

# KAJIMA FACT BOOK

September 30, 2004

KAJIMA CORPORATION

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*Note on line items:*

Presentation of financial results for the six-month period ended September 30, 2004 was made in accordance with the line items used in the Kessan-tanshin or Notice of Consolidated and Non-Consolidated Financial Statements for the same period. Thus, items currently shown in bars (-) may be included in "Other" line items in some years. Definition and/or scope of a line item may differ from year to year due to change in presentation standards. In some cases, more than one line item are combined into one.

## Principal indices for business performance

(Millions of Yen)

| Six-Month Period ended              | Sep '00   | Sep '01   | Sep '02   | Sep '03   | Sep '04   | (Ref.)<br>Mar '04<br>(Full-Year Actual) |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|---|
| <b>Consolidated</b>                 |           |           |           |           |           |   |
| Construction Contract Awards        | 635,467   | 672,295   | 601,415   | 644,339   | 709,057   | 1,312,744                               |
| Revenue                             | 712,357   | 854,118   | 822,791   | 783,372   | 732,664   | 1,621,760                               |
| Operating Income                    | 13,123    | 16,460    | 12,504    | 17,010    | 18,911    | 46,418                                  |
| Recurring Profit                    | 6,650     | 11,792    | 5,009     | 12,123    | 18,642    | 37,749                                  |
| Net Income (Loss)                   | 3,249     | 1,287     | 2,472     | 6,079     | -2,612    | -4,474                                  |
| Net Income/Share (Yen)              | 3.40      | 1.35      | 2.58      | 6.35      | -2.48     | -4.61                                   |
| Total Asset                         | 2,536,363 | 2,328,575 | 2,081,334 | 1,896,364 | 1,761,384 | 1,870,279                               |
| Stockholders Equity                 | 248,724   | 215,535   | 168,776   | 180,148   | 200,962   | 216,509                                 |
| Interest-Bearing Debt               | 769,798   | 717,502   | 658,120   | 591,432   | 524,288   | 543,262                                 |
| Stockholders Equity/Total Asset (%) | 9.8       | 9.3       | 8.1       | 9.5       | 11.4      | 11.6                                    |
| Stockholders Equity/Share (Yen)     | 260.06    | 225.35    | 176.07    | 188.32    | 190.96    | 205.60                                  |
| Cash Flow - Operating Activities    | 7,353     | 2,396     | 4,242     | 35,556    | 19,061    | 50,102                                  |
| Cash Flow - Investing Activities    | 6,361     | 5,897     | -6,489    | -8,224    | -133      | -34,650                                 |
| Cash Flow - Financing Activities    | -7,356    | -12,520   | -3,625    | -5,444    | -22,709   | 6,666                                   |

**Unconsolidated**

|   |           |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Contract Awards   | 502,982   | 551,379   | 538,070   | 597,834   | 652,405   | 1,178,155 |
| Construction Contract Awards  | 458,649   | 513,313   | 494,936   | 546,247   | 548,452   | 1,092,595 |
| Revenue   | 475,136   | 615,813   | 618,820   | 548,068   | 578,005   | 1,172,432 |
| Operating Income  | 11,799    | 9,267     | 8,187     | 9,077     | 26,635    | 30,286    |
| Recurring Profit  | 7,783     | 6,203     | 3,871     | 4,766     | 24,883    | 21,255    |
| Net Income(Loss)  | 4,532     | -3,863    | 1,213     | 1,785     | 1,931     | -14,492   |
| Net Income/Share (Yen)  | 4.71      | -4.02     | 1.26      | 1.86      | 1.83      | -14.49    |
| Dividend/Share (Yen)  | 3.5       | 3.5       | 2.5       | 2.5       | 2.5       | 5.0       |
| Total Asset   | 2,107,642 | 1,922,763 | 1,723,528 | 1,578,712 | 1,481,991 | 1,586,814 |
| Stockholders Equity   | 289,487   | 244,457   | 196,121   | 202,009   | 224,918   | 236,472   |
| Interest-Bearing Debt   | 552,875   | 501,322   | 460,848   | 389,757   | 358,057   | 383,883   |
| Stockholders Equity/Total Asset (%)                                 | 13.7      | 12.7      | 11.4      | 12.8      | 15.2      | 14.9      |
| Stockholders Equity/Share (Yen)                                     | 301.14    | 254.30    | 204.07    | 210.35    | 212.97    | 223.89    |
| Total Number of Shares Issued ('000)<br>(excluding treasury stocks) | 961,312   | 961,309   | 961,045   | 960,328   | 1,056,089 | 1,056,218 |
| Gross Profit Margin (%)   | 10.3%     | 7.8%      | 7.3%      | 7.9%      | 10.1%     | 8.4%      |
| - Ditto - on completed contracts (%)                                | 10.2%     | 7.3%      | 6.8%      | 7.4%      | 9.0%      | 8.2%      |
| - Ditto - on civil contracts (%)                                    | 15.8%     | 11.0%     | 12.4%     | 11.6%     | 12.0%     | 13.0%     |
| - Ditto - on building contracts (%)                                 | 8.4%      | 6.4%      | 4.7%      | 5.8%      | 7.9%      | 6.1%      |
| - Ditto - on real estate and other (%)                              | 10.5%     | 16.5%     | 12.6%     | 13.6%     | 15.1%     | 11.8%     |

# Comparative Balance Sheet (Consolidated)

(Millions of Yen)

| Six-Month Period ended             | Sep '00   | Sep '01   | Sep '02   | Sep '03   | Sep '04   | (Ref.)<br>Mar '04<br>(Full-Year Actual) |
|------------------------------------|-----------|-----------|-----------|-----------|-----------|---|
| <b>Assets</b>                      |           |           |           |           |           |   |
| <b>Current Assets</b>              | 1,559,731 | 1,443,642 | 1,280,152 | 1,144,965 | 1,021,761 | 1,109,719                               |
| Cash and Cash Equivalents          | 144,001   | 110,612   | 92,164    | 109,846   | 104,851   | 108,482                                 |
| Notes & Accounts Receivable        | 289,145   | 330,244   | 343,569   | 351,013   | 339,526   | 382,691                                 |
| Marketable Securities              | 1,621     | 501       | 803       | 144       | 190       | 129                                     |
| Construction Projects in Progress  | 741,990   | 546,724   | 358,521   | 217,111   | 174,694   | 178,020                                 |
| Other Inventories                  | 193,664   | 228,261   | 229,107   | 236,864   | 209,700   | 231,248                                 |
| Deferred Income Taxes              | 63,675    | 69,532    | 77,771    | 68,860    | 68,349    | 76,270                                  |
| Suspense Payment                   | -         | -         | 121,442   | 111,885   | -         | -                                       |
| Others                             | 135,414   | 169,500   | 69,651    | 61,350    | 136,063   | 146,317                                 |
| Allowance for doubtful accounts    | -9,781    | -11,735   | -12,880   | -12,112   | -11,614   | -13,441                                 |
| <b>Fixed Assets</b>                | 976,632   | 884,933   | 801,181   | 751,398   | 739,622   | 760,559                                 |
| <b>Tangible Fixed Assets</b>       | 443,527   | 417,275   | 413,151   | 394,631   | 363,498   | 378,804                                 |
| Buildings & Structures             | 218,211   | 206,025   | 172,830   | 170,651   | 153,225   | 160,978                                 |
| Machinery & Equipment              | 28,871    | 26,956    | 21,542    | 19,627    | 16,869    | 17,024                                  |
| Land                               | 155,331   | 153,640   | 179,095   | 174,173   | 162,328   | 170,012                                 |
| Construction in Progress           | 39,955    | 29,534    | 38,904    | 29,447    | -         | 29,814                                  |
| Others                             | 1,158     | 1,118     | 777       | 731       | 31,074    | 973                                     |
| <b>Intangible Fixed Assets</b>     | 8,078     | 9,279     | 10,716    | 12,826    | 11,773    | 12,477                                  |
| <b>Investment and Other Assets</b> | 525,026   | 458,378   | 377,313   | 343,941   | 364,350   | 369,277                                 |
| Investment in Securities           | 358,340   | 282,645   | 212,379   | 201,365   | 209,781   | 227,678                                 |
| Long-term Loans Receivable         | 38,394    | 41,368    | 38,229    | 35,752    | 27,475    | 50,791                                  |
| Long-term Deferred Income Taxes    | 38,773    | 54,790    | 81,085    | 77,843    | 67,531    | 54,775                                  |
| Others                             | 126,687   | 121,865   | 112,835   | 98,519    | 93,376    | 96,867                                  |
| Allowance for doubtful accounts    | -37,169   | -42,291   | -67,216   | -69,539   | -33,814   | -60,836                                 |
| <b>Total Assets</b>                | 2,536,363 | 2,328,575 | 2,081,334 | 1,896,364 | 1,761,384 | 1,870,279                               |

