

FY2024 3rd Quarter Financial Results

(April 1, 2024 to December 31, 2024)

February 10, 2025



Contents

1. Summary of Financial Results	1
2. Qualitative Information	2
3. Financial Highlights	3
4. Operating Results and Forecasts for Reportable Segments	6
5. Non-consolidated Orders Received, Net Sales and Projects in Process	9
6. Consolidated Financial Statements	11
7. Non-consolidated Financial Statements	17

Disclaimer:

This "Financial Results" is the English version of the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryō" released on February 10, 2025. It was translated into English and presented solely for the convenience of users who are not familiar with Japanese. If there is any discrepancy between Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryō" and this document, the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryō" will prevail. This document includes forward-looking statements based on the information available at the time the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryō" were released. Actual results may vary from the forward-looking statements contained herein due to various factors. Obayashi Corporation (non-consolidated) is called the "Company" in these materials.

1. Summary of Financial Results

(1) Consolidated Financial Results

① Consolidated Business Results

(Percentages indicate the percentage year on year change)

Nine Months Ended	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%
December 31, 2024	1,881,161	10.6	97,172	89.8	105,684	73.0	95,551	101.2
December 31, 2023	1,701,549	18.1	51,208	(22.1)	61,098	(16.3)	47,492	(16.0)

(Note) Comprehensive income : [Nine Months Ended December 31, 2024] 63,362 million yen, (40.8%) ; [Nine Months Ended December 31, 2023] 107,002 million yen, 79.1%

Nine Months Ended	Profit Attributable to Owners of Parent per Share (EPS)
December 31, 2024	133.27
December 31, 2023	66.24

② Consolidated Financial Position

As of	Total Assets	Net Assets	Equity Ratio	Net Assets per Share (BPS)
	Yen in millions	Yen in millions	%	Yen
December 31, 2024	3,064,322	1,189,900	37.3	1,592.47
March 31, 2024	3,019,118	1,195,244	38.1	1,606.18

(Reference) Equity (net assets less non-controlling interests) : [As of December 31, 2024] 1,141,734 million yen ; [As of March 31, 2024] 1,151,630 million yen

Note: During the first six months of the fiscal year ending March 2025, the Company finalized the provisional accounting treatment for business combinations, and the figures for the fiscal year ending March 2024 reflect the details of the finalized provisional accounting treatment.

(2) Consolidated Forecast for FY2024

(Percentages indicate the percentage year on year change)

Fiscal Year Ending March 31, 2025	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Profit Attributable to Owners of Parent per Share (EPS)
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen
	2,610,000	12.3	132,000	66.3	143,000	56.3	128,000	70.5	178.69

Note: The forecasts announced on November 11, 2024 have been revised. Please see "Notice Concerning Revision to Full-Year Financial Results Forecasts" (disclosed on February 10, 2025 for the latest consolidated forecast for fiscal year ending March 31, 2025.

Regarding Profit attributable to owners of parent per share (EPS), the Company takes into account acquisition of own shares written in "Notice Concerning Determination of Matters Related to Acquisition of Own Shares" announced on February 10, 2025.

(3) Non-consolidated Financial Results

① Non-consolidated Business Results

(Percentages indicate the percentage year on year change)

Nine Months Ended	Net Sales		Operating Income		Ordinary Income		Profit		Profit per Share (EPS)
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen
December 31, 2024	1,233,597	6.4	65,466	118.3	74,774	88.4	76,296	152.6	106.41
December 31, 2023	1,159,023	16.3	29,994	(30.9)	39,682	(25.5)	30,208	(32.7)	42.13

② Non-consolidated Financial Position

As of	Total Assets	Net Assets	Equity Ratio	Net Assets per Share (BPS)
	Yen in millions	Yen in millions	%	Yen
December 31, 2024	2,227,713	826,710	37.1	1,153.08
March 31, 2024	2,225,321	866,231	38.9	1,208.13

(Reference) Equity (net assets less non-controlling interests) : [As of December 31, 2024] 826,710 million yen ; [As of March 31, 2024] 866,231 million yen

(4) Non-consolidated Forecast for FY2024

(Percentages indicate the percentage year on year change)

Fiscal Year Ending March 31, 2025	Net Sales		Operating Income		Ordinary Income		Profit		Profit per Share (EPS)
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen
	1,650,000	4.3	85,000	96.2	95,000	71.5	98,000	97.4	136.81

Note: The forecasts announced on November 11, 2024 have been revised. Please see "Notice Concerning Revision to Full-Year Financial Results Forecasts" (disclosed on February 10, 2025) for the latest consolidated forecast for fiscal year ending March 31, 2025.

Regarding Profit attributable to owners of parent per share (EPS), the Company takes into account acquisition of own shares written in "Notice Concerning Determination of Matters Related to Acquisition of Own Shares" announced on February 10, 2025.

(5) Dividends

Fiscal Year Ended	Dividend per Share					Total Dividends Paid (Full year)	Dividend Payout Ratio (Consolidated)	Dividends-Net Assets Ratio (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Total			
March 31, 2024	—	21.00	—	54.00	75.00	53,845	71.6	5.0
March 31, 2025 (Including Forecast)	—	40.00	—	40.00	80.00		44.8	

Note: There have been no revisions to the forecasts previously announced.

2. Qualitative Information

(1) Overview of business results

Consolidated net sales for the first nine months of the fiscal year ending March 31, 2025 (from April 1 to December 31, 2024) amounted to 1,881.1 billion yen, an increase of 179.6 billion yen (10.6%) from the first nine months of the previous fiscal year, mainly due to the progress in large-scale projects in the domestic construction business, and the consolidation of MWH in the overseas civil engineering business.

As for profit and loss, operating income resulted in 97.1 billion yen, an increase of 45.9 billion yen (89.8%) from the same period in the previous fiscal year, and ordinary income was 105.6 billion yen, an increase of 44.5 billion yen (73.0%) year-on-year. This was mainly due to the improvement in the profitability of domestic construction projects in hand. Profit attributable to owners of parent was 95.5 billion yen, an increase of 48.0 billion yen (101.2%) year-on-year, mainly due to the sale of cross-shareholdings.

(2) Overview of financial position

Total assets as of December 31, 2024 increased by 45.2 billion yen (1.5%) compared with the balance at the end of the previous fiscal year, to 3,064.3 billion yen. This was mainly due to an increase in trade receivables related to construction contracts (the sum of "Notes and accounts receivable from completed construction contracts and other" and "Electronically recorded monetary claims") while "Investment securities" decreases due to the sale of cross-shareholdings and "Cash and deposits" decreases.

Total liabilities as of December 31, 2024 increased by 50.5 billion yen (2.8%) compared with the balance at the end of the previous fiscal year, to 1,874.4 billion yen. This was mainly due to an increase in interest-bearing debt such as "Commercial papers" while trade payables related to construction costs (the sum of "Notes and accounts payable for construction contracts and other" and "Electronically recorded obligations") declined. The balance of interest-bearing debt as of December 31, 2024 increased by 115.7 billion yen (35.7%) compared with the balance at the end of the previous fiscal year, to 439.6 billion yen.

Total net assets as of December 31, 2024 decreased by 5.3 billion yen (0.4%) compared with the balance at the end of the previous fiscal year, to 1,189.9 billion yen. This was mainly due to a decrease in "Valuation difference on available-for-sale securities" while "Retained earnings" from the recognition of profit attributable to owners of parent increased.

