustainable growth by **promoting global expansion with the construction and real estate development business at the core.**

- First, let us describe the outlook for the business environment.
- With regard to the domestic construction market, public sector investment is expected to remain firm, and private capital investment is expected to recover, mainly due to redevelopment plans in urban areas and core regional cities as well as improving performance in some industries.
- With regard to construction costs, the environment will continue to require close attention to rising material and labor prices as construction demand recovers.
- Next is an outline of the revised full-year forecast.
- Due to the expected strong performance of the overseas real estate development businesses, including the distribution warehouse development business in Europe and the United States, we have upwardly revised forecasts for consolidated operating income, ordinary income and net income.
- At Kajima Corporation, we expect a slight decrease in revenues in the construction business, but we expect to maintain the profitability.
- We will continue to pursue sustainable growth by promoting global expansion driven by the construction and real estate development businesses, in accordance with our Medium-Term Business Plan.

2. Financial Highlights

■ Updated in light of H1 result and foreseeable business environment

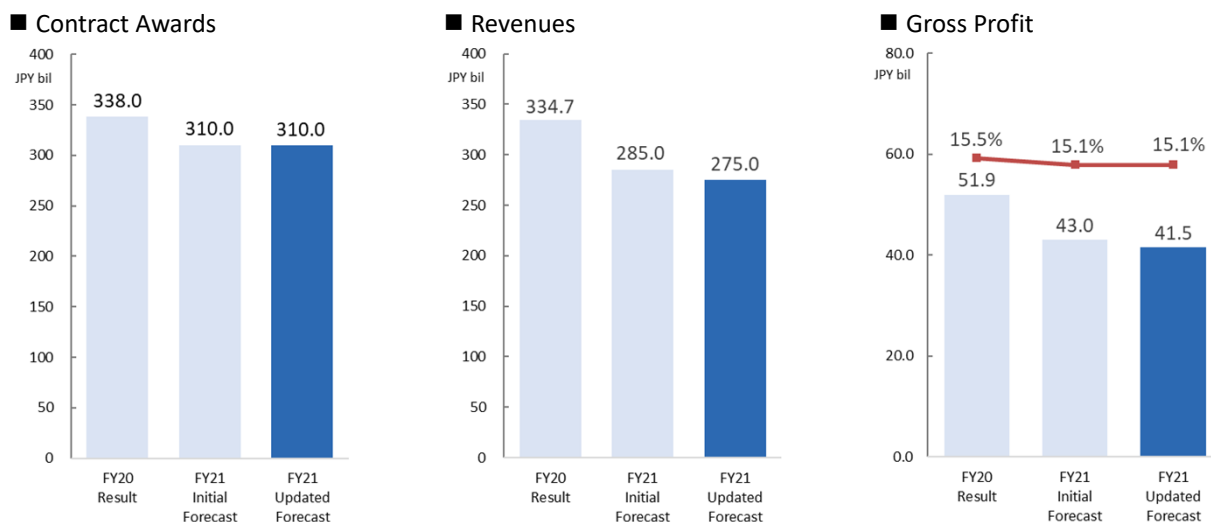
Billions of yen	FY20 Result	FY21 Initial Forecast	FY21 Updated Forecast	YoY Change	Change from Initial Forecast
Revenues	1,907.1	2,010.0	2,050.0	142.8	40.0
Operating Income	127.2	104.0	109.5	(17.7)	5.5
Ordinary Income	139.7	114.0	120.0	(19.7)	6.0
Net Income ^{*1}	98.5	80.0	86.0	(12.5)	6.0
Construction Contract Awards	1,720.1	1,780.0	1,900.0	179.8	120.0
Interest-bearing Debt	317.0	430.0	430.0	112.9	0.0

*1 Net Income Attributable to Owners of the Parent

- These are the highlights of the revised full-year forecast.
- Based on the first half results and the future management environment, we have upwardly revised forecasts for revenues to 2,050 billion yen, ordinary income to 109.5 billion yen, ordinary income to 120.0 billion yen, and net income to 86.0 billion yen.
- We expect revenues to increase by 40.0 billion yen from the initial forecast mainly due to growth at Overseas Subsidiaries and Affiliates.
- As for profit, we expect operating income, ordinary income, and net income to increase by 5.5 billion yen, 6.0 billion yen, and 6.0 billion yen, respectively, taking into account the expectations of strong earnings in the overseas real estate development business in Europe and the U.S. and the gain on sale of investment securities in the first half of FY2021.
- Contract awards in the construction business are expected to be 1,900.0 billion yen, up 120.0 billion yen from the initial forecast. This is mainly because contract awards of Overseas Subsidiaries and Affiliates are expected to exceed the initial forecast.
- We expect interest-bearing debt to be 430.0 billion yen, the same as the initial forecast.

3. Civil Engineering (Kajima Corp)

- Contracts** ➤ No changes from the initial forecast
- Revenues** ➤ Expect to slightly decrease due to delays in order placement and commencement of construction
- Gross Profit** ➤ Expect to decrease due to lower revenues, but the profit ratio in the initial forecast will be maintained



- Now, we will present the forecasts for each business segment. First, the Civil Engineering business of Kajima Corporation.
- We have left the initial forecast for contract awards unchanged.
- We expect revenues to be 275.0 billion yen, a decrease of 10.0 billion yen from the initial forecast, largely due to delays in order placement and commencement of construction.
- With the decrease in revenues, we expect gross profit to be 41.5 billion yen, a decrease of 1.5 billion yen from the initial forecast.
- We expect the profit margin to be 15.1%, the same as the initial forecast.