(Millions of Yen)

| Six-Month Period ended  | Sep '00          | Sep '01          | Sep '02          | Sep '03          | Sep '04          | (Ref.)                        |
|---|------------------|------------------|------------------|------------------|------------------|-------------------------------|
|   |                  |                  |                  |                  |                  | Mar '04<br>(Full-Year Actual) |
| <b>Liabilities</b>  |                  |                  |                  |                  |                  |                               |
| <b>Current Liabilities</b>  | 1,707,743        | 1,578,805        | 1,373,101        | 1,149,262        | 1,139,862        | 1,172,494                     |
| Notes & Accounts Payable  | 419,292          | 420,243          | 416,578          | 426,145          | 416,667          | 461,847                       |
| Short-term Borrowings   | 219,144          | 249,486          | 208,568          | 184,963          | 223,867          | 180,954                       |
| Commercial Paper  | 94,954           | 84,000           | 84,500           | 28,000           | 16,500           | 44,000                        |
| Current portion of Bond   | 55,506           | 54,917           | 58,561           | 32,840           | 47,123           | 29,626                        |
| Current portion of Convertible Bond   | 14,893           | -                | -                | -                | -                | -                             |
| Income Taxes Payable  | 1,109            | 1,551            | 1,335            | 4,420            | 2,400            | 3,144                         |
| Advance Received - Construction   | 706,012          | 526,417          | 339,684          | 211,638          | 175,902          | 155,902                       |
| Advance Received - Real Estate and Other  | 38,962           | 52,899           | 32,477           | 35,530           | 65,012           | 76,713                        |
| Deposits  | -                | -                | 147,519          | 146,249          | 110,752          | 144,441                       |
| Allowance for warranty on completed construction projects                                       | 911              | 843              | 877              | 866              | 569              | 706                           |
| Others  | 156,956          | 188,446          | 82,998           | 78,608           | 81,066           | 75,157                        |
| <b>Long-Term Liabilities</b>  | 562,444          | 516,108          | 524,355          | 551,804          | 407,235          | 466,800                       |
| Bonds Payable   | 165,529          | 165,088          | 119,204          | 141,393          | 99,952           | 119,623                       |
| Long-term Debt  | 219,771          | 164,009          | 187,286          | 204,235          | 136,844          | 169,057                       |
| Deferred Income Taxes on Revaluation of Land  | -                | -                | 10,405           | 11,324           | 15,956           | 12,108                        |
| Liability for Retirement Benefits   | 84,940           | 88,189           | 89,012           | 91,850           | 64,839           | 66,105                        |
| Liability for Retirement Benefits-Officers & Directors  | 4,922            | 5,149            | 4,905            | 4,996            | 5,476            | 5,307                         |
| Provision for loss on investments in real estate development                                    | -                | -                | 22,156           | 21,695           | 19,247           | 19,824                        |
| Equity loss in excess of investments in and loans to unconsolidated subsidiaries and affiliates | 21,883           | 19,525           | 21,137           | 11,514           | 5,106            | 12,211                        |
| Consolidation Adjustments   | 2,021            | 1,589            | 1,151            | 696              | 240              | 468                           |
| Others  | 63,375           | 72,556           | 69,095           | 64,097           | 59,570           | 62,094                        |
| <b>Total Liabilities</b>  | <b>2,270,187</b> | <b>2,094,914</b> | <b>1,897,456</b> | <b>1,701,066</b> | <b>1,547,097</b> | <b>1,639,295</b>              |
| <b>Minority Interest</b>  |                  |                  |                  |                  |                  |                               |
| Minority Interest   | 17,451           | 18,125           | 15,101           | 15,148           | 13,324           | 14,474                        |
| <b>Stockholders' Equity</b>   |                  |                  |                  |                  |                  |                               |
| Common Stock  | 64,071           | 64,071           | 64,071           | 64,071           | 81,447           | 81,447                        |
| Additional paid-in Capital  | 32,147           | 32,147           | 32,147           | 32,147           | 49,485           | 49,485                        |
| Retained Earnings   | 81,071           | 81,414           | 34,680           | 41,892           | 17,680           | 30,107                        |
| Revaluation Surplus of Land   | -                | -                | 14,149           | 16,011           | 20,842           | 13,773                        |
| Unrealized gain on available-for-sale securities  | 73,401           | 36,522           | 24,225           | 25,802           | 34,092           | 44,924                        |
| Foreign currency statements translation adjustments   | -371             | 2,975            | 403              | 1,497            | -1,218           | -1,910                        |
| Treasury Stock-at cost  | -1,595           | -1,595           | -900             | -1,274           | -1,366           | -1,317                        |
| <b>Total Stockholders' Equity</b>   | <b>248,724</b>   | <b>215,535</b>   | <b>168,776</b>   | <b>180,148</b>   | <b>200,962</b>   | <b>216,509</b>                |
| <b>Total Liabilities, Minority Interest and Stockholders' Equity</b>                            | <b>2,536,363</b> | <b>2,328,575</b> | <b>2,081,334</b> | <b>1,896,364</b> | <b>1,761,384</b> | <b>1,870,279</b>              |

# Comparative Statements of Operations (Consolidated)

(Millions of Yen)

| Six-Month Period ended   | Sep '00 | Sep '01 | Sep '02 | Sep '03 | Sep '04 | (Ref.)<br>Mar '04<br>(Full-Year Actual) |
|--|---------|---------|---------|---------|---------|---|
| <b>Recurring Profit</b>  |         |         |         |         |         |   |
| <b>Operating Income</b>  |         |         |         |         |         |   |
| Revenue  | 712,357 | 854,118 | 822,791 | 783,372 | 732,664 | 1,621,760                               |
| Construction Projects  | 553,273 | 732,001 | 654,136 | 601,102 | 570,463 | 1,317,382                               |
| Real Estate and Other  | 159,083 | 122,117 | 168,655 | 182,270 | 162,201 | 304,377                                 |
| Cost of Revenue  | 645,728 | 781,903 | 756,150 | 716,747 | 667,616 | 1,475,503                               |
| Construction Projects  | 506,213 | 681,553 | 610,131 | 557,878 | 528,361 | 1,211,639                               |
| Real Estate and Other  | 139,514 | 100,349 | 146,018 | 158,868 | 139,255 | 263,864                                 |
| Gross Profit   | 66,628  | 72,215  | 66,641  | 66,624  | 65,048  | 146,256                                 |
|  | (9.3%)  | (8.5%)  | (8.1%)  | (8.5%)  | (8.9%)  | (9.0%)                                  |
| Construction Projects  | 47,059  | 50,447  | 44,004  | 43,223  | 42,102  | 105,742                                 |
|  | (8.5%)  | (6.9%)  | (6.7%)  | (7.2%)  | (7.4%)  | (8.0%)                                  |
| Real Estate and Other  | 19,569  | 21,768  | 22,637  | 23,401  | 22,946  | 40,513                                  |
|  | (12.3%) | (17.8%) | (13.4%) | (12.8%) | (14.1%) | (13.3%)                                 |
| Selling, General & Administrative Expenses                           | 53,504  | 55,754  | 54,136  | 49,614  | 46,136  | 99,837                                  |
|  | (7.5%)  | (6.6%)  | (6.6%)  | (6.3%)  | (6.3%)  | (6.1%)                                  |
| Operating Income   | 13,123  | 16,460  | 12,504  | 17,010  | 18,911  | 46,418                                  |
|  | (1.8%)  | (1.9%)  | (1.5%)  | (2.2%)  | (2.6%)  | (2.9%)                                  |
| <b>Non-Operating Income &amp; Expense</b>                            |         |         |         |         |         |   |
| Non-Operating Income   | 6,534   | 8,361   | 4,778   | 4,446   | 6,306   | 10,639                                  |
| Interest/Dividend Received<br>(incl. those on marketable securities) | 3,616   | 3,786   | 3,079   | 2,128   | 2,062   | 4,867                                   |
| Equity in earnings of<br>unconsolidated subsidiaries and affiliates  | 146     | 1,029   | -       | 44      | 1,648   | 494                                     |
| Other  | 2,772   | 3,544   | 1,699   | 2,272   | 2,595   | 5,277                                   |
| Non-Operating Expense  | 13,008  | 13,029  | 12,274  | 9,333   | 6,576   | 19,308                                  |
| Interest paid (incl. those on bonds & commercial paper)              | 8,104   | 7,467   | 6,261   | 5,411   | 4,160   | 10,406                                  |
| Provision for doubtful accounts                                      | 242     | 3,067   | 2,636   | 2,026   | 1,067   | 4,975                                   |
| Other  | 4,661   | 2,495   | 3,376   | 1,896   | 1,348   | 3,927                                   |
| Recurring Profit   | 6,650   | 11,792  | 5,009   | 12,123  | 18,642  | 37,749                                  |
|  | (0.9%)  | (1.4%)  | (0.6%)  | (1.5%)  | (2.5%)  | (2.3%)                                  |