As a result, the equity ratio as of December 31, 2024 was 37.3%, down 0.8 percentage points from the end of the previous fiscal year.

(3) Consolidated forecasts for fiscal year ending March 31, 2025

The forecasts for consolidated performance for FY2024 compared to the previously announced forecasts are as follows: 2,610.0 billion yen in net sales (an increase of 4.0%), 132.0 billion yen in operating income (an increase of 41.9%), 143.0 billion yen in ordinary income (an increase of 45.9%), and 128.0 billion yen in profit attributable to owners of parent (an increase of 47.1%). These are mainly due to favorable progress on construction projects in hand and improved profitability in the construction business, as well as steady progress in the sale of cross-shareholdings.

Please refer to "Notice Concerning Revision to Full-Year Financial Results Forecasts" announced separately on February 10, 2025.

3. Financial Highlights

(1) Financial Results for the Nine Months Ended December 31, 2024 (YoY Comparison)

(Yen in 100 millions)

	Consolidated				Non-consolidated							
	Nine Months Ended December 31, 2023		Nine Months Ended December 31, 2024		Change	% Change	Nine Months Ended December 31, 2023		Nine Months Ended December 31, 2024		Change	% Change
Net sales of completed construction contracts	%	16,320	%	18,078	1,757	10.8	%	11,425	%	12,188	763	6.7
[Building construction		—		—	—	—		9,127		9,703	576	6.3
[Civil engineering		—		—	—	—		2,298		2,485	186	8.1
Gross profit on completed construction contracts	8.5	1,394	10.4	1,874	479	34.4	8.1	926	10.7	1,308	382	41.3
[Building construction		—		—	—	—	6.5	588	8.7	839	251	42.7
[Civil engineering		—		—	—	—	14.7	337	18.9	468	131	38.9
Net sales of real estate business and other		694		732	38	5.5		164		147	(17)	(10.7)
Gross profit on real estate business and other	24.7	171	23.8	174	2	1.7	21.5	35	20.0	29	(6)	(16.9)
Net sales		17,015		18,811	1,796	10.6		11,590		12,335	745	6.4
Gross profit	9.2	1,565	10.9	2,048	482	30.8	8.3	961	10.8	1,338	376	39.1
Selling, general and administrative expenses	6.2	1,053	5.7	1,076	23	2.2	5.7	661	5.5	683	21	3.3
(Personnel expenses)		527		581	53			321		348	27	
(Others)		526		495	(30)			340		334	(5)	
Operating income	3.0	512	5.2	971	459	89.8	2.6	299	5.3	654	354	118.3
Non-operating income		129		126	(2)	(1.9)		106		117	10	10.1
Non-operating expenses		30		41	11	37.1		9		24	14	152.4
Ordinary income	3.6	610	5.6	1,056	445	73.0	3.4	396	6.1	747	350	88.4
Extraordinary income		122		348	226	184.6		136		351	214	157.6
Extraordinary loss		42		24	(17)	(42.0)		86		20	(65)	(76.1)
Income before income taxes	4.1	690	7.3	1,381	690	99.9	3.9	447	8.7	1,078	631	141.2
Total income taxes		203		399	196	96.7		144		315	170	117.6
Profit		487		981	493	101.2		—		—	—	—
Profit attributable to non-controlling interests (deduction)		12		26	13	102.4		—		—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	2.8	474	5.1	955	480	101.2	2.6	302	6.2	762	460	152.6

Orders Received

(Yen in 100 millions)

	Consolidated				Non-consolidated							
	Nine Months Ended December 31, 2023		Nine Months Ended December 31, 2024		Change	% Change	Nine Months Ended December 31, 2023		Nine Months Ended December 31, 2024		Change	% Change
Building construction		12,017		11,501	(515)	(4.3)		7,227		8,340	1,113	15.4
Domestic		7,559		8,646	1,087	14.4		7,187		8,302	1,114	15.5
Overseas		4,457		2,854	(1,602)	(36.0)		39		38	(1)	(2.7)
Civil engineering		3,576		8,262	4,686	131.1		2,141		3,716	1,574	73.6
Domestic		2,658		3,615	957	36.0		1,950		3,037	1,087	55.8
Overseas		918		4,647	3,729	406.3		191		678	487	255.0
Construction total		15,593		19,764	4,170	26.7		9,368		12,057	2,688	28.7
Domestic		10,217		12,261	2,044	20.0		9,138		11,340	2,202	24.1
Overseas		5,375		7,502	2,126	39.6		230		716	486	210.7
Real estate business and other		605		980	375	62.0		164		147	(17)	(10.7)
Total orders received		16,198		20,745	4,546	28.1		9,533		12,204	2,670	28.0

Interest-bearing Debt Balances

(Yen in 100 millions)

	Consolidated				Non-consolidated			
	Results As of March 31, 2024	Results As of December 31, 2024	Change	% Change	Results As of March 31, 2024	Results As of December 31, 2024	Change	% Change
Interest-bearing debt (except nonrecourse loans)	2,497	3,597	1,100	44.1	1,778	2,865	1,087	61.1
Nonrecourse loans	741	798	57	7.8	—	—	—	—
Total interest-bearing debt	3,238	4,396	1,157	35.7	1,778	2,865	1,087	61.1

(2) Forecasts for FY 2024 (Comparison with the forecasts announced on November 11)

(Yen in 100 millions)

	Consolidated						Non-consolidated					
	Forecasts announced on November 11, 2024		Forecasts Fiscal Year Ending March 31, 2025		Change	% Progress	Forecasts announced on November 11, 2024		Forecasts Fiscal Year Ending March 31, 2025		Change	% Progress
%		%		%				%				
Net sales of completed construction contracts		23,750		24,850	1,100	72.8		15,850		16,250	400	75.0
└ Building construction		—		—	—	—		12,650		12,850	200	75.5
└ Civil engineering		—		—	—	—		3,200		3,400	200	73.1
Gross profit on completed construction contracts	8.8	2,100	10.4	2,580	480	72.6	9.1	1,450	10.9	1,770	320	73.9
└ Building construction		—		—	—	—	7.9	1,005	8.9	1,150	145	73.0
└ Civil engineering		—		—	—	—	13.9	445	18.2	620	175	75.6
Net sales of real estate business and other		1,350		1,250	(100)	58.6		250		250	—	58.9
Gross profit on real estate business and other	21.5	290	23.2	290	—	60.1	14.0	35	16.0	40	5	73.7
Net sales		25,100		26,100	1,000	72.1		16,100		16,500	400	74.8
Gross profit	9.5	2,390	11.0	2,870	480	71.4	9.2	1,485	11.0	1,810	325	73.9
Selling, general and administrative expenses	5.8	1,460	5.9	1,550	90	69.5	5.9	950	5.8	960	10	71.2
(Personnel expenses)		760		825	65			455		470	15	
(Others)		700		725	25			495		490	(5)	
Operating income	3.7	930	5.1	1,320	390	73.6	3.3	535	5.2	850	315	77.0
Non-operating income		105		165	60	76.9		115		135	20	86.8
Non-operating expenses		55		55	—	75.9		15		35	20	68.8
Ordinary income	3.9	980	5.5	1,430	450	73.9	3.9	635	5.8	950	315	78.7
Extraordinary income		350		460	110	75.9		350		460	110	76.3
Extraordinary loss		30		80	50	30.9		30		70	40	29.4
Income before income taxes	5.2	1,300	6.9	1,810	510	76.3	5.9	955	8.1	1,340	385	80.5
Total income taxes		395		490	95	81.5		275		360	85	87.6
Profit		905		1,320	415	74.4		—		—	—	—
Profit attributable to non-controlling interests (deduction)		35		40	5	65.5		—		—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	3.5	870	4.9	1,280	410	74.6	4.2	680	5.9	980	300	77.9