3. Building Construction (Kajima Corp)

Contracts

➤ No changes from the initial forecast

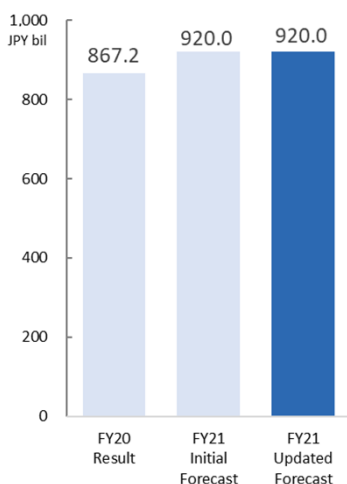
Revenues

➤ Expect to slightly decrease due to delays in order placement and commencement of construction

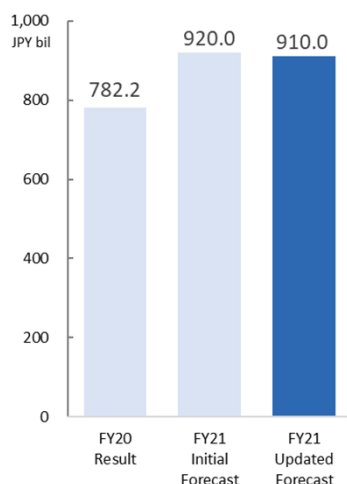
Gross Profit

➤ Expect to maintain profit margins in the 10% range despite the competitive environment

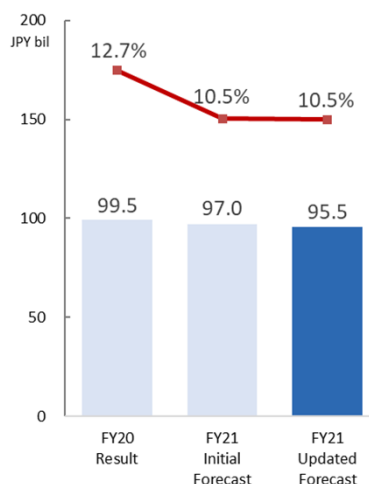
■ Contract Awards



■ Revenues

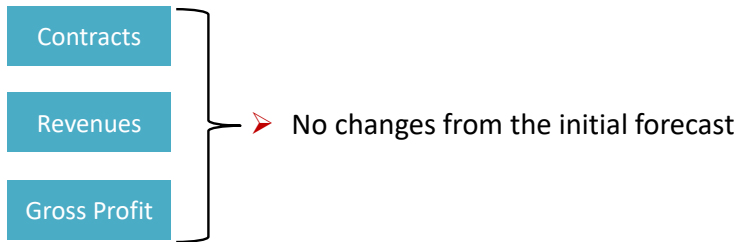


■ Gross Profit

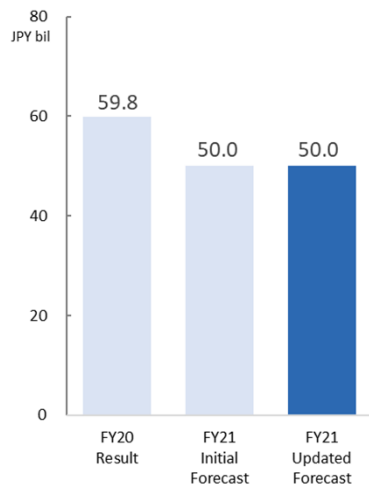


- Next, the Building Construction business of Kajima Corporation.
- We have left the initial forecast for contract awards unchanged.
- We expect revenues will be 910.0 billion yen, 10.0 billion yen lower than in the initial forecast, mainly due to delays in order placement and commencement of construction.
- With the decrease in revenues, we expect gross profit to be 95.5 billion yen, a decrease of 1.5 billion yen from the initial forecast.
- We expect the profit margin to be 10.5%, the same as the initial forecast.

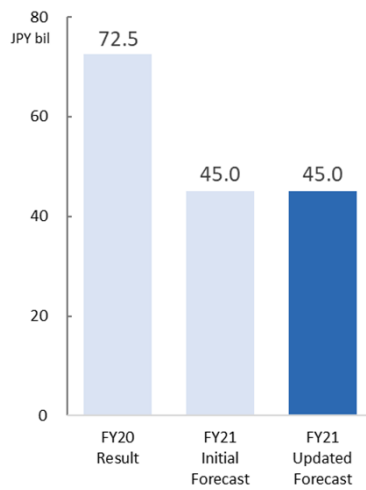
3. Real Estate and Other (Kajima Corp)



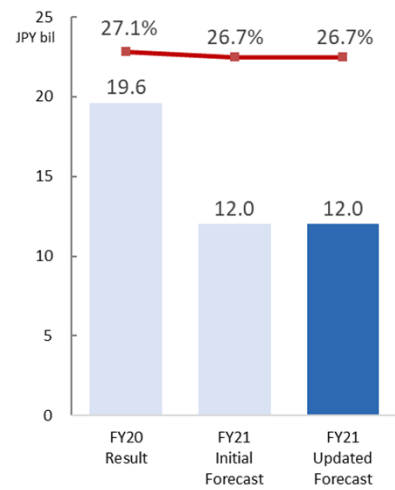
■ Contract Awards



■ Revenues



■ Gross Profit

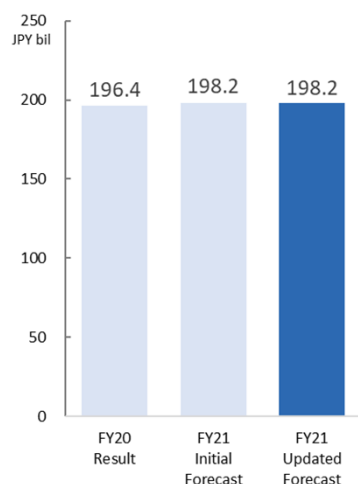


- Next, the Real Estate and Other businesses of Kajima Corporation.
- There are no changes from the initial forecast in this segment.

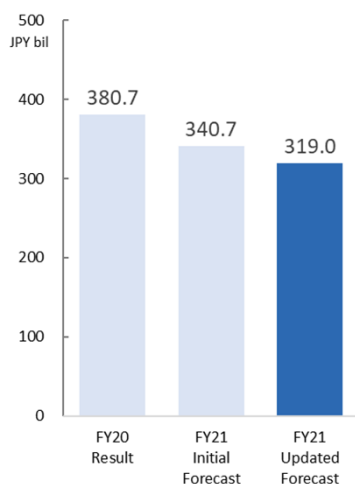
3. Domestic Subsidiaries and Affiliates

- Contracts** ➤ No changes from the initial forecast
- Revenues** ➤ Expect to decrease due to the impact of the adoption of the "Accounting Standard for Revenue Recognition" exceeding the initial forecast
- Net Income** ➤ No changes from the initial forecast