(Millions of Yen)

| Six-Month Period ended                   | Sep '00 | Sep '01 | Sep '02 | Sep '03 | Sep '04 | (Ref.)<br>Mar '04<br>(Full-Year Actual) |
|--|---------|---------|---------|---------|---------|---|
| Extraordinary Profit                     | 26,592  | 1,834   | 3,493   | 1,664   | 4,027   | 8,559                                   |
| Extraordinary Loss                       | 27,345  | 12,479  | 4,239   | 982     | 19,407  | 43,396                                  |
| Net Income (Loss) before tax/adjustments | 5,897   | 1,146   | 4,262   | 12,804  | 3,262   | 2,913                                   |
| Corporate Income and Other Taxes         | 1,368   | 2,097   | 1,517   | 4,294   | 927     | 2,790                                   |
| Tax adjustments                          | 2,019   | -1,396  | 580     | 3,281   | 6,395   | 5,120                                   |
| Total Income and Other Taxes             | 3,387   | 700     | 2,098   | 7,576   | 7,323   | 7,911                                   |
| Minority Interest                        | 740     | 841     | 307     | 851     | 1,448   | 523                                     |
| Net Income (Loss)                        | 3,249   | 1,287   | 2,472   | 6,079   | -2,612  | -4,474                                  |

## Note: Breakdown of Extraordinary Loss

|  |        |        |       |     |        |        |
|--|--------|--------|-------|-----|--------|--------|
| Loss on restructuring of affiliates                          | -      | -      | -     | -   | 15,190 | -      |
| Loss on impairment of long-lived assets                      | -      | -      | -     | -   | 1,771  | -      |
| Loss on sales of marketable and investment securities        | -      | 947    | 1,399 | 50  | -      | 121    |
| Valuation loss on marketable and investment securities       | 1,429  | 11,032 | 1,889 | 270 | -      | 496    |
| Loss on investments in real estate development               | 3,039  | -      | -     | -   | -      | -      |
| Provision for loss on investments in real estate development | -      | -      | -     | -   | -      | 6,774  |
| Provision for doubtful accounts                              | 3,443  | -      | -     | -   | -      | -      |
| Provision for retirement benefits payable                    | 18,263 | -      | -     | -   | -      | -      |
| Loss on dissolution of Pension Fund                          | -      | -      | -     | -   | -      | 33,483 |
| Other  | 1,169  | 499    | 950   | 661 | 2,445  | 2,519  |

## Footnotes to Consolidated Financial Statements

(Millions of Yen)

| Six-Month Period ended   | Sep '00 | Sep '01 | Sep '02 | Sep '03 | Sep '04 | (Ref.)<br>Mar '04<br>(Full-Year Actual) |
|--|---------|---------|---------|---------|---------|---|
| <b>Contingent Liabilities</b>  |         |         |         |         |         |   |
| Loans Guaranteed   | 46,044  | 50,840  | 32,463  | 29,284  | 28,242  | 25,600                                  |
| <b>No. of consolidated companies</b>   |         |         |         |         |         |   |
| Consolidated subsidiaries  | 82      | 82      | 79      | 85      | 75      | 78                                      |
| (Japan)  | (15)    | (15)    | (12)    | (12)    | (11)    | (12)                                    |
| (Overseas)   | (67)    | (67)    | (67)    | (73)    | (64)    | (66)                                    |
| Unconsolidated subsidiaries<br>accounted for using equity method                     | 57      | 56      | 59      | 62      | 65      | 65                                      |
| Affiliated companies accounted for<br>using equity method                            | 36      | 38      | 38      | 34      | 54      | 48                                      |
| Total no. of companies fully<br>consolidated or accounted for using<br>equity method | 175     | 176     | 176     | 181     | 194     | 191                                     |
| <b>Additional Information</b>  |         |         |         |         |         |   |
| Capital investments  | 15,227  | 8,758   | 15,037  | 5,659   | 5,604   | 15,078                                  |
| Depreciation/Amortization  | 12,061  | 11,849  | 10,788  | 10,197  | 11,304  | 20,151                                  |
| Financing income/expense   | -4,488  | -3,680  | -3,182  | -3,282  | -2,098  | -5,538                                  |

Note: Depreciation/Amortization are those calculated on tangible and intangible fixed assets as well as on other investments



## Financial Performance By Business Segments (Consolidated)

(Millions of Yen)

| Six-Month Period ended        | Sep '00 | Sep '01  | Sep '02  | Sep '03  | Sep '04 | (Ref.)                        |
|-------------------------------|---------|----------|----------|----------|---------|-------------------------------|
|                               |         |          |          |          |         | Mar '04<br>(Full-Year Actual) |
| <b>1 Construction</b>         |         |          |          |          |         |                               |
| Revenue                       | 553,475 | 734,152  | 657,547  | 601,273  | 570,871 | 1,317,712                     |
| Cost of Revenue/SG&A          | 544,828 | 729,027  | 655,227  | 598,809  | 565,478 | 1,293,572                     |
| Operating Income              | 8,647   | 5,125    | 2,319    | 2,463    | 5,393   | 24,140                        |
| <b>2 Real Estate</b>          |         |          |          |          |         |                               |
| Revenue                       | 95,983  | 65,270   | 109,316  | 127,244  | 115,998 | 188,136                       |
| Cost of Revenue/SG&A          | 91,546  | 54,723   | 98,731   | 117,605  | 102,006 | 172,108                       |
| Operating Income              | 4,437   | 10,547   | 10,585   | 9,638    | 13,991  | 16,027                        |
| <b>3 Other</b>                |         |          |          |          |         |                               |
| Revenue                       | 64,886  | 62,514   | 66,165   | 66,970   | 55,472  | 141,360                       |
| Cost of Revenue/SG&A          | 64,683  | 62,836   | 66,510   | 67,479   | 55,877  | 140,407                       |
| Operating Income              | 203     | -322     | -344     | -508     | -404    | 953                           |
| <b>4 Total (1 through 3)</b>  |         |          |          |          |         |                               |
| Revenue                       | 714,346 | 861,937  | 833,030  | 795,488  | 742,342 | 1,647,209                     |
| Cost of Revenue/SG&A          | 701,058 | 846,587  | 820,468  | 783,895  | 723,361 | 1,606,087                     |
| Operating Income              | 13,287  | 15,350   | 12,561   | 11,593   | 18,980  | 41,122                        |
| <b>5 Elimination</b>          |         |          |          |          |         |                               |
| Revenue                       | (1,989) | (7,818)  | (10,238) | (12,116) | (9,677) | (25,449)                      |
| Cost of Revenue/SG&A          | (1,825) | (8,929)  | (10,181) | (17,533) | (9,608) | (30,746)                      |
| Operating Income              | (163)   | (-1,110) | (56)     | (-5,417) | (68)    | (-5,296)                      |
| <b>6 Consolidated Results</b> |         |          |          |          |         |                               |
| Revenue                       | 712,357 | 854,118  | 822,791  | 783,372  | 732,664 | 1,621,760                     |
| Cost of Revenue/SG&A          | 699,233 | 837,658  | 810,287  | 766,361  | 713,752 | 1,575,341                     |
| Operating Income              | 13,123  | 16,460   | 12,504   | 17,010   | 18,911  | 46,418                        |

## Financial Performance By Geographical Segments (Consolidated) (Millions of Yen)

| Six-Month Period ended        | Sep '00 | Sep '01 | Sep '02 | Sep '03 | Sep '04 | (Ref.)                        |
|-------------------------------|---------|---------|---------|---------|---------|-------------------------------|
|                               |         |         |         |         |         | Mar '04<br>(Full-Year Actual) |
| <b>1 Japan</b>                |         |         |         |         |         |                               |
| Revenue                       | 645,044 | 764,470 | 733,244 | 699,522 | 650,101 | 1,461,103                     |
| Cost of Revenue/SG&A          | 634,206 | 753,634 | 724,152 | 683,729 | 624,773 | 1,418,261                     |
| Operating Income              | 10,797  | 10,836  | 9,091   | 15,793  | 25,327  | 42,842                        |
| <b>2 North America</b>        |         |         |         |         |         |                               |
| Revenue                       | 38,902  | 61,550  | 61,532  | 52,991  | 43,124  | 105,287                       |
| Cost of Revenue/SG&A          | 37,836  | 56,138  | 58,308  | 52,911  | 45,034  | 101,906                       |
| Operating Income              | 1,065   | 5,411   | 3,224   | 80      | -1,910  | 3,380                         |
| <b>3 Europe</b>               |         |         |         |         |         |                               |
| Revenue                       | 11,155  | 3,518   | 8,111   | 12,899  | 15,690  | 21,818                        |
| Cost of Revenue/SG&A          | 10,473  | 4,400   | 9,310   | 13,327  | 21,717  | 24,279                        |
| Operating Income              | 682     | -881    | -1,199  | -427    | -6,027  | -2,460                        |
| <b>4 Asia</b>                 |         |         |         |         |         |                               |
| Revenue                       | 17,295  | 24,748  | 20,221  | 18,145  | 24,294  | 34,783                        |
| Cost of Revenue/SG&A          | 16,717  | 23,654  | 18,832  | 16,580  | 22,772  | 32,126                        |
| Operating Income              | 578     | 1,094   | 1,388   | 1,564   | 1,521   | 2,657                         |
| <b>5 Total (1 through 4)</b>  |         |         |         |         |         |                               |
| Revenue                       | 712,357 | 854,288 | 823,109 | 783,560 | 733,209 | 1,622,993                     |
| Cost of Revenue/SG&A          | 699,233 | 837,827 | 810,604 | 766,549 | 714,297 | 1,576,574                     |
| Operating Income              | 13,123  | 16,460  | 12,504  | 17,010  | 18,911  | 46,418                        |
| <b>6 Elimination</b>          |         |         |         |         |         |                               |
| Revenue                       | -       | (169)   | (317)   | (188)   | (545)   | (1,232)                       |
| Cost of Revenue/SG&A          | -       | (169)   | (317)   | (188)   | (545)   | (1,232)                       |
| Operating Income              | -       | -       | -       | -       | -       | -                             |
| <b>7 Consolidated Results</b> |         |         |         |         |         |                               |
| Revenue                       | 712,357 | 854,118 | 822,791 | 783,372 | 732,664 | 1,621,760                     |
| Cost of Revenue/SG&A          | 699,233 | 837,658 | 810,287 | 766,361 | 713,752 | 1,575,341                     |
| Operating Income              | 13,123  | 16,460  | 12,504  | 17,010  | 18,911  | 46,418                        |