Note: Please see "Notice Concerning Revision to Full-Year Financial Results Forecasts" (disclosed on February 10, 2025) for the latest forecasts for fiscal year ending March 31, 2025

Orders Received

(Yen in 100 millions)

	Consolidated					Non-consolidated						
	Forecasts announced on November 11, 2024		Forecasts Fiscal Year Ending March 31, 2025		Change	% Progress	Forecasts announced on November 11, 2024		Change	% Progress		
Building construction		16,950		20,200			3,250	56.9				13,100
Domestic		13,550		15,500	1,950	55.8		13,000		15,000	2,000	55.3
Overseas		3,400		4,700	1,300	60.7		100		50	(50)	77.1
Civil engineering		7,050		11,000	3,950	75.1		3,400		5,250	1,850	70.8
Domestic		3,800		5,300	1,500	68.2		2,950		4,450	1,500	68.3
Overseas		3,250		5,700	2,450	81.5		450		800	350	84.8
Construction total		24,000		31,200	7,200	63.3		16,500		20,300	3,800	59.4
Domestic		17,350		20,800	3,450	59.0		15,950		19,450	3,500	58.3
Overseas		6,650		10,400	3,750	72.1		550		850	300	84.3
Real estate business and other		1,200		1,400	200	70.1		250		250	—	58.9
Total orders received		25,200		32,600	7,400	63.6		16,750		20,550	3,800	59.4

(3) Forecasts for FY 2024 (YoY Comparison)

(Yen in 100 millions)

	Consolidated						Non-consolidated					
	Results Fiscal Year Ended March 31, 2024		Forecasts Fiscal Year Ending March 31, 2025		Change	% Change	Results Fiscal Year Ended March 31, 2024		Forecasts Fiscal Year Ending March 31, 2025		Change	% Change
%		%		%				%				
Net sales of completed construction contracts		22,067		24,850	2,782	12.6		15,558		16,250	691	4.4
Building construction		—		—	—	—		12,402		12,850	447	3.6
Civil engineering		—		—	—	—		3,156		3,400	243	7.7
Gross profit on completed construction contracts	8.6	1,888	10.4	2,580	691	36.6	8.2	1,269	10.9	1,770	500	39.5
Building construction		—		—	—	—	6.3	783	8.9	1,150	366	46.8
Civil engineering		—		—	—	—	15.4	485	18.2	620	134	27.7
Net sales of real estate business and other		1,183		1,250	66	5.6		263		250	(13)	(5.1)
Gross profit on real estate business and other	26.0	307	23.2	290	(17)	(5.7)	19.7	51	16.0	40	(11)	(23.1)
Net sales		23,251		26,100	2,848	12.3		15,821		16,500	678	4.3
Gross profit	9.4	2,196	11.0	2,870	673	30.7	8.3	1,321	11.0	1,810	488	37.0
Selling, general and administrative expenses (Personnel expenses)	6.0	1,402	5.9	1,550	147	10.5	5.6	887	5.8	960	72	8.1
(Others)		704		825	120			428		470	41	
		697		725	27			459		490	30	
Operating income	3.4	793	5.1	1,320	526	66.3	2.7	433	5.2	850	416	96.2
Non-operating income		166		165	(1)	(1.2)		139		135	(4)	(3.0)
Non-operating expenses		45		55	9	20.6		18		35	16	90.2
Ordinary income	3.9	915	5.5	1,430	514	56.3	3.5	554	5.8	950	395	71.5
Extraordinary income		241		460	218	90.6		253		460	206	81.7
Extraordinary loss		85		80	(5)	(6.3)		114		70	(44)	(39.0)
Income before income taxes	4.6	1,071	6.9	1,810	738	69.0	4.4	692	8.1	1,340	647	93.5
Total income taxes		299		490	190	63.7		195		360	164	83.8
Profit		771		1,320	548	71.0		—		—	—	—
Profit attributable to non-controlling interests (deduction)		21		40	18	88.7		—		—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	3.2	750	4.9	1,280	529	70.5	3.1	496	5.9	980	483	97.4

Note: Please see "Notice Concerning Revision to Full-Year Financial Results Forecasts" (disclosed on February 10, 2025) for full-year forecasts for fiscal year ending March 31, 2025.

Orders Received

(Yen in 100 millions)

	Consolidated				Non-consolidated							
	Results Fiscal Year Ended March 31, 2024		Forecasts Fiscal Year Ending March 31, 2025		Change	% Change	Results Fiscal Year Ended March 31, 2024		Forecasts Fiscal Year Ending March 31, 2025		Change	% Change
Building construction		17,573		20,200			2,626	14.9		11,985		
Domestic		12,369		15,500	3,130	25.3		11,948		15,000	3,051	25.5
Overseas		5,203		4,700	(503)	(9.7)		37		50	12	33.5
Civil engineering		5,977		11,000	5,022	84.0		3,766		5,250	1,483	39.4
Domestic		4,231		5,300	1,068	25.2		3,280		4,450	1,169	35.6
Overseas		1,745		5,700	3,954	226.5		485		800	314	64.8
Construction total		23,550		31,200	7,649	32.5		15,751		20,300	4,548	28.9
Domestic		16,601		20,800	4,198	25.3		15,229		19,450	4,220	27.7
Overseas		6,949		10,400	3,450	49.6		522		850	327	62.6
Real estate business and other		1,580		1,400	(180)	(11.4)		263		250	(13)	(5.2)
Total orders received		25,130		32,600	7,469	29.7		16,015		20,550	4,534	28.3

Interest-bearing Debt Balances

(Yen in 100 millions)

	Consolidated				Non-consolidated							
	Results As of March 31, 2024		Forecasts As of March 31, 2025		Change	% Change	Results As of March 31, 2024		Forecasts As of March 31, 2025		Change	% Change
Interest-bearing debt (except nonrecourse loans)		2,497		3,200			702	28.1		1,778		
Nonrecourse loans		741		800	58	7.9		—		—	—	—
Total interest-bearing debt		3,238		4,000	761	23.5		1,778		2,200	421	23.7

Note: There have been no revisions to the forecasts previously announced on November 11, 2024.