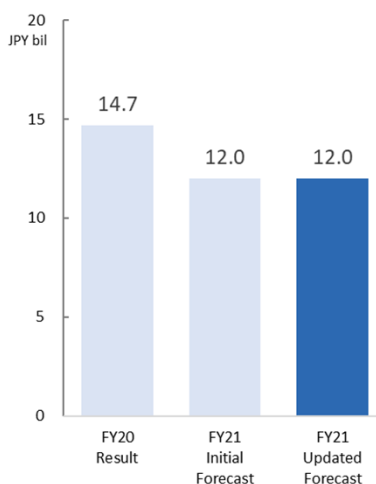
■ Construction Contract Awards



■ Revenues



■ Net Income

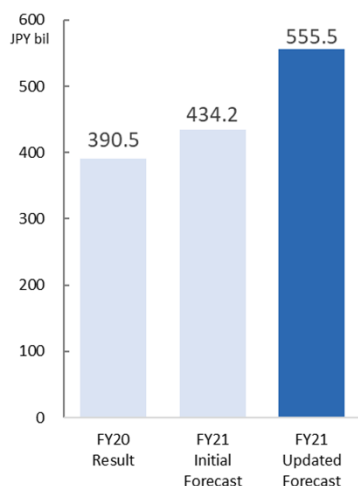


- Next, Domestic Subsidiaries and Affiliates.
- We have left contract awards unchanged from the initial forecast.
- We have revised revenues down by 21.7 billion yen to 319.0 billion yen because the decrease in revenues related to agent transactions is expected to exceed the initial forecast due to the application of the "Accounting Standard for Revenue Recognition".
- However, there is no impact on profit, and the forecast for net income remains unchanged from the initial forecast.

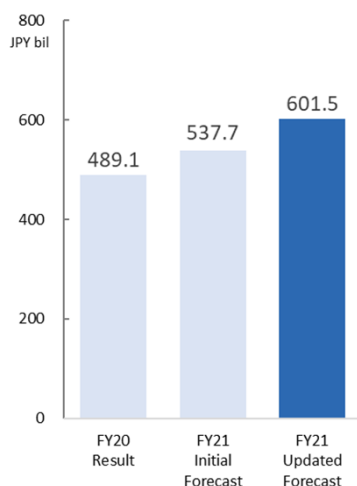
3. Overseas Subsidiaries and Affiliates

- Contracts ➤ Expect to increase in the U.S. (KUSA) and Europe (KE) considering H1 result and foreseeable business environment
- Revenues } ➤ Expect to increase based on steady progress in construction and real estate development projects, mainly in the U.S. (KUSA) and Europe (KE)
- Net Income }

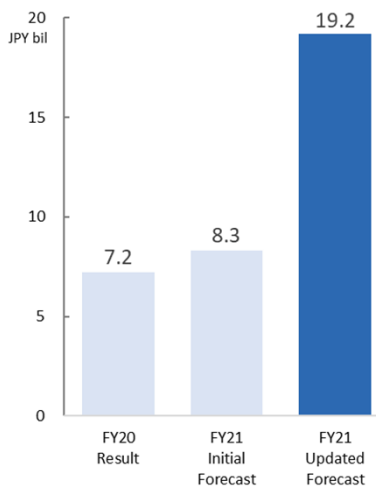
■ Construction Contract Awards



■ Revenues



■ Net Income



- Next, Overseas Subsidiaries and Affiliates.
- We expect contract awards to be 555.5 billion yen, 121.3 billion yen higher than the initial forecast, taking into consideration strong the first-half contract awards at KUSA (North America) and KE (Europe) and the future outlook.
- We have upwardly revised the forecast for revenues by 63.7 billion yen to 601.5 billion yen and net income by 10.8 billion yen to 19.2 billion yen, anticipating steady progress in the construction business and strong earnings in the real estate development business in KUSA (North America) and KE (Europe).



Progress on Medium-Term Business Plan

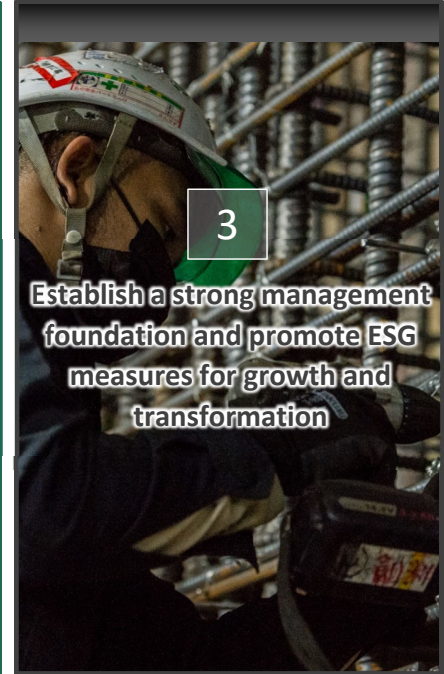
1. Progress on Key Measures
2. Progress on Investment Plan
3. Financial Measures and Stockholder Returns

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- Next, the progress on the Medium-Term Business Plan.

1. Progress on Key Measures

Kajima Group Medium-Term Business Plan (FY2021-2023) -Forward-Looking Investment

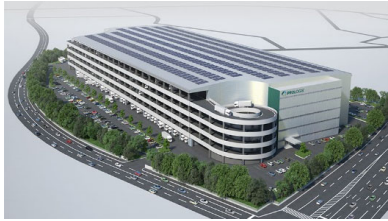


- The Kajima Group Medium-Term Business Plan, subtitled “Forward-Looking Investment,” which is currently underway, sets a course for the Group, even in today’s fiercely competitive business environment, to make an all-out effort to maintain and improve business performance while investing for medium- to long-term growth.
- The Medium-Term Business Plan has three pillars, and the Group aims to enhance corporate value over the medium- to long-term through the steady implementation of measures and investment for each of the three. They are: (1) further strengthen core businesses; (2) strive to create new value; and (3) establish a strong management foundation and promote ESG measures for growth and transformation.

1. Progress on Key Measures

1 Further strengthen core businesses

- Won contract awards for large-scale projects in priority areas



Contract awards for logistics facilities in the first half of FY21
56.5 billion yen



Contract awards for production facilities in the first half of FY21
82.3 billion yen

- Promoted offshore wind power projects



- Accumulated **knowhow** and **data** by engaging in actual construction work
- Established a structure to utilize in projects going forward

- Developed next-generation construction manufacturing systems

- **Automated construction system "A⁴CSEL"**
 Applied to sites (dams and earthworks); commenced proof of concept testing (tunnel)
- **Kajima Smart Production**
 Applied to more sites
 Technical collaboration launched on robot development



Proof of concept testing for automated construction (tunnel)

- First, let us present the status of our efforts to further strengthen core businesses.
- We have won contract awards for a number of large-scale construction projects in our priority areas of logistics facilities and production facilities.
- In addition, with regard to offshore wind power generation projects, for which the market is expected to expand in the future, we are currently constructing offshore wind power generation facilities at Akita Port and Noshiro Port, accumulating know-how and data, and establishing a structure to utilize in projects going forward.
- With regard to next-generation construction manufacturing systems aimed at increasing productivity, we are steadily implementing initiatives. These include efforts to increase the number of work types to which the A4CSEL automated construction system developed by Kajima can be applied in the civil engineering field and to expand the number of sites where Kajima Smart Production can be applied in the construction field.