## Overseas Revenue (Consolidated)

(Millions of Yen)

| Six-Month Period ended     | Sep '00 | Sep '01 | Sep '02 | Sep '03 | Sep '04 | (Ref.)                        |
|----------------------------|---------|---------|---------|---------|---------|-------------------------------|
|                            |         |         |         |         |         | Mar '04<br>(Full-Year Actual) |
| North America              | 38,902  | 61,550  | 61,549  | 52,993  | 43,127  | 105,301                       |
|                            | (5.5%)  | (7.2%)  | (7.5%)  | (6.8%)  | (5.9%)  | (6.5%)                        |
| Europe                     | 11,155  | 4,102   | 8,690   | 13,476  | 16,269  | 22,395                        |
|                            | (1.6%)  | (0.5%)  | (1.1%)  | (1.7%)  | (2.2%)  | (1.4%)                        |
| Asia                       | 19,293  | 28,110  | 25,595  | 30,654  | 36,138  | 62,927                        |
|                            | (2.7%)  | (3.3%)  | (3.1%)  | (3.9%)  | (4.9%)  | (3.9%)                        |
| Other                      | 337     | 224     | 221     | 1,058   | 1,884   | 2,993                         |
|                            | (0.0%)  | (0.0%)  | (0.0%)  | (0.1%)  | (0.3%)  | (0.1%)                        |
| Total overseas revenue     | 69,689  | 93,988  | 96,056  | 98,182  | 97,420  | 193,618                       |
|                            | (9.8%)  | (11.0%) | (11.7%) | (12.5%) | (13.3%) | (11.9%)                       |
| Total consolidated revenue | 712,357 | 854,118 | 822,791 | 783,372 | 732,664 | 1,621,760                     |

Note: Percentage figures assigned herein represent percentage of Total consolidated revenue.

# Summary of Principal Overseas Subsidiaries

(Millions of Yen)

| Six-Month Period ended  | Sep '00 | Sep '01 | Sep '02 | Sep '03 | Sep '04 | (Ref.)<br>Mar '04<br>(Full-Year Actual) |
|---|---------|---------|---------|---------|---------|---|
| <b>K U S A (Kajima USA Inc.)</b> ••• undertaking construction & real estate business in North America (100% sub of Kajima Corp) |         |         |         |         |         |   |
| Construction Contract Awards  | 37,871  | 23,948  | 22,354  | 27,526  | 37,962  | 62,608                                  |
| Revenue   | 30,890  | 51,230  | 52,291  | 43,868  | 34,552  | 89,180                                  |
| Operating Income  | -272    | 3,255   | 1,526   | -366    | -2,827  | 2,186                                   |
| Recurring Profit  | -820    | 3,680   | 869     | -362    | -2,567  | 2,591                                   |
| Net Income  | -1,274  | 3,445   | 861     | -438    | -2,607  | 2,056                                   |
| Total Assets  | 113,554 | 138,374 | 122,189 | 133,735 | 111,226 | 102,918                                 |
| No. of employees  | 631     | 691     | 634     | 721     | 706     | 703                                     |
| <b>K K H (Kajima Kona Holdings Inc.)</b> ••• undertaking resort development business on the Big Island of Hawaii (100% sub )    |         |         |         |         |         |   |
| Construction Contract Awards  | -       | -       | -       | -       | -       | -                                       |
| Revenue   | 6,751   | 9,054   | 8,354   | 8,367   | 7,763   | 14,673                                  |
| Operating Income  | 1,151   | 2,014   | 1,618   | 960     | 934     | 954                                     |
| Recurring Profit  | 508     | 1,326   | 1,193   | 571     | 681     | 324                                     |
| Net Income  | 508     | 1,326   | 1,193   | 571     | 683     | 324                                     |
| Total Assets  | 24,210  | 29,111  | 33,779  | 31,450  | 27,811  | 28,045                                  |
| No. of employees  | 861     | 915     | 957     | 1,016   | 1,051   | 1,038                                   |
| <b>K E (Kajima Europe B.V.)</b> ••• undertaking construction & real estate business in Europe (100% sub)                        |         |         |         |         |         |   |
| Construction Contract Awards  | 7,471   | 15,091  | 2,088   | 2,352   | 25,683  | 10,785                                  |
| Revenue   | 11,156  | 3,519   | 8,111   | 12,899  | 15,690  | 21,818                                  |
| Operating Income  | 589     | -881    | -1,199  | -427    | -6,604  | -2,460                                  |
| Recurring Profit  | 940     | -350    | -1,096  | -466    | -6,723  | -257                                    |
| Net Income  | 337     | -327    | -1,147  | -715    | -4,886  | -635                                    |
| Total Assets  | 31,270  | 28,007  | 36,894  | 50,389  | 40,419  | 38,567                                  |
| No. of employees  | 230     | 236     | 273     | 397     | 464     | 445                                     |
| <b>K O A (Kajima Overseas Asia PTE Limited)</b> ••• undertaking construction & real estate business in Asia (100% sub)          |         |         |         |         |         |   |
| Construction Contract Awards  | 6,351   | 10,021  | 15,459  | 2,111   | 6,961   | 9,653                                   |
| Revenue   | 13,508  | 16,014  | 11,932  | 10,822  | 12,133  | 22,729                                  |
| Operating Income  | 925     | 895     | 737     | 843     | 1,126   | 1,801                                   |
| Recurring Profit  | 1,314   | 3,603   | 707     | 991     | 1,640   | 2,386                                   |
| Net Income  | 1,187   | 3,462   | 543     | 756     | 1,435   | 1,837                                   |
| Total Assets  | 52,722  | 57,642  | 52,441  | 47,526  | 45,788  | 44,235                                  |
| No. of employees  | 1,054   | 1,289   | 968     | 954     | 968     | 947                                     |
| <b>Chung-Lu Sino Kajima Construction</b> ••• undertaking construction business in Taiwan (100% sub)                             |         |         |         |         |         |   |
| Construction Contract Awards  | 8,441   | 12,825  | 5,511   | 10,798  | 38,536  | 15,858                                  |
| Revenue   | 3,787   | 8,734   | 8,288   | 7,323   | 12,160  | 12,053                                  |
| Operating Income  | -325    | 177     | 630     | 721     | 395     | 855                                     |
| Recurring Profit  | -319    | 179     | 668     | 749     | 531     | 956                                     |
| Net Income  | -237    | 134     | 460     | 510     | 331     | 669                                     |
| Total Assets  | 14,469  | 6,599   | 4,340   | 5,856   | 9,878   | 4,281                                   |
| No. of employees  | 43      | 64      | 84      | 83      | 129     | 99                                      |

# Summary of Principal Domestic Subsidiaries

(Millions of Yen)