4. Operating Results and Forecasts for Reportable Segments

(1) Operating Results for the Nine Months Ended December 31, 2024 (YoY Comparison)

【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Results		Change	% Change	Results		Change	% Change		
	Nine Months Ended December 31, 2023	Nine Months Ended December 31, 2024			Nine Months Ended December 31, 2023	Nine Months Ended December 31, 2024			% Profit	% Profit
Building Construction										
Domestic	928,527	997,418	68,890	7.4	1.9	17,526	4.3	43,358	25,832	147.4
Overseas	345,957	350,029	4,072	1.2	3.2	11,001	2.5	8,671	(2,330)	(21.2)
Subtotal	1,274,484	1,347,447	72,962	5.7	2.2	28,528	3.9	52,030	23,502	82.4
Civil Engineering										
Domestic	270,801	293,682	22,881	8.4	6.5	17,495	10.6	31,017	13,522	77.3
Overseas	86,782	166,735	79,953	92.1	(4.7)	(4,109)	2.9	4,911	9,020	—
Subtotal	357,583	460,418	102,834	28.8	3.7	13,385	7.8	35,928	22,543	168.4
Construction Total										
Domestic	1,199,329	1,291,100	91,771	7.7	2.9	35,021	5.8	74,376	39,354	112.4
Overseas	432,739	516,765	84,026	19.4	1.6	6,892	2.6	13,583	6,690	97.1
Subtotal	1,632,068	1,807,866	175,797	10.8	2.6	41,914	4.9	87,959	46,045	109.9
Real Estate Business and Other										
Real Estate Business	33,590	39,076	5,486	16.3	26.4	8,860	19.7	7,709	(1,150)	(13.0)
Other	35,890	34,218	(1,672)	(4.7)	1.2	434	4.4	1,502	1,068	245.9
Subtotal	69,480	73,295	3,814	5.5	13.4	9,294	12.6	9,212	(82)	(0.9)
Total	1,701,549	1,881,161	179,611	10.6	3.0	51,208	5.2	97,172	45,963	89.8

Note: Consolidated net sales and operating income for each segment show the sales and operating income for external customers.

【Non-consolidated】

(Yen in millions)

	Net Sales				Gross Profit					
	Results		Change	% Change	Results		Change	% Change		
	Nine Months Ended December 31, 2023	Nine Months Ended December 31, 2024			Nine Months Ended December 31, 2023	Nine Months Ended December 31, 2024			% Gross Profit	% Gross Profit
Building Construction										
Domestic	907,762	964,712	56,950	6.3	6.5	58,710	8.7	83,862	25,152	42.8
Overseas	4,967	5,657	689	13.9	3.3	162	2.1	119	(42)	(26.3)
Subtotal	912,730	970,369	57,639	6.3	6.5	58,872	8.7	83,982	25,110	42.7
Civil Engineering										
Domestic	209,813	224,809	14,996	7.1	15.1	31,598	19.5	43,781	12,183	38.6
Overseas	19,993	23,691	3,698	18.5	10.7	2,148	13.1	3,099	950	44.2
Subtotal	229,806	248,501	18,694	8.1	14.7	33,747	18.9	46,880	13,133	38.9
Construction Total										
Domestic	1,117,575	1,189,521	71,946	6.4	8.1	90,308	10.7	127,644	37,336	41.3
Overseas	24,961	29,348	4,387	17.6	9.3	2,311	11.0	3,218	907	39.3
Subtotal	1,142,537	1,218,870	76,333	6.7	8.1	92,619	10.7	130,862	38,243	41.3
Real Estate Business and Other										
Real Estate Business	16,486	14,727	(1,759)	(10.7)	21.5	3,549	20.0	2,949	(600)	(16.9)
Subtotal	16,486	14,727	(1,759)	(10.7)	21.5	3,549	20.0	2,949	(600)	(16.9)
Total	1,159,023	1,233,597	74,574	6.4	8.3	96,168	10.8	133,811	37,643	39.1

(2) Forecasts for Fiscal Year Ending March 31, 2025 (Comparison with the forecasts announced on November 11)

【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Forecasts announced on November 11, 2024	Forecasts April 1, 2024 - March 31, 2025	Change	% Change	Forecasts announced on November 11, 2024		Forecasts April 1, 2024 - March 31, 2025		Change	% Change
					% Profit		% Profit			
Building Construction										
Domestic	1,310,000	1,325,000	15,000	1.1	3.4	44,000	4.3	57,500	13,500	30.7
Overseas	460,000	508,000	48,000	10.4	1.5	7,000	2.3	11,500	4,500	64.3
Subtotal	1,770,000	1,833,000	63,000	3.6	2.9	51,000	3.8	69,000	18,000	35.3
Civil Engineering										
Domestic	370,000	400,000	30,000	8.1	5.7	21,000	9.8	39,000	18,000	85.7
Overseas	235,000	252,000	17,000	7.2	1.9	4,500	2.8	7,000	2,500	55.6
Subtotal	605,000	652,000	47,000	7.8	4.2	25,500	7.1	46,000	20,500	80.4
Construction Total										
Domestic	1,680,000	1,725,000	45,000	2.7	3.9	65,000	5.6	96,500	31,500	48.5
Overseas	695,000	760,000	65,000	9.4	1.7	11,500	2.4	18,500	7,000	60.9
Subtotal	2,375,000	2,485,000	110,000	4.6	3.2	76,500	4.6	115,000	38,500	50.3
Real Estate Business and Other										
Real Estate Business	81,000	73,000	(8,000)	(9.9)	17.3	14,000	20.5	15,000	1,000	7.1
Other	54,000	52,000	(2,000)	(3.7)	4.6	2,500	3.8	2,000	(500)	(20.0)
Subtotal	135,000	125,000	(10,000)	(7.4)	12.2	16,500	13.6	17,000	500	3.0
Total	2,510,000	2,610,000	100,000	4.0	3.7	93,000	5.1	132,000	39,000	41.9

Notes: Consolidated net sales and operating income for each segment show the sales and operating income for external customers.

【Non-consolidated】

(Yen in millions)

	Net Sales				Gross Profit					
	Forecasts announced on November 11, 2024	Forecasts April 1, 2024 - March 31, 2025	Change	% Change	Forecasts announced on November 11, 2024		Forecasts April 1, 2024 - March 31, 2025		Change	% Change
					% Gross Profit		% Gross Profit			
Building Construction										
Domestic	1,260,000	1,278,000	18,000	1.4	8.0	100,300	9.0	114,800	14,500	14.5
Overseas	5,000	7,000	2,000	40.0	4.0	200	2.9	200	—	—
Subtotal	1,265,000	1,285,000	20,000	1.6	7.9	100,500	8.9	115,000	14,500	14.4
Civil Engineering										
Domestic	285,000	310,000	25,000	8.8	14.7	42,000	19.0	59,000	17,000	40.5
Overseas	35,000	30,000	(5,000)	(14.3)	7.1	2,500	10.0	3,000	500	20.0
Subtotal	320,000	340,000	20,000	6.3	13.9	44,500	18.2	62,000	17,500	39.3
Construction Total										
Domestic	1,545,000	1,588,000	43,000	2.8	9.2	142,300	10.9	173,800	31,500	22.1
Overseas	40,000	37,000	(3,000)	(7.5)	6.8	2,700	8.6	3,200	500	18.5
Subtotal	1,585,000	1,625,000	40,000	2.5	9.1	145,000	10.9	177,000	32,000	22.1
Real Estate Business and Other										
Real Estate Business and Other	25,000	25,000	—	—	14.0	3,500	16.0	4,000	500	14.3
Total	1,610,000	1,650,000	40,000	2.5	9.2	148,500	11.0	181,000	32,500	21.9

(3) Forecasts for FY2024 (YoY Comparison)