1. Progress on Key Measures

1 Further strengthen core businesses

Promoted investment in real estate development in collaboration with construction business both in Japan and overseas

■ Yokohama Gate Tower Project, etc.



- Actively introduced new technologies of digital and smart production in both design and construction phases
- Created quality assets with disaster prevention features such as high performance seismic control technology, etc. Ensured continued contribution to business performance after completion

■ Distribution warehouse development in Europe and the U.S.



- Reduced construction risks and created a highly competitive business scheme by having subsidiary construction company responsible for construction
- Established an investment, sale, reinvestment cycle that developed into a revenue-generating platform

- In the real estate development business in Japan and overseas, which is one of our core businesses, we are promoting real estate development projects in collaboration with the construction business.
- In the Yokohama Gate Tower project, we are actively introducing new technologies in both the design and construction phases to advance our next-generation construction production system. In addition, our high-performance seismic control technology enhances disaster preparedness features, leading to the creation of quality assets that will continuously contribute to business performance after completion.
- Overseas, Group companies are responsible for construction in real estate development projects, which helps to reduce construction risks in terms of quality, construction period, etc., and makes for a highly competitive business scheme. The distribution warehouse development business in Europe and the U.S. is growing as a platform for generating revenue.
- We believe that creating synergies between the construction and real estate development businesses in this way will lead to the further strengthening and sustainable growth of our core businesses.

1. Progress on Key Measures

2 Strive to create new value

Promoted business that solves social challenges

- Acquired infrastructure management business



Atami Beach Line (Shizuoka)

Objectives

Upgrade infrastructure and enhance business in maintenance management field
Carry out proof of concept testing and implement environmentally friendly technologies

- Acquired a stake in a Polish company that focuses on the development of renewable energy power generation facility

Objective

Participate in development projects of renewable energy power generation facilities

Business scope

Acquisition of permits and licenses, construction of facilities, sale of completed facilities, etc.

Promoted open innovation

- Established a dedicated organization "Innovation & Incubation Office"
- Constructing a new base in Southeast Asia



The GEAR (Singapore)

- To promote public-private-academia collaboration
- To strengthen incubation functions

- Established a Construction RX Consortium

- To promote technological collaboration among 16 construction companies* for construction robots and IoT.

*As of September 22, 2021



- Next, the status of our efforts under the second pillar, which is to strive to create new value.
- We aim to proactively promote businesses that help to solve social challenges. As part of these efforts, we acquired the Atami Beachline toll road operation business. We acquired the business with the aim of strengthening our infrastructure renewal and maintenance management business, but we also plan to use it as an opportunity to perform proof of concept and implement environmentally friendly technologies.
- Overseas, we acquired a stake in Pad Res, a development company with extensive experience and credentials in the development of wind and solar power generating facilities in Poland, with the aim of entering the renewable energy power generating facility development business.
- With regard to promoting open innovation, we established the Innovation & Incubation Office at Kajima head quarter to strengthen function of gathering information on technology development globally and function of planning and promoting new businesses.
- In Singapore, we are constructing The GEAR, a new base for promoting public-private-academic collaboration and strengthening the incubation function for venture companies.
- We also established the Construction RX Consortium with 16 Japanese construction companies to promote technical collaboration on construction robots and the IoT sector in areas of cooperation.

1. Progress on Key Measures

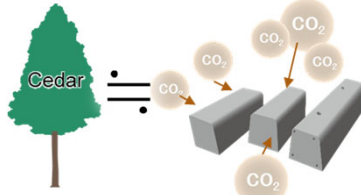
3

Establish a strong management foundation and promote ESG measures for growth and transformation

Accelerated "Triple Zero2050" activities

Eco-friendly material CO₂-SUICOM

Concrete that absorbs CO₂ like plants and reduces CO₂ down to less than zero



- Began joint research with a company that owns related technology with the aim of increasing sophistication
- Commenced CO₂-SUICOM manufacture using exhaust gas implemented NEDO* project "Research and Development of Concrete with Effective Use of CO₂"

*New Energy and Industrial Technology Development Organization

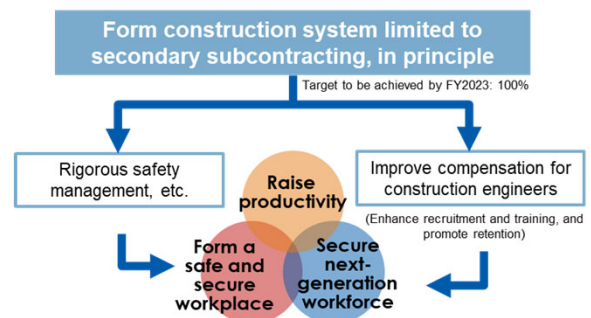
Measures to reduce CO₂ emission during construction

- Implemented reduction activities tailored to each site based on CO₂ emissions data for all sites in Japan ascertained through the "edes" environmental data evaluation system
- Commenced CO₂ emissions study at overseas model site with the aim of gaining SBT accreditation in 2023

Secured next-generation workforce

Restructured multi-layered subcontracting

- Held meetings to exchange opinions and analyze issues with subcontractors throughout Japan with the aim of forming a construction system limited to secondary contracting, in principle



Kajima Partner College

- Commenced training for partner company executive candidates and construction engineers

- Third, we'd like to present the status of our efforts to establish a strong management foundation and promote ESG measures for growth and transformation.
- As part of our activities to realize Triple Zero 2050, which sets us on the path to carbon neutrality by 2050, we have begun joint research with a company that owns related technology, with the aim of upgrading and commercializing CO₂-SUICOM, which is an environmentally friendly material.
- With regard to reducing CO₂ emissions during construction at construction sites, we are developing activities to reduce emissions at all sites in Japan based on actual CO₂ emission data. Overseas, we have set up model sites and started CO₂ emission surveys as part of our efforts to obtain SBT verification.
- With regard to initiatives to secure the next-generation workforce, we are promoting restructuring of our multi-layered subcontracting that will limit the construction system to secondary contracting in principle. We are holding meetings to exchange opinions with our partner companies throughout Japan with plans to analyze the issues and utilize the findings in future activities.
- We also began operating the Kajima Partner College to train management candidate trainees and engineers from partner companies.