| Six-Month Period ended   | Sep '00 | Sep '01 | Sep '02 | Sep '03 | Sep '04 | (Ref.)<br>Mar '04<br>(Full-Year Actual) |
|--|---------|---------|---------|---------|---------|---|
| <b>Taiko Trading Co., Ltd.***specialty trading firm for construction materials (79.6% sub)</b>         |         |         |         |         |         |   |
| Revenue  | 119,914 | 123,600 | 115,188 | 92,151  | 85,550  | 195,782                                 |
| Operating Income   | 295     | 414     | 510     | 217     | 260     | 462                                     |
| Recurring Profit   | 338     | 445     | 515     | 255     | 313     | 552                                     |
| Net Income   | 159     | 300     | 326     | 172     | 176     | 301                                     |
| Total Assets   | 141,491 | 126,682 | 112,568 | 87,712  | 84,985  | 88,749                                  |
| Common Stock   | 400     | 400     | 400     | 400     | 400     | 400                                     |
| No. of Employees   | 340     | 303     | 300     | 300     | 291     | 293                                     |
| <b>Kajima Road Co., Ltd.***undertaking road pavement and other work (51.0% sub)</b>                    |         |         |         |         |         |   |
| Revenue  | 52,226  | 50,906  | 38,482  | 37,419  | 36,303  | 103,948                                 |
| Operating Income   | -2,437  | -1,614  | -1,787  | -2,046  | -2,474  | 398                                     |
| Recurring Profit   | -2,547  | -1,925  | -1,792  | -2,026  | -2,489  | 421                                     |
| Net Income   | -5,977  | -1,933  | -431    | -1,277  | -2,774  | -1,901                                  |
| Total Assets   | 104,451 | 89,003  | 77,014  | 73,237  | 68,864  | 76,298                                  |
| Common Stock   | 4,000   | 4,000   | 4,000   | 4,000   | 4,000   | 4,000                                   |
| No. of Employees   | 1,681   | 1,596   | 1,422   | 1,279   | 1,193   | 1,250                                   |
| <b>Chemical Grouting Co., Ltd.***undertaking construction foundation work (100% sub)</b>               |         |         |         |         |         |   |
| Revenue  | 15,260  | 16,707  | 11,694  | 11,026  | 11,380  | 24,249                                  |
| Operating Income   | 454     | 429     | 289     | 31      | 137     | 316                                     |
| Recurring Profit   | 486     | 491     | 327     | 73      | 172     | 410                                     |
| Net Income   | 108     | 168     | 183     | 10      | 80      | 252                                     |
| Total Assets   | 20,413  | 25,686  | 18,760  | 17,940  | 20,440  | 19,887                                  |
| Common Stock   | 300     | 300     | 300     | 300     | 300     | 300                                     |
| No. of Employees   | 312     | 278     | 278     | 285     | 279     | 282                                     |
| <b>KACOMB Co., Ltd.***undertaking facility management and maintenance work (100% sub)</b>              |         |         |         |         |         |   |
| Revenue  | 18,278  | 11,668  | 12,868  | 16,824  | 15,064  | 36,056                                  |
| Operating Income   | 445     | 276     | 465     | 529     | 370     | 870                                     |
| Recurring Profit   | 458     | 288     | 471     | 537     | 380     | 888                                     |
| Net Income   | 201     | 157     | 286     | 335     | 242     | 500                                     |
| Total Assets   | 10,532  | 11,654  | 8,299   | 13,535  | 11,255  | 12,149                                  |
| Common Stock   | 100     | 100     | 100     | 100     | 100     | 100                                     |
| No. of Employees   | 868     | 934     | 945     | 1,100   | 903     | 903                                     |
| <b>Kajima Leasing Corporation***undertaking full-service leasing and financing business (100% sub)</b> |         |         |         |         |         |   |
| Revenue  | 6,880   | 5,471   | 10,822  | 6,086   | 6,286   | 11,057                                  |
| Operating Income   | 290     | 231     | 389     | 75      | 157     | 333                                     |
| Recurring Profit   | 253     | 163     | 312     | 62      | 137     | 307                                     |
| Net Income   | 40      | 163     | 312     | 62      | 14      | 366                                     |
| Total Assets   | 59,979  | 58,524  | 42,314  | 34,071  | 29,489  | 31,586                                  |
| Common Stock   | 1,000   | 1,000   | 400     | 400     | 400     | 400                                     |
| No. of Employees   | 33      | 33      | 32      | 29      | 29      | 29                                      |
| <b>Kajima Mechatro Engineering Co., Ltd.***manufacturing construction machinery (100% sub)</b>         |         |         |         |         |         |   |
| Revenue  | 3,449   | 5,432   | 6,134   | 4,508   | 4,474   | 9,953                                   |
| Operating Income   | -100    | 49      | 14      | -153    | -43     | 28                                      |
| Recurring Profit   | -104    | 47      | 11      | -157    | -45     | 27                                      |
| Net Income   | -113    | 21      | 3       | -148    | -30     | 1                                       |
| Total Assets   | 11,085  | 7,485   | 8,593   | 6,331   | 6,441   | 7,118                                   |
| Common Stock   | 400     | 400     | 400     | 400     | 400     | 400                                     |
| No. of Employees   | 147     | 139     | 138     | 133     | 132     | 134                                     |

# Comparative Balance Sheet (Non-Consolidated)

(Millions of Yen)

| Six-Month Period ended   | Sep '00          | Sep '01          | Sep '02          | Sep '03          | Sep '04          | (Ref.)<br>Mar '04<br>(Full-Year Actual) |
|--|------------------|------------------|------------------|------------------|------------------|---|
| <b>Assets</b>  |                  |                  |                  |                  |                  |   |
| <b>Current Assets</b>  | 1,265,434        | 1,171,866        | 1,032,815        | 913,002          | 812,216          | 899,435                                 |
| Cash and Cash Equivalents                                      | 88,707           | 74,246           | 61,401           | 78,977           | 76,787           | 81,539                                  |
| Notes Receivable-trade   | 47,396           | 31,325           | 18,253           | 19,070           | 11,262           | 9,736                                   |
| Accounts Receivable-trade                                      | 136,114          | 196,056          | 247,446          | 266,683          | 258,560          | 287,717                                 |
| Marketable Securities  | 278              | 469              | 783              | 119              | -                | 119                                     |
| Real Estate for Sale   | 52,614           | 49,907           | 47,171           | 45,135           | 42,494           | 47,832                                  |
| Construction Projects in Progress                              | 650,998          | 503,076          | 320,481          | 190,695          | 136,797          | 146,808                                 |
| Development Projects in Progress                               | 101,838          | 99,277           | 82,396           | 95,589           | 100,618          | 123,343                                 |
| Deferred Income Taxes  | 62,100           | 66,952           | 72,506           | 64,163           | 65,822           | 72,428                                  |
| Short-term Loan  | 1,329            | 717              | 9,953            | 700              | -                | -                                       |
| Other Account Receivable                                       | 28,846           | 27,935           | 28,365           | 23,527           | -                | 21,588                                  |
| Suspense Payment   | 74,949           | 102,526          | 122,070          | 113,026          | 79,406           | 85,692                                  |
| Other  | 27,274           | 27,830           | 31,244           | 24,731           | 48,164           | 32,173                                  |
| Allowance for doubtful accounts                                | -7,015           | -8,456           | -9,258           | -9,418           | -7,698           | -9,544                                  |
| <b>Fixed Assets</b>  | 842,208          | 750,896          | 690,712          | 665,709          | 669,775          | 687,379                                 |
| <b>Tangible Fixed Assets</b>                                   | 275,565          | 259,257          | 281,070          | 263,436          | 238,516          | 253,016                                 |
| Buildings  | 121,577          | 116,570          | 108,243          | 98,547           | 85,978           | 91,968                                  |
| Land   | 129,896          | 129,089          | 159,344          | 153,683          | 142,670          | 150,552                                 |
| Other  | 24,091           | 13,597           | 13,481           | 11,204           | 9,867            | 10,495                                  |
| <b>Intangible Fixed Assets</b>                                 | 7,331            | 8,310            | 9,691            | 9,696            | 9,021            | 9,638                                   |
| <b>Investment and Other Assets</b>                             | 559,311          | 483,329          | 399,950          | 392,577          | 422,237          | 424,724                                 |
| Investment in Securities                                       | 339,749          | 260,273          | 190,232          | 176,958          | 244,045          | 205,276                                 |
| Investment in subsidiaries & affiliates or in their securities | 69,460           | 67,334           | 71,397           | 73,575           | -                | 71,816                                  |
| Long-term Loans  | 73,241           | 65,110           | 42,072           | 50,583           | 75,806           | 67,941                                  |
| Claims in bankruptcy or reorganization proceedings             | 12,023           | 7,339            | 9,418            | 10,266           | -                | 7,066                                   |
| Long-term prepaid expenses                                     | 886              | 756              | 3,565            | 3,907            | -                | 3,770                                   |
| Long-term deferred income taxes                                | 40,625           | 60,098           | 91,209           | 90,941           | 85,911           | 71,833                                  |
| Long-term non-operating receivable                             | 37,661           | 26,489           | 24,172           | 15,212           | -                | -                                       |
| Other  | 44,949           | 40,569           | 32,244           | 33,828           | 75,443           | 57,843                                  |
| Allowance for doubtful accounts                                | -59,286          | -44,643          | -64,361          | -62,695          | -58,968          | -60,825                                 |
| <b>Total Assets</b>  | <b>2,107,642</b> | <b>1,922,763</b> | <b>1,723,528</b> | <b>1,578,712</b> | <b>1,481,991</b> | <b>1,586,814</b>                        |