【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Results Fiscal Year Ended March 31, 2024	Forecasts Fiscal Year Ending March 31, 2025	Change	% Change	Results Fiscal Year Ended March 31, 2024		Forecasts Fiscal Year Ending March 31, 2025		Change	% Change
					% Profit		% Profit			
Building Construction										
Domestic	1,264,181	1,325,000	60,818	4.8	1.9	24,204	4.3	57,500	33,295	137.6
Overseas	457,818	508,000	50,181	11.0	2.8	12,942	2.3	11,500	(1,442)	(11.1)
Subtotal	1,722,000	1,833,000	110,999	6.4	2.2	37,147	3.8	69,000	31,852	85.7
Civil Engineering										
Domestic	369,367	400,000	30,632	8.3	7.1	26,389	9.8	39,000	12,610	47.8
Overseas	115,396	252,000	136,603	118.4	(3.3)	(3,782)	2.8	7,000	10,782	—
Subtotal	484,764	652,000	167,235	34.5	4.7	22,607	7.1	46,000	23,392	103.5
Construction Total										
Domestic	1,633,549	1,725,000	91,450	5.6	3.1	50,594	5.6	96,500	45,905	90.7
Overseas	573,215	760,000	186,784	32.6	1.6	9,160	2.4	18,500	9,339	102.0
Subtotal	2,206,764	2,485,000	278,235	12.6	2.7	59,754	4.6	115,000	55,245	92.5
Real Estate Business and Other										
Real Estate Business	66,888	73,000	6,111	9.1	27.3	18,277	20.5	15,000	(3,277)	(17.9)
Other	51,509	52,000	490	1.0	2.6	1,349	3.8	2,000	650	48.2
Subtotal	118,398	125,000	6,601	5.6	16.6	19,626	13.6	17,000	(2,626)	(13.4)
Total	2,325,162	2,610,000	284,837	12.3	3.4	79,381	5.1	132,000	52,618	66.3

Notes: Consolidated net sales and operating income for each segment show the sales and operating income for external customers.

【Non-consolidated】

(Yen in millions)

	Net Sales				Gross Profit					
	Results Fiscal Year Ended March 31, 2024	Forecasts Fiscal Year Ending March 31, 2025	Change	% Change	Results Fiscal Year Ended March 31, 2024		Forecasts Fiscal Year Ending March 31, 2025		Change	% Change
					% Gross Profit		% Gross Profit			
Building Construction										
Domestic	1,234,232	1,278,000	43,767	3.5	6.3	78,246	9.0	114,800	36,553	46.7
Overseas	6,000	7,000	999	16.7	1.8	107	2.9	200	92	85.8
Subtotal	1,240,232	1,285,000	44,767	3.6	6.3	78,354	8.9	115,000	36,645	46.8
Civil Engineering										
Domestic	286,591	310,000	23,408	8.2	15.8	45,263	19.0	59,000	13,736	30.3
Overseas	29,020	30,000	979	3.4	11.3	3,289	10.0	3,000	(289)	(8.8)
Subtotal	315,612	340,000	24,387	7.7	15.4	48,553	18.2	62,000	13,446	27.7
Construction Total										
Domestic	1,520,823	1,588,000	67,176	4.4	8.1	123,510	10.9	173,800	50,289	40.7
Overseas	35,021	37,000	1,978	5.7	9.7	3,397	8.6	3,200	(197)	(5.8)
Subtotal	1,555,844	1,625,000	69,155	4.4	8.2	126,907	10.9	177,000	50,092	39.5
Real Estate Business and Other	26,354	25,000	(1,354)	(5.1)	19.7	5,199	16.0	4,000	(1,199)	(23.1)
Total	1,582,199	1,650,000	67,800	4.3	8.3	132,107	11.0	181,000	48,892	37.0

5. Non-consolidated Orders Received, Net Sales and Projects in Process

(1) Breakdown of Non-consolidated Orders Received

(Yen in millions)

	Results Nine Months Ended December 31, 2023		Results Nine Months Ended December 31, 2024		Change		Results FY2023 April 1, 2023 - March 31, 2024	
		% of Total		% of Total		% Change		% of Total
<u>Building Construction</u>								
Domestic Public	45,098	4.7	57,841	4.7	12,742	28.3	72,891	4.6
Domestic Private	673,700	70.7	772,401	63.3	98,701	14.7	1,121,934	70.1
Domestic Total	718,798	75.4	830,243	68.0	111,444	15.5	1,194,826	74.7
Overseas	3,963	0.4	3,856	0.3	(107)	(2.7)	3,746	0.2
Subtotal	722,761	75.8	834,099	68.3	111,337	15.4	1,198,572	74.9
<u>Civil Engineering</u>								
Domestic Public	103,605	10.9	162,425	13.3	58,819	56.8	213,329	13.3
Domestic Private	91,416	9.6	141,370	11.6	49,953	54.6	114,748	7.2
Domestic Total	195,022	20.5	303,796	24.9	108,773	55.8	328,078	20.5
Overseas	19,105	2.0	67,828	5.6	48,723	255.0	48,542	3.0
Subtotal	214,128	22.5	371,624	30.5	157,496	73.6	376,621	23.5
<u>Construction Total</u>								
Domestic Public	148,704	15.6	220,266	18.0	71,562	48.1	286,221	17.9
Domestic Private	765,117	80.3	913,772	74.9	148,655	19.4	1,236,683	77.3
Domestic Total	913,821	95.9	1,134,039	92.9	220,217	24.1	1,522,904	95.2
Overseas	23,068	2.4	71,684	5.9	48,615	210.7	52,289	3.2
Subtotal	936,890	98.3	1,205,724	98.8	268,833	28.7	1,575,194	98.4
Real Estate Business and Other	16,490	1.7	14,723	1.2	(1,767)	(10.7)	26,358	1.6
Total	953,380	100	1,220,447	100	267,066	28.0	1,601,552	100

(2) Breakdown of Non-consolidated Net Sales

(Yen in millions)

	Results Nine Months Ended December 31, 2023		Results Nine Months Ended December 31, 2024		Change		Results FY2023 April 1, 2023 - March 31, 2024	
		% of Total		% of Total		% Change		% of Total
<u>Building Construction</u>								
Domestic Public	54,897	4.8	59,172	4.8	4,274	7.8	73,169	4.6
Domestic Private	852,865	73.6	905,540	73.4	52,675	6.2	1,161,063	73.4
Domestic Total	907,762	78.4	964,712	78.2	56,950	6.3	1,234,232	78.0
Overseas	4,967	0.4	5,657	0.5	689	13.9	6,000	0.4
Subtotal	912,730	78.8	970,369	78.7	57,639	6.3	1,240,232	78.4
<u>Civil Engineering</u>								
Domestic Public	112,061	9.7	140,333	11.4	28,271	25.2	155,748	9.8
Domestic Private	97,751	8.4	84,476	6.8	(13,275)	(13.6)	130,843	8.3
Domestic Total	209,813	18.1	224,809	18.2	14,996	7.1	286,591	18.1
Overseas	19,993	1.7	23,691	1.9	3,698	18.5	29,020	1.8
Subtotal	229,806	19.8	248,501	20.1	18,694	8.1	315,612	19.9
<u>Construction Total</u>								
Domestic Public	166,958	14.5	199,505	16.2	32,546	19.5	228,917	14.4
Domestic Private	950,616	82.0	990,016	80.2	39,400	4.1	1,291,906	81.7
Domestic Total	1,117,575	96.5	1,189,521	96.4	71,946	6.4	1,520,823	96.1
Overseas	24,961	2.1	29,348	2.4	4,387	17.6	35,021	2.2
Subtotal	1,142,537	98.6	1,218,870	98.8	76,333	6.7	1,555,844	98.3
Real Estate Business and Other	16,486	1.4	14,727	1.2	(1,759)	(10.7)	26,354	1.7
Total	1,159,023	100	1,233,597	100	74,574	6.4	1,582,199	100