2. Progress on Investment Plan

Made steady progress on the investment plan outlined in the medium-term business plan

Billions of yen	FY2021~2023	H1 2021 Result	FY21 Forecast
■ Domestic/Overseas Real Estate Development	640.0	70.0	210.0
(Recoup of Investment)	360.0	49.0	73.0
Domestic	190.0	15.0	50.0
(Recoup of Investment)	80.0	2.0	8.0
Overseas	450.0	55.0	160.0
(Recoup of Investment)	280.0	47.0	65.0
■ R&D and Digital Investment	55.0	7.0	18.0
■ Strategic Investment Framework	60.0	14.0	23.0
■ Other	45.0	7.0	15.0
Total	800.0	98.0	266.0
(Net Investment)	440.0	49.0	193.0

- Next, progress on the investment plan.
- Under the Medium-Term Business Plan, we plan to invest a total of 800.0 billion yen and recoup 360.0 billion yen through sales over the three years of the plan. In the first-half of the fiscal year, we invested a total of 98.0 billion yen in and recouped 49.0 billion yen from real estate development projects.
- For the full year of fiscal 2021, we expect to invest a total of 266.0 billion yen and recoup 73.0 billion yen.

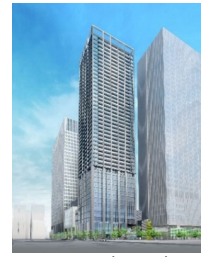
2. Progress on Investment Plan

Domestic real estate development 1H performance: 15.0 billion yen

- Projects in progress mainly in central Tokyo and bayside areas
- Central Tokyo and bayside areas: Yokohama Gate Tower, MM37 Tower (tentative name), Hamamatsucho 2-Chome District Type 1 Urban Area Redevelopment Project, Haneda Innovation City (Phase II), etc.
- Regional urban centres: Hakata Connecta



MM37 Tower
(tentative name)



Hamamatsucho 2-Chome
District Type 1 Urban Area
Redevelopment Project

- Acquired new revenue sources through completion of investment projects



Hakata Connecta

Completed: June 2021
Use: Office
Total floor area: Approx. 21,400m²
Location: Fukuoka,
Fukuoka Prefecture

Held as rental income property
100% tenant occupancy



Hotel Grand Bach Tokyo Ginza

Completed: September 2021
Use: Hotel
Total floor area: Approx. 8,500m²
Address: Chuo-ku, Tokyo

Grand opening on November 30, 2021

- In terms of domestic real estate development investment in the first half of the fiscal year, we invested 15.0 billion yen in projects in progress, mainly in central Tokyo and bayside areas.
- We also completed the Hakata Connecta and Hotel Grand Bach Tokyo Ginza, which are expected to contribute to profit in the future.

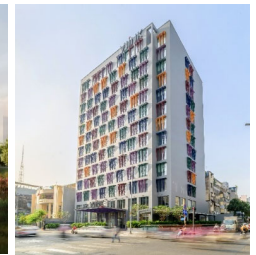
2. Progress on Investment Plan

Overseas real estate development 1H performance: 55.0 billion yen

- Distribution warehouse development in the U.S. and Europe
 - North America (KUSA): 33 projects under development/operation, 9 projects sold (1H)
 - Europe (KE): 16 projects under development/operation, 2 projects sold (1H)
- Mixed-use real estate development in Southeast Asia
 - Southeast Asia (KAP): Woodleigh Development Project (Singapore), hotel and warehouse development (Vietnam), etc.



Woodleigh Development Project



Hotel development business in Vietnam

U.S. distribution warehouse development business

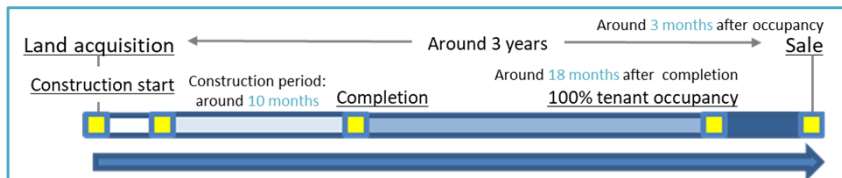
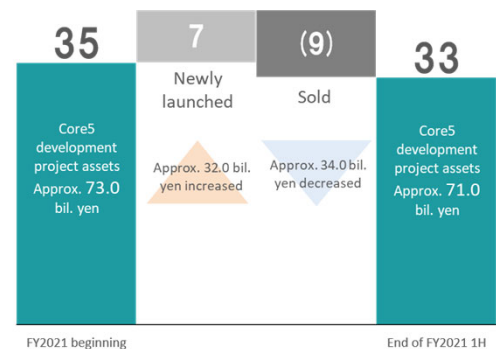


Established: 2015
Head Office: Atlanta
(KUSA subsidiary)



Distribution warehouse development through Core5 (Kajima Group construction)

Projects under development/operation (number)



- In terms of overseas real estate development investment in the first half of the fiscal year, we invested 55.0 billion yen, mainly in the distribution warehouse development business in the U.S. and Europe and in the mixed-use real estate development business in Southeast Asia.
- The distribution warehouse development business in the U.S. is promoted by Core5, a subsidiary of KUSA (U.S.), and it commenced seven new projects and sold nine during the first half of the fiscal year. At present, there are 33 projects under development or in operation with assets of approximately 71.0 billion yen. The business is expected to continue contributing to earnings through favorable disposition of projects in the future.