| Six-Month Period ended  | Sep '00          | Sep '01          | Sep '02          | Sep '03          | Sep '04          | (Ref.)                        |
|---|------------------|------------------|------------------|------------------|------------------|-------------------------------|
|   |                  |                  |                  |                  |                  | Mar '04<br>(Full-Year Actual) |
| <b>Liabilities</b>  |                  |                  |                  |                  |                  |                               |
| <b>Current Liabilities</b>  | 1,416,023        | 1,271,810        | 1,144,427        | 940,370          | 910,243          | 966,338                       |
| Notes Payable-trade   | 141,609          | 134,388          | 67,765           | 13,962           | 4,556            | 6,674                         |
| Account Payable-trade   | 161,297          | 188,962          | 265,416          | 334,359          | 330,124          | 365,677                       |
| Short-term Borrowings   | 135,247          | 126,454          | 142,036          | 100,441          | 127,430          | 98,853                        |
| Commercial Paper  | 92,000           | 84,000           | 84,500           | 28,000           | 16,500           | 44,000                        |
| Current portion of Bond   | 48,000           | 35,000           | 30,000           | 21,000           | 30,000           | 20,000                        |
| Current portion of Convertible Bond   | 14,893           | -                | -                | -                | -                | -                             |
| Income Tax Payable  | 75               | 108              | 103              | 3,342            | 719              | 1,069                         |
| Advance Received-construction   | 660,937          | 496,938          | 325,982          | 194,325          | 162,524          | 147,773                       |
| Advance Received-real estate  | 37,916           | 41,478           | 20,364           | 34,017           | 62,270           | 72,860                        |
| Deposits  | 71,286           | 110,295          | 155,978          | 164,230          | 118,717          | 158,361                       |
| Allowance for warranty on completed construction projects                               | -                | -                | -                | -                | 422              | -                             |
| Employees' Savings Deposit  | 26,703           | 26,150           | 25,322           | 23,917           | -                | 22,806                        |
| Other   | 26,057           | 28,035           | 26,957           | 22,772           | 56,977           | 28,261                        |
| <b>Long-term Liabilities</b>  | 402,131          | 406,494          | 382,979          | 436,332          | 346,829          | 384,003                       |
| Bond Payable  | 143,000          | 146,000          | 116,000          | 115,000          | 85,000           | 95,000                        |
| Long-term Borrowings  | 119,735          | 109,868          | 88,311           | 125,316          | 99,126           | 126,029                       |
| Deferred Income Taxes on Revaluation of Land  | -                | -                | 9,676            | 10,621           | 14,194           | 10,342                        |
| Liability for Retirement Benefits   | 75,184           | 78,601           | 79,122           | 82,539           | 55,774           | 56,629                        |
| Liability for Retirement Benefits-Officers & Directors                                  | 3,854            | 4,107            | 4,174            | 4,149            | 4,534            | 4,344                         |
| Provision for loss on investments in real-estate development                            | -                | -                | 21,695           | 21,695           | 13,050           | 13,050                        |
| Equity loss in excess of investments in/loans to unconsolidated subsidiaries/affiliates | 25,416           | 24,988           | 21,797           | 20,741           | 23,562           | 24,131                        |
| Long-term Payable   | -                | -                | -                | -                | -                | 26,778                        |
| Long-term Deposits  | 31,819           | 38,389           | 30,284           | 25,232           | -                | 24,198                        |
| Other   | 3,121            | 4,538            | 11,918           | 31,036           | 51,586           | 3,499                         |
| <b>Total Liabilities</b>  | <b>1,818,154</b> | <b>1,678,305</b> | <b>1,527,406</b> | <b>1,376,702</b> | <b>1,257,073</b> | <b>1,350,342</b>              |
| <b>Stockholders' Equity</b>   |                  |                  |                  |                  |                  |                               |
| Common Stock  | 64,071           | 64,071           | 64,071           | 64,071           | 81,447           | 81,447                        |
| Legal Reserve (old)   | 48,165           | 48,165           |                  |                  |                  |                               |
| Additional paid-in capital  | 32,147           | 32,147           |                  |                  |                  |                               |
| Legal reserve   | 16,017           | 16,017           |                  |                  |                  |                               |
| Retained Earnings (old)   | 103,801          | 95,654           |                  |                  |                  |                               |
| Reserve   | 92,081           | 92,516           |                  |                  |                  |                               |
| Unappropriated  | 11,720           | 3,137            |                  |                  |                  |                               |
| Additional paid-in capital (current)  |                  |                  | 32,147           | 32,147           | 49,485           | 49,485                        |
| Retained Earnings - total (current)   |                  |                  | 62,283           | 64,931           | 39,637           | 47,410                        |
| Retained Earnings   |                  |                  | 16,017           | -                |                  |                               |
| Reserve   |                  |                  | 39,901           | 43,023           | 39,332           | 43,023                        |
| Unappropriated  |                  |                  | 6,364            | 21,907           | 304              | 4,386                         |
| Net Income  | (4,532)          | (-3,863)         | (1,213)          | (1,785)          | (1,931)          | (-14,492)                     |
| Revaluation surplus of land   | -                | -                | 13,639           | 15,489           | 20,853           | 13,789                        |
| Unrealized gain on available-for-sale securities  | 73,449           | 36,567           | 24,074           | 25,676           | 33,892           | 44,688                        |
| Treasury stock-at cost  | -                | -                | -94              | -306             | -397             | -348                          |
| <b>Total Stockholders' Equity</b>   | <b>289,487</b>   | <b>244,457</b>   | <b>196,121</b>   | <b>202,009</b>   | <b>224,918</b>   | <b>236,472</b>                |
| <b>Total Liabilities and Stockholders' Equity</b>                                       | <b>2,107,642</b> | <b>1,922,763</b> | <b>1,723,528</b> | <b>1,578,712</b> | <b>1,481,991</b> | <b>1,586,814</b>              |

# Comparative Statements of Operations (Non-Consolidated) (Millions of Yen)

| Six-Month Period ended   | Sep '00 | Sep '01 | Sep '02 | Sep '03 | Sep '04 | (Ref.)<br>Mar '04<br><small>(Full-Year Actual)</small> |
|--|---------|---------|---------|---------|---------|--|
| <b>Recurring Profit</b>  |         |         |         |         |         |  |
| <b>Operating Income</b>  |         |         |         |         |         |  |
| Revenue  | 475,136 | 615,813 | 618,820 | 548,068 | 578,005 | 1,172,432  |
| Construction Projects  | 403,899 | 582,632 | 562,802 | 504,604 | 480,861 | 1,098,393  |
| Real Estate and Other  | 71,237  | 33,181  | 56,018  | 43,464  | 97,144  | 74,039   |
| Cost of Revenue  | 426,349 | 567,664 | 573,678 | 504,799 | 519,801 | 1,074,173  |
| Construction Projects  | 362,605 | 539,948 | 524,722 | 467,240 | 437,351 | 1,008,860  |
| Real Estate and Other  | 63,744  | 27,715  | 48,956  | 37,559  | 82,450  | 65,312   |
| Gross Profit   | 48,787  | 48,149  | 45,141  | 43,269  | 58,204  | 98,259   |
|  | (10.3%) | (7.8%)  | (7.3%)  | (7.9%)  | (10.1%) | (8.4%)   |
| Construction Projects  | 41,293  | 42,683  | 38,080  | 37,364  | 43,510  | 89,532   |
|  | (10.2%) | (7.3%)  | (6.8%)  | (7.4%)  | (9.0%)  | (8.2%)   |
| Real Estate and Other  | 7,493   | 5,465   | 7,061   | 5,904   | 14,694  | 8,727  |
|  | (10.5%) | (16.5%) | (12.6%) | (13.6%) | (15.1%) | (11.8%)  |
| Selling, General & Administrative Expenses                           | 36,988  | 38,882  | 36,954  | 34,192  | 31,569  | 67,973   |
|  | (7.8%)  | (6.3%)  | (6.0%)  | (6.2%)  | (5.5%)  | (5.8%)   |
| Operating Income   | 11,799  | 9,267   | 8,187   | 9,077   | 26,635  | 30,286   |
|  | (2.5%)  | (1.5%)  | (1.3%)  | (1.7%)  | (4.6%)  | (2.6%)   |
| <b>Non-Operating Income &amp; Expense</b>                            |         |         |         |         |         |  |
| Non-Operating Income   | 4,345   | 4,584   | 3,786   | 2,729   | 3,506   | 5,408  |
| Interest/Dividend Received<br>(incl. those on marketable securities) | 3,046   | 3,107   | 2,670   | 1,929   | 1,873   | 3,547  |
| Other  | 1,299   | 1,477   | 1,116   | 800     | 1,632   | 1,860  |
| Non-Operating Expense  | 8,361   | 7,647   | 8,102   | 7,040   | 5,258   | 14,438   |
| Interest paid (incl. those on bonds & commercial paper)              | 4,694   | 3,869   | 3,663   | 3,428   | 3,089   | 6,733  |
| Provision for doubtful accounts                                      | 96      | 1,819   | 2,103   | 2,216   | 1,053   | 4,332  |
| Other  | 3,570   | 1,958   | 2,335   | 1,395   | 1,114   | 3,372  |
| Recurring Profit   | 7,783   | 6,203   | 3,871   | 4,766   | 24,883  | 21,255   |
|  | (1.6%)  | (1.0%)  | (0.6%)  | (0.9%)  | (4.3%)  | (1.8%)   |



(Millions of Yen)

| Six-Month Period ended                                | Sep '00 | Sep '01 | Sep '02 | Sep '03 | Sep '04 | (Ref.)<br>Mar '04<br>(Full-Year Actual) |
|---|---------|---------|---------|---------|---------|---|
| Extraordinary Profit                                  | 26,904  | 1,750   | 3,476   | 1,607   | 4,005   | 8,451                                   |
| Extraordinary Loss                                    | 26,685  | 13,738  | 4,175   | 899     | 23,063  | 45,811                                  |
| Net Income before tax/adjustments                     | 8,002   | -5,783  | 3,172   | 5,473   | 5,825   | -16,103                                 |
| Corporate Income and Other Taxes                      | 250     | 450     | 450     | 2,520   | 165     | 70                                      |
| Tax adjustments                                       | 3,220   | -2,370  | 1,509   | 1,168   | 3,729   | -1,681                                  |
| Net Income(Loss) after tax/adjustments                | 4,532   | -3,863  | 1,213   | 1,785   | 1,931   | -14,492                                 |
| Unappropriated retained earnings-prior                | 7,187   | 7,001   | 5,093   | 5,142   | 5,437   | 5,142                                   |
| Transfer of legal reserve                             | -       | -       | -       | 16,017  | -       | 16,017                                  |
| Transfer of revaluation surplus of land upon its sale | -       | -       | 57      | -1,038  | -7,064  | 119                                     |
| Mid-year dividend payout                              | -       | -       | -       | -       | -       | 2,400                                   |
| Mid-Year unappropriated retained earnings (loss)      | 11,720  | 3,137   | 6,364   | 21,907  | 304     | 4,386                                   |