(3) Breakdown of Non-consolidated Projects in Process

(Yen in millions)

	Results As of December 31, 2023		Results As of December 31, 2024		Change		Results As of March 31, 2024	
		% of Total		% of Total		% Change		% of Total
<u>Building Construction</u>								
Domestic Public	111,524	5.1	119,714	5.0	8,190	7.3	121,045	5.1
Domestic Private	1,429,855	65.9	1,436,753	60.3	6,897	0.5	1,569,891	65.5
Domestic Total	1,541,379	71.0	1,556,468	65.3	15,088	1.0	1,690,937	70.6
Overseas	17,044	0.8	13,993	0.6	(3,050)	(17.9)	15,794	0.7
Subtotal	1,558,423	71.8	1,570,461	65.9	12,037	0.8	1,706,732	71.3
<u>Civil Engineering</u>								
Domestic Public	331,752	15.3	419,881	17.6	88,129	26.6	397,789	16.6
Domestic Private	203,746	9.4	250,881	10.6	47,134	23.1	193,986	8.1
Domestic Total	535,498	24.7	670,762	28.2	135,263	25.3	591,775	24.7
Overseas	76,679	3.5	141,226	5.9	64,547	84.2	97,089	4.0
Subtotal	612,177	28.2	811,989	34.1	199,811	32.6	688,865	28.7
<u>Construction Total</u>								
Domestic Public	443,276	20.4	539,596	22.6	96,319	21.7	518,834	21.7
Domestic Private	1,633,601	75.3	1,687,634	70.9	54,032	3.3	1,763,878	73.6
Domestic Total	2,076,878	95.7	2,227,230	93.5	150,352	7.2	2,282,713	95.3
Overseas	93,723	4.3	155,220	6.5	61,496	65.6	112,884	4.7
Subtotal	2,170,601	100.0	2,382,450	100	211,849	9.8	2,395,597	100.0
Real Estate Business and Other	4	0.0	—	—	(4)	(100.0)	4	0.0
Total	2,170,605	100	2,382,450	100	211,845	9.8	2,395,601	100

6. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Yen in millions)

	March 31, 2024	December 31, 2024	Change
Assets			
Current assets			
Cash and deposits	339,188	267,560	(71,628)
Notes and accounts receivable from completed construction contracts and other	1,036,514	1,148,033	111,518
Electronically recorded monetary claims	40,717	36,360	(4,357)
Short-term investment securities	8,430	11,592	3,162
Real estate for sale	15,236	44,286	29,050
Costs on uncompleted construction contracts	40,121	62,774	22,653
Costs on real estate business	35,530	35,719	189
Inventories for PFI and other projects	4,847	3,517	(1,329)
Other inventories	15,788	16,199	411
Accounts receivable	127,323	100,517	(26,806)
Other	32,709	62,445	29,736
Allowance for doubtful accounts	(7,270)	(7,160)	110
Total current assets	1,689,137	1,781,848	92,711
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	191,208	177,627	(13,580)
Machinery, vehicles, tools, furniture and fixtures	80,155	81,912	1,756
Land	413,163	421,888	8,725
Lease assets	5,175	5,376	200
Construction in progress	46,212	50,100	3,888
Total property, plant and equipment	735,914	736,905	991
Intangible assets	38,537	38,524	(12)
Investments and other assets			
Investment securities	422,583	363,903	(58,680)
Long-term loans receivable	2,637	2,736	99
Deferred tax assets	3,256	2,973	(283)
Assets for retirement benefits	7,482	6,937	(544)
Other	119,721	130,645	10,923
Allowance for doubtful accounts	(152)	(152)	0
Total investments and other assets	555,529	507,044	(48,485)
Total noncurrent assets	1,329,981	1,282,474	(47,507)
Total assets	3,019,118	3,064,322	45,204

(Yen in millions)

	March 31, 2024	December 31, 2024	Change
Liabilities			
Current liabilities			
Notes and accounts payable for construction contracts and other	676,252	681,803	5,551
Electronically recorded obligations	144,615	99,002	(45,613)
Short-term loans payable	68,142	89,410	21,268
Current portion of nonrecourse loans	8,252	9,478	1,226
Commercial papers	—	92,000	92,000
Current portion of bonds	10,000	—	(10,000)
Lease obligations	2,105	2,342	237
Income taxes payable	10,398	23,171	12,772
Advances received on uncompleted construction contracts	191,909	181,849	(10,060)
Deposits received	202,026	206,376	4,350
Provision for warranties for completed construction	3,155	3,360	204
Provision for loss on construction contracts	33,149	15,513	(17,636)
Other	83,510	83,591	80
Total current liabilities	1,433,517	1,487,900	54,382
Noncurrent liabilities			
Bonds payable	40,107	60,099	19,992
Long-term loans payable	131,507	118,267	(13,239)
Nonrecourse loans	65,875	70,395	4,519
Lease obligations	6,915	7,102	187
Deferred tax liabilities	48,689	32,897	(15,792)
Deferred tax liabilities for land revaluation	17,931	17,655	(276)
Provision for stock payments for directors	625	526	(98)
Provision for environmental measures	23	—	(23)
Liability for retirement benefits	51,914	51,894	(20)
Other	26,765	27,683	918
Total noncurrent liabilities	390,356	386,522	(3,833)
Total liabilities	1,823,874	1,874,422	50,548
Net assets			
Shareholders' equity			
Capital stock	57,752	57,752	—
Capital surplus	42,002	41,182	(819)
Retained earnings	773,841	802,535	28,694
Treasury stock	(2,711)	(2,879)	(167)
Total shareholders' equity	870,884	898,591	27,707
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	205,623	157,796	(47,827)
Deferred gains (losses) on hedges	15,341	17,234	1,892
Revaluation reserve for land	22,777	22,148	(629)
Foreign currency translation adjustments	32,304	41,777	9,472
Retirement benefit asset and liability adjustments	4,698	4,187	(511)
Total accumulated other comprehensive income	280,745	243,142	(37,602)
Non-controlling interests	43,614	48,165	4,551
Total net assets	1,195,244	1,189,900	(5,344)
Total liabilities and net assets	3,019,118	3,064,322	45,204
(Reference)			
Interest-bearing debt balances	323,884	439,650	115,766

Note: During the first six months of the fiscal year ending March 2025, the Company finalized the provisional accounting treatment for business combinations, and the figures for the fiscal year ending March 2024 reflect the details of the finalized provisional accounting treatment.