2. Progress on Investment Plan

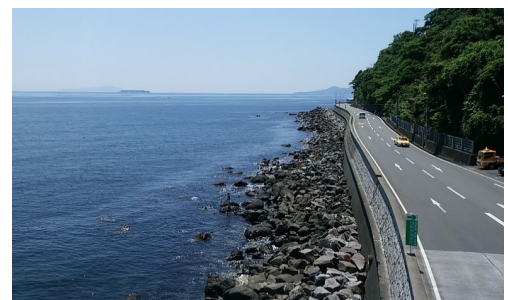
R&D and digital investment 1H performance: 7.0 billion yen

- Smart production and automated construction
 - Developing BIM LOGI progress management system using BIM
 - Commencing full-scale construction testing of A4CSEL for Tunnel in real-life tunnel
 - Developing Kajima “Safe Navi” risk prediction activity system using AI analysis



Strategic investment 1H performance: 14.0 billion yen

- Acquired toll road operation business
 - Promoting infrastructure management business through acquisition of Atami Beachline
- Constructing SEP vessel
 - Construction well underway for completion in 2022
- Investing in technology exploration
 - Investing in fund that supports venture capital, etc.
- Acquired stake in renewable energy development company
 - Participating in Polish renewable energy power generating facilities development business



Atami Beach Line (Shizuoka)

- As for R&D and digital investment in the first half of the fiscal year, we invested 7.0 billion yen in smart production and construction automation initiatives.
- Strategic investment in the first half of the fiscal year came to 14.0 billion yen, including the acquisition of the toll road operation business and investment in technology exploration.

3. Financial Measures and Stockholder Returns

■ Reduced cross-shareholdings

	FY2021 1H Results	FY2023 target
Number of stocks sold	14 stocks	—
Amount of sales	4.7 bil. Yen	At least 30.0 bil. Yen over 3 years

*Number of stocks sold includes partial sales

■ Stockholder Returns

The basic policy is to strive for a dividend payout ratio of 30%, as well as to flexibly contribute to stockholder returns by acquiring own shares and other means with consideration of business performance, financial condition and business environment.

	FY19 Result	FY20 Result	FY21 Initial Forecast	FY21 Updated Forecast
Dividend per Share	¥50	¥54	¥54	¥54
Earnings per Share (EPS)	¥200.99	¥193.13	¥158.31	¥172.02
Payout Ratio	24.9%	28.0%	34.1%	31.4%
Own share acquisition	¥10 bil.	¥10 bil.	¥10 bil.	¥10 bil. (Implemented in H1)

- Next, we'll review financial measures and stockholder returns.
- Under the Medium-Term Business Plan, we have set the reduction of cross-shareholdings as one of our financial measures, with a goal of selling 30.0 billion yen in cross-shareholdings over the three years of the plan by fiscal 2023. In the first half of the fiscal year, we sold 14 stocks with a total value of 4.7 billion yen. We will continue to implement this initiative to meet the goal.
- Regarding stockholder returns, in line with our basic policy on profit distribution, we have decided to pay an interim dividend of 27 yen per share and a year-end dividend of 27 yen per share, unchanged from the initial forecast.
- In the first half of the current fiscal year, we implemented a 10 billion yen share buyback, and the total return ratio is expected to be around 43%.



Supplementary Materials

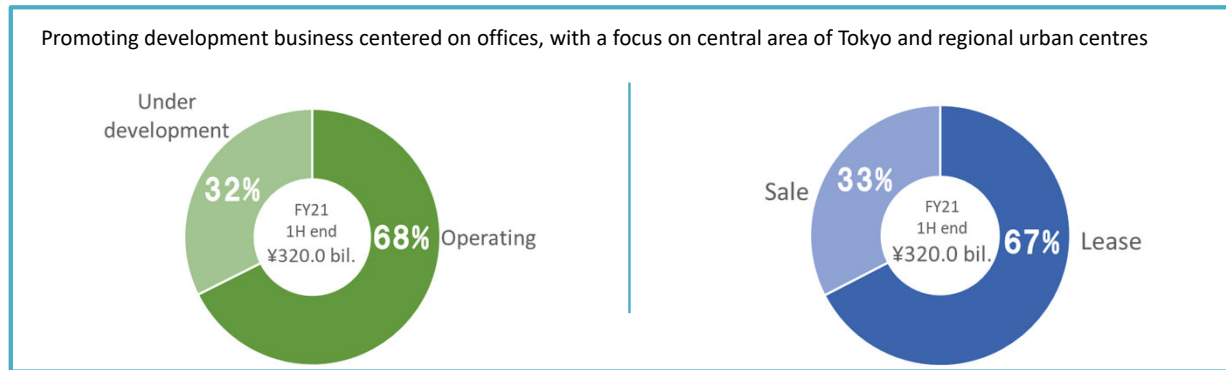
- 1.Current Situation and Changes in the Domestic Real Estate Development Businesses
- 2.Current Situation and Changes in the Overseas Development Business
- 3.Main Projects Under Development

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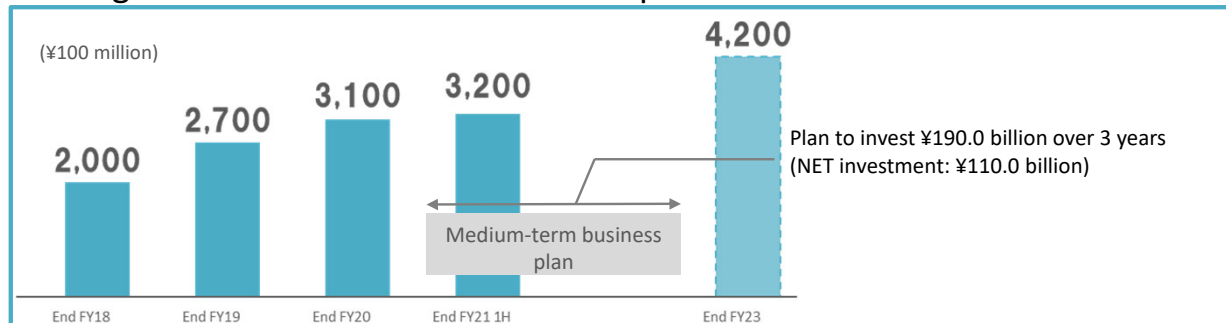
- The following slides are supplementary materials.