## Note: Breakdown of Extraordinary Loss

|  |        |        |       |     |        |        |
|--|--------|--------|-------|-----|--------|--------|
| Loss on sales of marketable and investment securities              | 1      | 947    | 1,397 | 24  | 150    | 95     |
| Valuation loss on marketable and investment securities             | 1,408  | 10,816 | 1,887 | 269 | 695    | 496    |
| Valuation loss on investment securities of subsidiaries/affiliates | 238    | 1,017  | -     | -   | 4,093  | 6,012  |
| Loss on restructuring of affiliates                                | -      | -      | -     | -   | 15,190 | -      |
| Loss on impairment of long-lived assets                            | -      | -      | -     | -   | 1,376  | -      |
| Provision for loss on investments in subsidiaries and affiliates   | -      | 482    | -     | -   | -      | 3,389  |
| Loss on dissolution of Kajima Pension Fund                         | -      | -      | -     | -   | -      | 33,483 |
| Loss on investments in real estate development                     | 3,039  | -      | -     | -   | -      | -      |
| Provision for doubtful accounts                                    | 3,221  | -      | -     | -   | -      | -      |
| Provision for retirement benefits payable                          | 18,167 | -      | -     | -   | -      | -      |
| Other  | 608    | 474    | 890   | 605 | 1,556  | 2,333  |

## Footnotes to Non-Consolidated Financial Statements

(Millions of Yen)

| Six-Month Period ended    | Sep '00 | Sep '01 | Sep '02 | Sep '03 | Sep '04 | (Ref.)                        |
|---------------------------|---------|---------|---------|---------|---------|-------------------------------|
|                           |         |         |         |         |         | Mar '04<br>(Full-Year Actual) |
| Contingent Liabilities    |         |         |         |         |         |                               |
| Loans Guaranteed          | 202,804 | 222,609 | 190,444 | 153,011 | 147,867 | 143,709                       |
| Additional information    |         |         |         |         |         |                               |
| No. of Employees          | 11,436  | 11,004  | 10,630  | 10,161  | 9,699   | 9,910                         |
| R&D                       | 6,486   | 5,237   | 5,393   | 5,349   | 4,683   | 10,853                        |
| Capital investments       | 4,568   | 2,003   | 8,368   | 2,879   | 1,456   | 9,243                         |
| Depreciation/Amortization | 6,039   | 5,616   | 5,205   | 4,925   | 6,580   | 9,642                         |
| Financing income/expense  | -1,648  | -762    | -992    | -1,499  | -1,216  | -3,186                        |

Note: Depreciation/Amortization are those calculated on tangible and intangible fixed assets.

# Contract Award Trend (Non-Consolidated)

(Millions of Yen)

| Six-Month Period ended     | Sep '00 | Sep '01 | Sep '02 | Sep '03 | Sep '04 | (Ref.)<br>Mar '04<br>(Full-Year Actual) |
|----------------------------|---------|---------|---------|---------|---------|---|
| <b>Construction</b>        |         |         |         |         |         |   |
| Civil Works                | 101,390 | 132,147 | 140,625 | 130,603 | 111,725 | 288,690                                 |
| Domestic-Public            | 73,757  | 76,100  | 69,912  | 69,178  | 54,358  | 201,127                                 |
| Domestic-Private           | 24,256  | 46,322  | 42,336  | 53,101  | 40,037  | 76,913                                  |
| Total Domestic             | 98,013  | 122,423 | 112,248 | 122,280 | 94,395  | 278,041                                 |
| Overseas                   | 3,376   | 9,724   | 28,376  | 8,323   | 17,329  | 10,648                                  |
| Building Works             | 357,259 | 381,166 | 354,310 | 415,643 | 436,726 | 803,905                                 |
| Domestic-Public            | 40,254  | 35,265  | 40,605  | 41,550  | 29,633  | 77,531                                  |
| Domestic-Private           | 316,930 | 345,856 | 313,487 | 373,140 | 406,791 | 724,234                                 |
| Total Domestic             | 357,184 | 381,121 | 354,092 | 414,690 | 436,424 | 801,765                                 |
| Overseas                   | 74      | 44      | 218     | 952     | 302     | 2,139                                   |
| Total Construction         | 458,649 | 513,313 | 494,936 | 546,247 | 548,452 | 1,092,595                               |
| Domestic-Public            | 114,011 | 111,366 | 110,517 | 110,728 | 83,992  | 278,659                                 |
| Domestic-Private           | 341,186 | 392,178 | 355,823 | 426,242 | 446,828 | 801,147                                 |
| Manufacturing              | 86,754  | 80,738  | 61,130  | 82,961  | 119,538 | 164,740                                 |
| Non-Manufacturing          | 254,432 | 311,440 | 294,693 | 343,280 | 327,289 | 636,406                                 |
| Total Domestic Constructor | 455,198 | 503,544 | 466,341 | 536,971 | 530,820 | 1,079,807                               |
| Overseas                   | 3,451   | 9,768   | 28,594  | 9,276   | 17,631  | 12,788                                  |
| Real Estate and Other      | 44,333  | 38,065  | 43,133  | 51,587  | 103,953 | 85,559                                  |
| Total                      | 502,982 | 551,379 | 538,070 | 597,834 | 652,405 | 1,178,155                               |

## (Ref.) Construction by project category

|                              |         |         |         |         |         |         |
|------------------------------|---------|---------|---------|---------|---------|---------|
| Civil Works                  | 101,390 | 132,147 | 140,625 | 130,603 | 111,725 | 288,690 |
| Flood control                | 14,876  | 23,197  | 29,184  | 8,914   | 2,881   | 15,153  |
| Railway                      | 7,811   | 24,741  | 23,900  | 12,059  | 9,484   | 31,195  |
| Potable/Waste water          | 15,336  | 20,324  | 16,757  | 17,791  | 14,608  | 35,876  |
| Land improvement             | 6,207   | 7,614   | 5,286   | 6,790   | 7,121   | 13,531  |
| Port/Airport                 | 13,247  | 9,053   | 7,006   | 10,091  | 13,075  | 27,612  |
| Road                         | 22,514  | 24,072  | 19,602  | 20,987  | 24,996  | 74,806  |
| Transmission line            | 226     | 319     | 392     | 2       | 323     | 556     |
| Other                        | 21,169  | 22,823  | 38,494  | 53,966  | 39,235  | 89,957  |
| Building Works               | 357,259 | 381,166 | 354,310 | 415,643 | 436,726 | 803,905 |
| Office (public and private)  | 96,291  | 85,416  | 98,042  | 128,305 | 120,660 | 238,378 |
| Lodging                      | 14,405  | 21,414  | 13,266  | 8,386   | 11,418  | 13,963  |
| Retail                       | 13,446  | 29,385  | 40,131  | 25,605  | 28,406  | 44,677  |
| Power plant and factory      | 71,887  | 54,163  | 41,660  | 46,250  | 92,630  | 98,683  |
| Warehouse & distribution cer | 7,346   | 5,459   | 5,118   | 3,426   | 24,620  | 8,994   |
| Residential                  | 52,319  | 55,015  | 43,844  | 80,200  | 80,426  | 137,007 |
| Education/Research/Culture   | 29,444  | 56,447  | 49,321  | 53,233  | 29,235  | 104,676 |
| Medical/Welfare              | 36,302  | 37,663  | 36,465  | 40,107  | 28,728  | 100,461 |
| Recreational                 | 9,166   | 15,046  | 9,225   | 4,693   | 3,833   | 16,392  |
| Other                        | 26,647  | 21,154  | 17,235  | 25,434  | 16,767  | 40,670  |