(2) Consolidated Statements of Income

(Yen in millions)

	April 1, 2023 - December 31, 2023	April 1, 2024 - December 31, 2024	Change
Net sales			
Net sales of completed construction contracts	1,632,068	1,807,866	175,797
Net sales of real estate business and other	69,480	73,295	3,814
Total net sales	1,701,549	1,881,161	179,611
Cost of sales			
Cost of sales on completed construction contracts	1,492,627	1,620,442	127,814
Cost of sales on real estate business and other	52,338	55,862	3,523
Total cost of sales	1,544,966	1,676,305	131,338
Gross profit			
Gross profit on completed construction contracts	139,440	187,423	47,982
Gross profit on real estate business and other	17,142	17,432	290
Total gross profit	156,583	204,856	48,273
Selling, general and administrative expenses	105,374	107,684	2,309
Operating income	51,208	97,172	45,963
Non-operating income			
Interest income	2,586	3,432	846
Dividends income	6,657	6,856	198
Other	3,691	2,400	(1,291)
Total non-operating income	12,935	12,689	(246)
Non-operating expenses			
Interest expenses	2,549	3,438	889
Other	497	738	240
Total non-operating expenses	3,046	4,176	1,130
Ordinary income	61,098	105,684	44,586
Extraordinary income			
Gain on sales of investing securities	12,099	34,621	22,522
Other	159	272	112
Total extraordinary income	12,259	34,894	22,635
Extraordinary loss			
Loss on valuation of investment securities	1,042	1,960	917
Loss on valuation of other investments	1,099	—	(1,099)
Other	2,120	510	(1,609)
Total extraordinary losses	4,262	2,471	(1,791)
Profit before income taxes	69,094	138,107	69,013
Income taxes-current	16,100	34,509	18,409
Income taxes-deferred	4,206	5,424	1,218
Total income taxes	20,306	39,934	19,627
Profit	48,787	98,173	49,385
Profit attributable to non-controlling interests	1,295	2,621	1,326
Profit attributable to owners of parent	47,492	95,551	48,059

(3) Consolidated Statements of Comprehensive Income

(Yen in millions)

	April 1, 2023 - December 31, 2023	April 1, 2024 - December 31, 2024
Profit	48,787	98,173
Other comprehensive income		
Valuation difference on available-for-sale securities	36,517	(47,851)
Deferred gains (losses) on hedges	2,813	1,443
Foreign currency translation adjustment	19,073	12,171
Retirement benefit adjustment	(358)	(511)
Share of other comprehensive income of associates accounted for using equity method	167	(63)
Total other comprehensive income	58,214	(34,810)
Comprehensive income	107,002	63,362
Comprehensive income attributable to owners of parent	102,719	58,577
Comprehensive income attributable to non-controlling interests	4,283	4,784

(4) Consolidated Segment Information

a) Reportable Segment Information (Net Sales and Income (Loss))

FY2023 (April 1, 2023 – December 31, 2023)

(Yen in millions)

	Reporting segment						Others *1	Total
	Domestic Building Construction	Overseas Building Construction	Domestic Civil Engineering	Overseas Civil Engineering	Real Estate	Subtotal		
<u>Net sales</u>								
Sales to third parties	928,527	345,957	270,801	86,782	33,590	1,665,658	35,890	1,701,549
Intersegment sales and transfers	28,701	58	11,248	—	684	40,692	8,229	48,921
Segment sales	957,228	346,015	282,049	86,782	34,274	1,706,350	44,120	1,750,471
<u>Operating income (loss)</u>								
Operating income (loss) from sales to third parties *2	17,526	11,001	17,495	(4,109)	8,860	50,774	434	51,208
Intersegment operating income and transfers	2,183	461	(112)	—	(41)	2,491	(24)	2,467
Segment income (loss)	19,710	11,463	17,382	(4,109)	8,818	53,266	409	53,675

*1 Businesses that cannot be classified into the reportable segments are shown as "Others." These include PFI (Private Finance Initiative), renewable energy, finance and other businesses.

*2 "Operating income (loss) from sales to third parties" was computed by subtracting "Intersegment operating income and transfers" from "Segment income (loss)."
The total "Operating income (loss) from sales to third parties" equals to "Operating income" as shown in the consolidated statements of income.

FY2024 (April 1, 2024 – December 31, 2024)

(Yen in millions)

	Reporting segment						Others *1	Total
	Domestic Building Construction	Overseas Building Construction	Domestic Civil Engineering	Overseas Civil Engineering	Real Estate	Subtotal		
<u>Net sales</u>								
Sales to third parties	997,418	350,029	293,682	166,735	39,076	1,846,943	34,218	1,881,161
Intersegment sales and transfers	13,546	146	11,481	—	639	25,813	9,107	34,920
Segment sales	1,010,964	350,176	305,164	166,735	39,715	1,872,756	43,325	1,916,082
<u>Operating income</u>								
Operating income from sales to third parties *2	43,358	8,671	31,017	4,911	7,709	95,669	1,502	97,171
Intersegment operating income and transfers	240	(116)	(96)	—	(22)	5	(21)	(16)
Segment income	43,599	8,555	30,921	4,911	7,686	95,674	1,480	97,155

*1 Businesses that cannot be classified into the reportable segments are shown as "Others." These include PFI (Private Finance Initiative), renewable energy, finance and other businesses.

*2 "Operating income from sales to third parties" was computed by subtracting "Intersegment operating income and transfers" from "Segment income."
The total "Operating income from sales to third parties" equals to "Operating income" as shown in the consolidated statements of income.

b) Reconciliation of Difference between Total Reportable Segment Income (loss) and the Amount as Shown in the Consolidated Statements of Income

(Yen in millions)

Income	FY2023 (April 1, 2023 - December 31, 2023)	FY2024 (April 1, 2024 - December 31, 2024)
Total reportable segment	53,266	95,674
Income from "Others"	409	1,480
Elimination of intersegment transactions	(2,467)	16
Operating income in the consolidated statements of income	51,208	97,172

c) Note to Consolidated Statements of Cash Flows

No quarterly consolidated statements of cash flows have been prepared for the third quarter of the current consolidated fiscal year.

Depreciation and amortization (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the third quarter of the current fiscal year are as follows:

(Yen in millions)

	FY2023 April 1, 2023 -December 31, 2023	FY2024 April 1, 2024 - December 31, 2024
Depreciation and amortization	18,619	22,687
Amortization of goodwill	550	1,494

d) Important Subsequent Event

Acquisition of Own Shares

OBAYASHI CORPORATION (hereinafter referred to as the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held on February 10, 2025, the matters concerning the acquisition of own shares pursuant to the provisions of Article 156 of the Companies Act of Japan, as applied by replacing the relevant terms pursuant to the provisions of Article 165, paragraph (3) of the same Act.

1. Reason for acquisition of own shares

In Addendum to Obayashi Group Medium-Term Business Plan 2022, the Company has committed to pursue management that emphasizes capital efficiency and promote sustainable profit growth by executing a growth strategy. In addition, the Company has set the level of necessary equity at one trillion yen and aims to achieve a return on equity (ROE) of 10% by the final year of the current medium-term business plan in FY2026 (fiscal year ending March 31, 2027) by implementing a strategic capital policy.

The Company has taken into account a number of factors including the solid performance of the group and steady investment to the plan, reduction of cross-shareholdings as planned, and its stable financial situation. Based on these factors and the capital policy revised in March 2024, which ensures control of equity at reasonable level, the Company has decided to continue to pay annual dividends based on a dividend on equity ratio (DOE) of 5% and to make an additional return of 100.0 billion yen through the acquisition of own shares by the end of FY2026. The Company will begin acquiring one-third of the amount immediately, with the aim of completing the acquisition by the end of June 30, 2025.