1. Current Situation and Changes in the Domestic Real Estate Development Business

■ Current situation of domestic real estate development assets



■ Changes in domestic real estate development assets

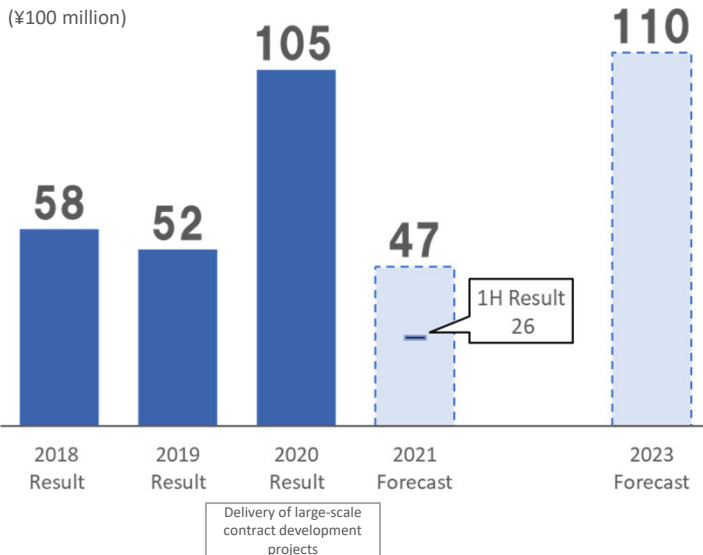


- This slide shows the current situation of and changes in domestic real estate development business assets.
- In the domestic real estate development business, we focus on office buildings with central Tokyo and core regional cities as the priority areas. Of the 320.0 billion yen in real estate development assets at the end of the first half, 68% were operating assets and 32% were assets under development. 67% were assets for lease and 33% were assets for sale.
- Under the Medium-Term Business Plan, the business is expected to have 420.0 billion yen in assets by fiscal 2023 after investment of 190.0 billion yen over the three years of the plan.

1. Current Situation and Changes in the Domestic Real Estate Development Business

■ Domestic real estate development business net income

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



(Breakdown by Business Segment)

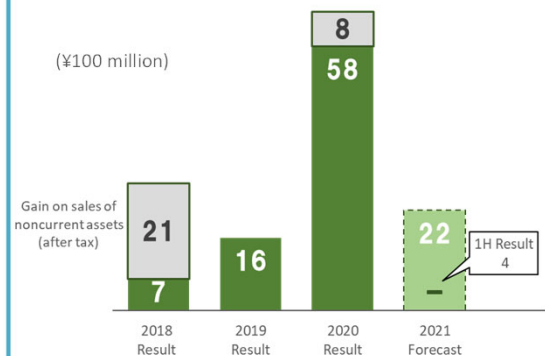
Leasing Business

(¥100 million)



Sales Business

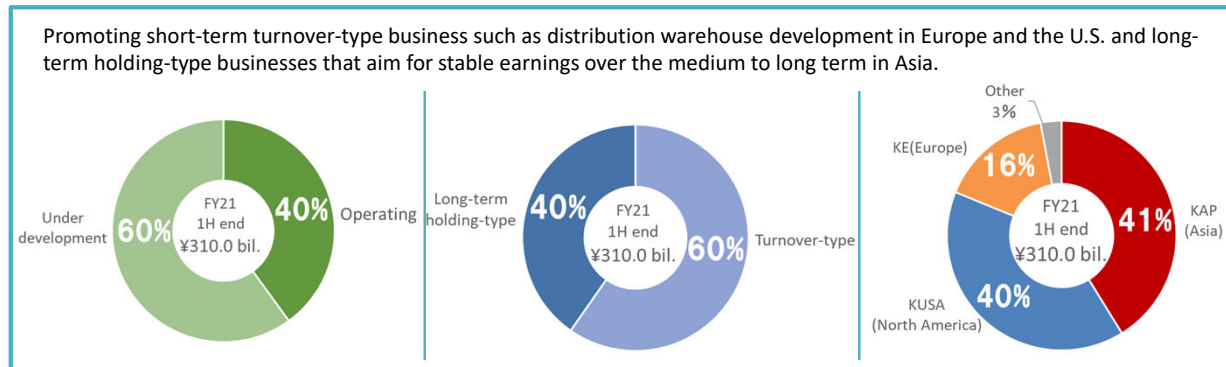
(¥100 million)



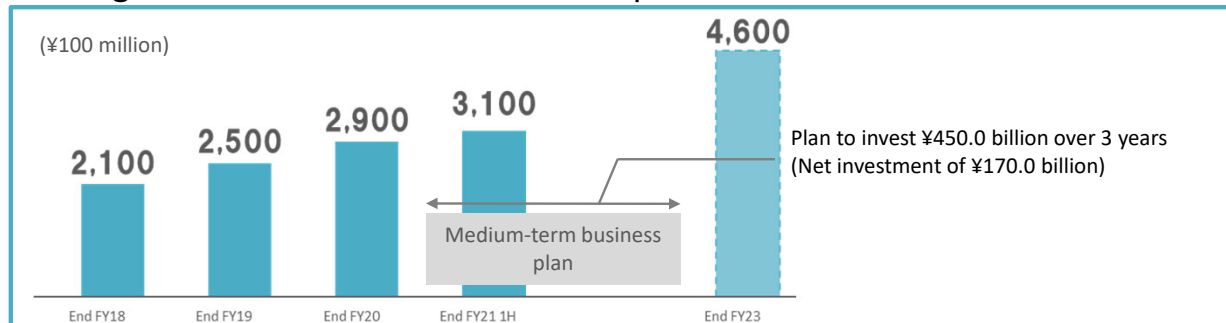
- This slide shows the current situation of and changes in net income in the domestic real estate development business.
- Net income for the domestic real estate development business was 2.6 billion yen in the first half of the fiscal year, compared to the full-year forecast of 4.7 billion yen.
- By aggressively promoting investment in the domestic real estate development business, we plan to post net income of 11.0 billion yen in fiscal 2023.
- Looking at net income for the leasing business and the sales business, the sales business has a greater impact on the domestic real estate development business overall.
- Going forward, we aim to further grow the domestic real estate development business by accumulating quality assets and expanding the earnings of the leasing business, as well as selling assets at the optimal time in accordance with market conditions and performance trends.