## Revenue Trend (Non-Consolidated)

(Millions of Yen)

| Six-Month Period ended     | Sep '00 | Sep '01 | Sep '02 | Sep '03 | Sep '04 | (Ref.)<br>Mar '04<br>(Full-Year Actual) |
|----------------------------|---------|---------|---------|---------|---------|---|
| <b>Construction</b>        |         |         |         |         |         |   |
| Civil Works                | 98,829  | 119,410 | 150,085 | 143,370 | 131,813 | 333,518                                 |
| Domestic-Public            | 60,159  | 79,363  | 94,650  | 80,553  | 79,094  | 209,547                                 |
| Domestic-Private           | 36,394  | 37,365  | 50,013  | 50,397  | 39,450  | 96,593                                  |
| Total Domestic             | 96,553  | 116,729 | 144,664 | 130,950 | 118,544 | 306,141                                 |
| Overseas                   | 2,276   | 2,681   | 5,421   | 12,419  | 13,268  | 27,377                                  |
| Building Works             | 305,069 | 463,221 | 412,716 | 361,234 | 349,047 | 764,874                                 |
| Domestic-Public            | 24,583  | 71,556  | 36,002  | 32,993  | 33,463  | 80,814                                  |
| Domestic-Private           | 280,485 | 391,664 | 376,714 | 327,982 | 315,382 | 682,100                                 |
| Total Domestic             | 305,068 | 463,221 | 412,716 | 360,976 | 348,846 | 762,915                                 |
| Overseas                   | 0       | 0       | 0       | 257     | 201     | 1,958                                   |
| Total Construction         | 403,899 | 582,632 | 562,802 | 504,604 | 480,861 | 1,098,393                               |
| Domestic-Public            | 84,742  | 150,920 | 130,653 | 113,547 | 112,558 | 290,362                                 |
| Domestic-Private           | 316,880 | 429,029 | 426,727 | 378,379 | 354,832 | 778,694                                 |
| Manufacturing              | 69,216  | 85,468  | 90,410  | 89,911  | 81,876  | 163,000                                 |
| Non-Manufacturing          | 247,663 | 343,561 | 336,317 | 288,467 | 272,955 | 615,694                                 |
| Total Domestic Constructor | 401,622 | 579,950 | 557,380 | 491,926 | 467,390 | 1,069,056                               |
| Overseas                   | 2,276   | 2,681   | 5,421   | 12,677  | 13,470  | 29,336                                  |
| Real Estate and Other      | 71,237  | 33,181  | 56,018  | 43,464  | 97,144  | 74,039                                  |
| Total                      | 475,136 | 615,813 | 618,820 | 548,068 | 578,005 | 1,172,432                               |

### (Ref.) Construction by project category

|                              |         |         |         |         |         |         |
|------------------------------|---------|---------|---------|---------|---------|---------|
| Civil Works                  | 98,829  | 119,410 | 150,085 | 143,370 | 131,813 | 333,518 |
| Flood control                | 13,652  | 6,721   | 17,039  | 13,649  | 12,861  | 50,691  |
| Railway                      | 21,286  | 10,003  | 17,862  | 21,332  | 25,936  | 51,231  |
| Potable/Waste water          | 11,478  | 17,184  | 14,496  | 17,871  | 16,266  | 40,465  |
| Land improvement             | 3,892   | 5,071   | 10,181  | 9,049   | 5,698   | 19,451  |
| Port/Airport                 | 886     | 17,818  | 12,663  | 11,073  | 9,422   | 21,918  |
| Road                         | 13,430  | 27,604  | 35,990  | 33,262  | 28,929  | 74,455  |
| Transmission line            | 1,913   | 555     | 1,297   | 89      | 215     | 133     |
| Other                        | 32,289  | 34,450  | 40,554  | 37,041  | 32,483  | 75,171  |
| Building Works               | 305,069 | 463,221 | 412,716 | 361,234 | 349,047 | 764,874 |
| Office (public and private)  | 89,621  | 69,959  | 153,649 | 104,427 | 91,474  | 211,103 |
| Lodging                      | 9,489   | 61,134  | 10,384  | 9,293   | 11,740  | 19,454  |
| Retail                       | 24,913  | 17,877  | 23,098  | 35,038  | 19,701  | 63,239  |
| Power plant and factory      | 59,497  | 114,785 | 61,430  | 63,518  | 56,244  | 121,080 |
| Warehouse & distribution cer | 14,793  | 11,223  | 7,015   | 7,425   | 8,920   | 15,566  |
| Residential                  | 19,703  | 66,748  | 53,922  | 43,140  | 45,388  | 108,094 |
| Education/Research/Culture   | 18,664  | 36,906  | 40,071  | 39,112  | 52,757  | 100,642 |
| Medical/Welfare              | 34,245  | 27,296  | 26,971  | 31,496  | 33,728  | 60,027  |
| Recreational                 | 20,260  | 42,028  | 8,267   | 9,297   | 7,099   | 16,877  |
| Other                        | 13,879  | 15,260  | 27,905  | 18,484  | 21,990  | 48,787  |

## Contract Carryover Trend (Non-Consolidated)

(Millions of Yen)

| Six-Month Period ended     | Sep '00   | Sep '01   | Sep '02   | Sep '03   | Sep '04   | (Ref.)<br>Mar '04<br>(Full-Year Actual) |
|----------------------------|-----------|-----------|-----------|-----------|-----------|---|
| <b>Construction</b>        |           |           |           |           |           |   |
| Civil Works                | 738,911   | 723,985   | 637,398   | 539,894   | 487,745   | 507,832                                 |
| Domestic-Public            | 490,760   | 443,925   | 349,171   | 277,432   | 255,652   | 280,387                                 |
| Domestic-Private           | 192,551   | 213,340   | 189,591   | 176,652   | 154,853   | 154,266                                 |
| Total Domestic             | 683,311   | 657,266   | 538,763   | 454,084   | 410,506   | 434,654                                 |
| Overseas                   | 55,599    | 66,718    | 98,635    | 85,809    | 77,239    | 73,178                                  |
| Building Works             | 1,319,549 | 1,176,566 | 937,103   | 807,680   | 879,980   | 792,302                                 |
| Domestic-Public            | 217,707   | 145,745   | 114,997   | 97,113    | 81,443    | 85,274                                  |
| Domestic-Private           | 1,101,703 | 1,029,171 | 821,877   | 707,988   | 796,373   | 704,964                                 |
| Total Domestic             | 1,319,410 | 1,174,917 | 936,874   | 805,102   | 877,817   | 790,238                                 |
| Overseas                   | 138       | 1,649     | 228       | 2,577     | 2,163     | 2,063                                   |
| Total Construction         | 2,058,461 | 1,900,551 | 1,574,502 | 1,347,575 | 1,367,726 | 1,300,134                               |
| Domestic-Public            | 708,468   | 589,671   | 464,169   | 374,546   | 337,096   | 365,662                                 |
| Domestic-Private           | 1,294,255 | 1,242,512 | 1,011,468 | 884,640   | 951,226   | 859,231                                 |
| Manufacturing              | 161,151   | 182,687   | 101,154   | 108,517   | 154,869   | 117,207                                 |
| Non-Manufacturing          | 1,133,103 | 1,059,824 | 910,313   | 776,123   | 796,357   | 742,023                                 |
| Total Domestic Constructor | 2,002,723 | 1,832,183 | 1,475,638 | 1,259,187 | 1,288,323 | 1,224,893                               |
| Overseas                   | 55,737    | 68,367    | 98,864    | 88,387    | 79,403    | 75,241                                  |
| Real Estate and Other      | 108,891   | 89,308    | 49,155    | 88,022    | 98,228    | 91,419                                  |
| Total                      | 2,167,352 | 1,989,859 | 1,623,658 | 1,435,597 | 1,465,954 | 1,391,554                               |

### (Ref.) Construction by project category

|                              |           |           |         |         |         |         |
|------------------------------|-----------|-----------|---------|---------|---------|---------|
| Civil Works                  | 738,911   | 723,985   | 637,398 | 539,894 | 487,745 | 507,832 |
| Flood control                | 149,120   | 141,027   | 142,785 | 127,140 | 86,357  | 96,337  |
| Railway                      | 94,705    | 119,063   | 132,663 | 109,587 | 82,371  | 98,823  |
| Potable/Waste water          | 61,458    | 50,970    | 49,259  | 49,190  | 43,025  | 44,682  |
| Land improvement             | 45,418    | 44,828    | 28,829  | 23,453  | 21,216  | 19,793  |
| Port/Airport                 | 46,418    | 49,387    | 36,095  | 25,049  | 35,378  | 31,725  |
| Road                         | 204,040   | 186,928   | 123,531 | 89,591  | 118,481 | 102,218 |
| Transmission line            | 7,178     | 6,284     | 175     | 88      | 706     | 598     |
| Other                        | 130,571   | 125,494   | 124,058 | 115,792 | 100,208 | 113,653 |
| Building Works               | 1,319,549 | 1,176,566 | 937,103 | 807,680 | 879,980 | 792,302 |
| Office (public and private)  | 363,622   | 388,578   | 293,015 | 241,395 | 273,978 | 244,793 |
| Lodging                      | 117,220   | 55,054    | 64,624  | 26,014  | 21,107  | 21,430  |
| Retail                       | 70,727    | 58,838    | 62,605  | 41,035  | 40,610  | 31,905  |
| Power plant and factory      | 222,477   | 169,017   | 93,339  | 69,819  | 106,562 | 64,689  |
| Warehouse & distribution cer | 24,789    | 8,719     | 8,414   | 12,366  | 25,494  | 9,793   |
| Residential                  | 172,864   | 186,697   | 159,998 | 171,626 | 198,516 | 163,478 |
| Education/Research/Culture   | 111,009   | 112,528   | 101,749 | 104,773 | 71,164  | 94,686  |
| Medical/Welfare              | 91,422    | 94,440    | 72,554  | 67,845  | 94,668  | 99,668  |
| Recreational                 | 64,371    | 21,255    | 18,376  | 12,062  | 12,914  | 16,180  |
| Other                        | 81,044    | 81,435    | 62,426  | 60,741  | 34,963  | 45,673  |