2. Details of matters related to the acquisition

(1) Class of shares to be acquired	Common shares
(2) Total number of shares to be acquired	20,000,000 shares (maximum) (2.8% of total number of issued shares (excluding treasury shares))
(3) Total amount of share acquisition costs	¥ 30,000,000,000 (maximum)
(4) Acquisition period	From February 12, 2025 to June 30, 2025
(5) Method of acquisition	Purchase on the Tokyo Stock Exchange
(6) Others	All of the shares to be acquired through this transaction will be cancelled by resolution of the Board of Directors in accordance with the provisions of Article 178 of the Companies Act

7. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Yen in millions)

	March 31, 2024	December 31, 2024	Change
Assets			
Current assets			
Cash and deposits	173,279	98,278	(75,000)
Notes receivable—trade	3,024	1,588	(1,435)
Electronically recorded monetary claims	37,442	33,701	(3,740)
Accounts receivable from completed construction contracts	753,643	856,920	103,276
Accounts receivable—real estate business and other	5,270	2,814	(2,456)
Short-term investment securities	15	26	10
Real estate for sale	2,216	2,492	276
Costs on uncompleted construction contracts	34,300	53,909	19,608
Costs on real estate business and other	4,198	6,618	2,419
Short-term loans receivable	55,024	48,174	(6,849)
Accounts receivable—other	116,229	89,352	(26,876)
Other	53,964	114,483	60,518
Allowance for doubtful accounts	(92)	(101)	(9)
Total current assets	1,238,517	1,308,258	69,740
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	71,950	70,217	(1,733)
Machinery, equipment and vehicles	15,125	17,644	2,518
Tools, furniture and fixtures	3,592	3,763	171
Land	175,677	183,767	8,089
Leased assets	6	8	2
Construction in progress	12,108	10,867	(1,241)
Total property, plant and equipment	278,462	286,269	7,807
Intangible assets	8,325	8,401	75
Investments and other assets			
Investment securities	407,382	330,168	(77,214)
Shares and investments in capital of subsidiaries and affiliates	246,990	278,220	31,230
Long-term loans receivable	35,300	6,120	(29,180)
Claims provable in bankruptcy, claims provable in rehabilitation and other	620	620	—
Prepaid pensions cost	1,318	1,427	109
Other	9,099	8,920	(179)
Allowance for doubtful accounts	(696)	(693)	3
Total investments and other assets	700,016	624,784	(75,232)
Total noncurrent assets	986,804	919,454	(67,349)
Total assets	2,225,321	2,227,713	2,391

(Yen in millions)

	March 31, 2024	December 31, 2024	Change
Liabilities			
Current liabilities			
Notes payable—trade	7,552	6,308	(1,244)
Electronically recorded obligations	145,335	100,651	(44,683)
Accounts payable for construction contracts	504,725	522,966	18,240
Accounts payable—real estate and other	1,808	1,235	(572)
Short-term loans payable	39,449	61,074	21,625
Commercial papers	—	92,000	92,000
Current portion of bonds	10,000	—	(10,000)
Lease obligations	5	5	(0)
Accounts payable	4,195	3,069	(1,126)
Accrued expenses	17,819	14,551	(3,268)
Income taxes payable	4,792	19,591	14,798
Advances received on uncompleted construction contracts	130,298	108,176	(22,121)
Deposit received—real estate and other	2,486	4,368	1,881
Deposits received	186,910	193,806	6,895
Provision for warranties for completed construction	2,824	2,959	135
Provision for loss on construction contracts	32,932	15,276	(17,656)
Deposits received from employees	26,379	25,917	(462)
Other	1,393	2,585	1,191
Total current liabilities	1,118,909	1,174,542	55,633
Noncurrent liabilities			
Bonds payable	40,000	60,000	20,000
Long-term loans payable	88,373	73,450	(14,923)
Lease obligations	1	4	2
Deferred tax liabilities	41,980	25,705	(16,274)
Deferred tax liabilities for land revaluation	14,592	14,315	(276)
Provision for retirement benefits	43,954	43,841	(112)
Provision for stock payments for directors	625	526	(98)
Provision for loss on business of subsidiaries and affiliates	5,204	3,074	(2,129)
Other	5,450	5,542	91
Total noncurrent liabilities	240,181	226,460	(13,720)
Total liabilities	1,359,090	1,401,003	41,912
Net assets			
Shareholders' equity			
Capital stock	57,752	57,752	—
Capital surplus			
Legal capital surplus	41,694	41,694	—
Total capital surpluses	41,694	41,694	—
Retained earnings			
Legal retained earnings	14,438	14,438	—
Other retained earnings			
Reserve for advanced depreciation of noncurrent assets	2,287	2,256	(30)
General reserve	460,000	460,000	—
Retained earnings brought forward	69,557	79,027	9,469
Total retained earnings	546,283	555,722	9,439
Treasury stock	(2,711)	(2,879)	(167)
Total shareholders' equity	643,018	652,289	9,271
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	205,396	157,588	(47,807)
Deferred gains (losses) on hedges	355	—	(355)
Revaluation reserve for land	17,460	16,831	(629)
Total valuation and translation adjustments	223,212	174,420	(48,792)
Total net assets	866,231	826,710	(39,520)
Total liabilities and net assets	2,225,321	2,227,713	2,391
(Reference)			
Interest-bearing debt balances	177,822	286,524	108,702

(2) Non-consolidated Statements of Income

(Yen in millions)

	April 1, 2023 - December 31, 2023	April 1, 2024 - December 31, 2024	Change
Net sales			
Net sales of completed construction contracts	1,142,537	1,218,870	76,333
Net sales of real estate business and other	16,486	14,727	(1,759)
Total net sales	1,159,023	1,233,597	74,574
Cost of sales			
Cost of sales on completed construction contracts	1,049,917	1,088,007	38,090
Cost of sales on real estate business and other	12,937	11,778	(1,159)
Total cost of sales	1,062,854	1,099,785	36,931
Gross profit			
Gross profit on completed construction contracts	92,619	130,862	38,243
Gross profit on real estate business and other	3,549	2,949	(600)
Total gross profit	96,168	133,811	37,643
Selling, general and administrative expenses	66,173	68,345	2,171
Operating income	29,994	65,466	35,471
Non-operating income			
Interest and dividend income	8,590	10,322	1,731
Other	2,050	1,393	(657)
Total non-operating income	10,641	11,715	1,074
Non-operating expenses			
Interest expenses	674	903	228
Other	279	1,504	1,225
Total non-operating expenses	953	2,407	1,453
Ordinary income	39,682	74,774	35,092
Extraordinary income			
Gain on sales of investment securities	11,684	34,612	22,928
Other	1,947	494	(1,452)
Total extraordinary income	13,631	35,107	21,476
Extraordinary loss			
Loss on valuation of investment securities	1,042	1,960	917
Loss on business of subsidiaries and affiliates	6,447	—	(6,447)
Other	1,122	97	(1,025)
Total extraordinary losses	8,612	2,057	(6,555)
Profit before income taxes	44,701	107,824	63,123
Income taxes-current	10,460	26,943	16,482
Income taxes-deferred	4,031	4,585	553
Total income taxes	14,492	31,528	17,036
Profit	30,208	76,296	46,087