2. Current Situation and Changes in the Overseas Real Estate Development Business

■ Current situation of overseas real estate development assets



■ Changes in overseas real estate development assets

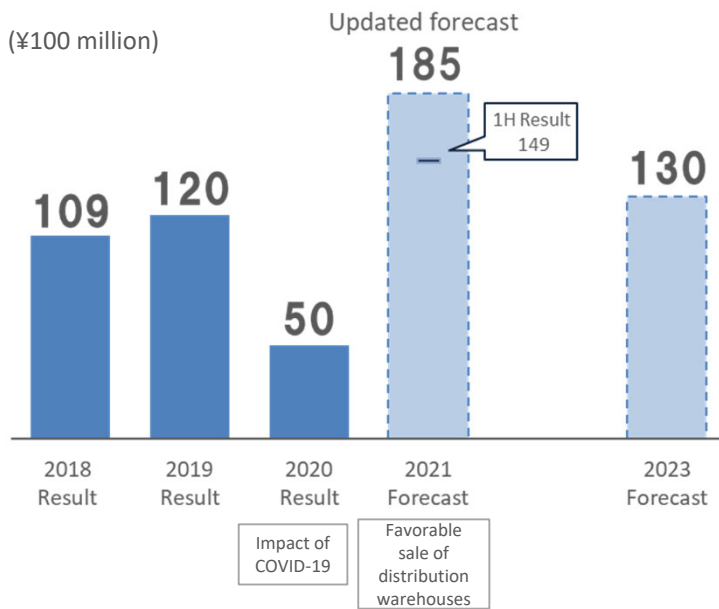


- This slide shows the current situation of and changes in overseas real estate development business assets.
- The overseas real estate development business mainly promotes short-term turnover-type business such as distribution warehouse development in Europe and the U.S. and long-term holding-type businesses that aim for stable earnings over the medium to long term in Asia.
- Of the 310.0 billion yen in real estate development assets at the end of the first half, 40% were operating assets and 60% were assets under development. 60% were assets in short-term turnover-type business and 40% were assets in long-term holding-type businesses.
- By area, Asia, the U.S., and Europe accounted for 41%, 40%, and 16% of assets, respectively.
- Under the Medium-Term Business Plan, the business is expected to have 460.0 billion yen in assets by fiscal 2023 after investment of 450.0 billion yen over the three years of the plan.

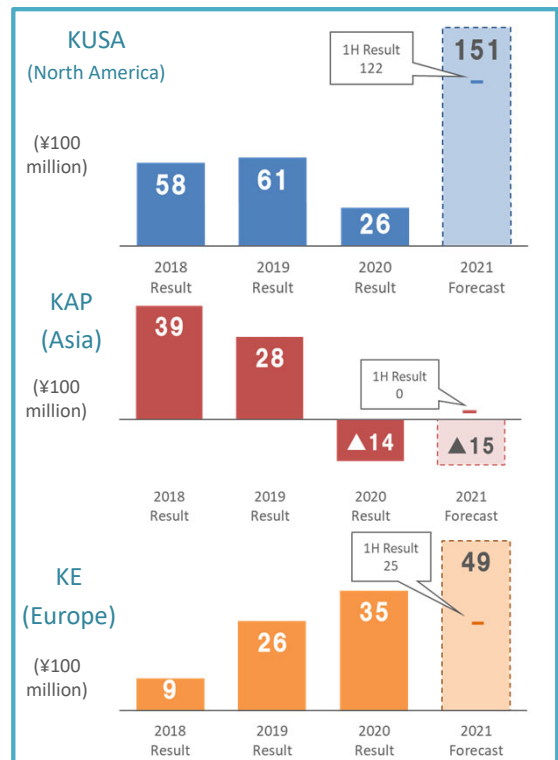
2. Current Situation and Changes in the Overseas Real Estate Development Business

Overseas real estate development business net income

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



(Breakdown by Major Overseas Subsidiaries)



- This slide shows the current situation of and changes in net income in the overseas real estate development business.
- Net income for the overseas real estate development business was 14.9 billion yen in the first half of the fiscal year, compared to the full-year forecast of 18.5 billion yen.
- With regard to net income for the real estate development business of the major companies, while KUSA (North America) and KE (Europe) have seen earnings contributions from short-term turnover-type business, mainly the distribution warehouse development business in recent years, KAP (Asia) has been in the red due to a slowdown in its long-term holding-type business, including a decline in occupancy rates of hotels and other operating facilities due to the impact of COVID-19.
- In the future, we will expand and grow the cycle of investment, sale, and reinvestment, aiming for high investment efficiency and sustained profitability.

3. Main Projects Under Development

Major domestic development projects

Project Name	Primary Use	Location	Business Type	Total floor area	Completion
Yokohama Gate Tower	Office	Kanagawa prefecture	Joint project	Approx. 83,700m ²	Oct-2021
Kudan Kaikan Reconstruction Project	Office	Chiyoda-ku, Tokyo	Joint project	Approx. 68,000m ²	Jul-2022
MM37 Tower (tentative name)	Office and hotel	Kanagawa prefecture	Joint project	Approx. 122,000m ²	Jan-2023
Hilton Okinawa Miyakojima Resort	Hotel	Okinawa prefecture	Joint project	Approx. 28,400m ²	Feb-2023
Sakuragicho Office Project, Omiya-ku	Office	Saitama prefecture	Joint project	Approx. 20,700m ²	May-2023
Haneda Innovation City (Phase II)	Office	Ota-ku, Tokyo	Joint project	Approx. 130,000m ²	Jun-2023
Park Tower Kachidoki South	Residential	Chuo-ku, Tokyo	Joint project	Approx. 180,800m ²	Aug-2023
Yokohama City Hall District Redevelopment Project	Office	Kanagawa prefecture	Joint project	Approx. 117,200m ²	FY2025
Hamamatsucho 2-Chome District Type 1 Urban Area Redevelopment Project	Residential, office and commercial	Minato-ku, Tokyo	Joint project	Approx. 74,000m ²	Dec-2026
Yaesu 2-chome Central Area Type 1 Urban Redevelopment Project	Office	Chuo-ku, Tokyo	Joint project	Approx. 388,300m ²	FY2028
Tokyo Institute of Technology Tamachi Campus Redevelopment Project	Office and hotel	Minato-ku, Tokyo	Joint project	Approx. 250,200m ²	FY2030

Major overseas development projects

Project Name	Primary Use	Location	Business Type	Total floor area (number of projects)	Completion
Distribution warehouse development business in the U.S.	Logistics Facilities	United States	Partly joint projects	Approx. 1.70 mil. m ² (33)	2017-2022
Woodleigh Development Project	Residential	Singapore	Joint project	Approx. 95,400m ²	2023
Distribution warehouse development business in Europe	Logistics Facilities	Europe	Joint projects	Approx. 0.85 mil. m ² (16)	2017-2023
Development and operation of student dormitories in Poland	Student dormitory	Poland	Joint projects	Approx. 80,000 m ² (10)	2014-2023

The total floor space is the figure for the entire project.

- Finally, here is a list of the main projects under development in Japan and overseas.
- This concludes the presentation.



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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 November 9, 2021, and are subject to risks and uncertainties that may cause the actual results to vary.