

FY2024 1st Quarter Financial Results

(April 1, 2024 to June 30, 2024)

August 6, 2024



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Disclaimer:

This "Financial Results" is the English version of the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryo" released on August 6, 2024. 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 Shiryo" and this document, the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryo" will prevail. This document includes forward-looking statements based on the information available at the time the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryo" 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)

Three 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	%
June 30, 2024	574,706	17.9	15,372	268.9	20,300	117.9	25,847	292.1
June 30, 2023	487,444	18.8	4,167	(50.6)	9,315	(28.3)	6,591	(41.6)

(Note) Comprehensive income : [Three Months Ended June 30, 2024] 4,925 million yen, (89.2%) ; [Three Months Ended June 30, 2023] 45,715 million yen, 95.7%

Three Months Ended	Profit Attributable to Owners of Parent per Share (EPS)
June 30, 2024	36.05
June 30, 2023	9.19

② Consolidated Financial Position

As of	Total Assets	Net Assets	Equity Ratio	Net Assets per Share (BPS)
June 30, 2024	2,948,893	1,159,678	37.8	1,555.94
March 31, 2024	3,017,047	1,194,810	38.2	1,606.18

(For reference) Equity (net assets less non-controlling interests) : [As of June 30, 2024] 1,115,606 million yen ; [As of March 31, 2024] 1,151,630 million yen

(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
	2,510,000	7.9	93,000	17.2	98,000	7.1	87,000	15.9	121.34

* There have been no revisions to the forecasts previously announced.

(3) Non-consolidated Financial Results

① Non-consolidated Business Results

(Percentages indicate the percentage year on year change)

Three 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
June 30, 2024	373,490	9.4	8,489	-	15,874	208.0	24,126	525.8	33.65
June 30, 2023	341,301	15.7	(748)	-	5,153	(48.3)	3,855	(62.3)	5.38

② Non-consolidated Financial Position

As of	Total Assets	Net Assets	Equity Ratio	Net Assets per Share (BPS)
June 30, 2024	2,105,353	815,518	38.7	1,137.41
March 31, 2024	2,225,321	866,231	38.9	1,208.13

(Reference) Equity (net assets less non-controlling interests) : [As of June 30, 2024] 815,518 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
	1,610,000	1.8	53,500	23.5	63,500	14.6	68,000	37.0	94.84

* There have been no revisions to the forecasts previously announced.

(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		65.9	

* There have been no revisions to the forecasts previously announced.

2 Qualitative Information

(1) Overview of business results

Consolidated net sales for the first three months of the fiscal year ending March 31, 2025 (from April 1 to June 30, 2024) amounted to 574.7 billion yen, an increase of 87.2 billion yen (17.9%) from the first three months of the previous fiscal year, mainly due to the progress in large-scale projects in the domestic and overseas building construction businesses, and consolidation of MWH US Acquisitions, Inc. acquired in December 2023 in the overseas civil engineering business.

As for profit and loss, operating income resulted in 15.3 billion yen, an increase of 11.2 billion yen (268.9%) from the same period in the previous fiscal year, and ordinary income was 20.3 billion yen, an increase of 10.9 billion yen (117.9%) year-on-year. This was mainly due to the improvement in the profitability of construction projects in hand in the domestic building construction business. Profit attributable to owners of parent was 25.8 billion yen, an increase of 19.2 billion yen (292.1%) year-on-year, mainly due to the sale of cross-shareholdings.

(2) Overview of financial position

Total assets as of June 30, 2024 decreased by 68.1 billion yen (2.3%) compared with the balance at the end of the previous fiscal year, to 2,948.8 billion yen. This was mainly due to decreases in "Cash and deposits" and in "Investment securities" due to the sale of cross-shareholdings and a decline in market value.

Total liabilities as of June 30, 2024 decreased by 33.0 billion yen (1.8%) compared with the balance at the end of the previous fiscal year, to 1,789.2 billion yen. This was mainly due to a decrease in trade payables related to construction costs (the sum of "Notes and accounts payable for construction contracts and other" and "Electronically recorded obligations"). The balance of interest-bearing debt as of June 30, 2024 increased by 70.5 billion yen (21.8%) compared with the balance at the end of the previous fiscal year, to 394.4 billion yen, due to increases in "Commercial papers" and "Bonds payable."

Total net assets as of June 30, 2024 decreased by 35.1 billion yen (2.9%) compared with the balance at the end of the previous fiscal year, to 1,159.6 billion yen. This was mainly due to decreases in "Retained earnings" as a result of payment of dividends from surplus and in "Valuation difference on available-for-sale securities."

As a result, the equity ratio as of June 30, 2024 was 37.8%, down 0.4 percentage points from the end of the previous fiscal year.

3 Financial Highlights

(1) Financial Results for the Three Months Ended June 30, 2024 (YoY Comparison)

(Yen in 100 millions)

	Consolidated						Non-consolidated					
	Three Months Ended June 30, 2023		Three Months Ended June 30, 2024		Change	% Change	Three Months Ended June 30, 2023		Three Months Ended June 30, 2024		Change	% Change
Net sales of completed construction contracts	%	4,677	%	5,540			862	18.4	%	3,368		
Building construction		—		—	—	—		2,678		2,929	251	9.4
Civil engineering		—		—	—	—		689		757	67	9.8
Gross profit on completed construction contracts	6.9	324	8.3	461	137	42.3	6.3	210	8.4	309	99	47.1
Building construction		—		—	—	—	4.2	111	7.1	208	96	86.4
Civil engineering		—		—	—	—	14.3	98	13.4	101	2	2.5
Net sales of real estate business and other		196		206	10	5.1		44		47	3	7.6
Gross profit on real estate business and other	23.3	45	27.0	55	10	22.0	23.4	10	18.4	8	(1)	(15.5)
Net sales		4,874		5,747	872	17.9		3,413		3,734	321	9.4
Gross profit	7.6	370	9.0	517	147	39.8	6.5	220	8.5	318	97	44.2
Selling, general and administrative expenses	6.7	328	6.3	364	35	10.8	6.7	228	6.2	233	5	2.3
(Personnel expenses)		169		197	27			108		121	13	
(Others)		158		166	7			120		111	(8)	
Operating income	0.9	41	2.7	153	112	268.9	(0.2)	(7)	2.3	84	92	—
Non-operating income		57		62	4	7.8		61		77	15	25.8
Non-operating expenses		6		13	6	106.3		2		3	1	40.5
Ordinary income	1.9	93	3.5	203	109	117.9	1.5	51	4.3	158	107	208.0
Extraordinary income		3		168	164	—		1		167	165	—
Extraordinary loss		5		0	(5)	(91.4)		5		0	(5)	(97.2)
Income before income taxes	1.9	90	6.4	370	279	308.6	1.4	47	8.7	325	277	579.5
Total income taxes		22		105	83	370.0		9		84	75	800.4
Profit		68		265	196	288.4		—		—	—	—
Profit attributable to non-controlling interests (deduction)		2		6	4	182.2		—		—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	1.4	65	4.5	258	192	292.1	1.1	38	6.5	241	202	525.8

Orders Received

(Yen in 100 millions)

	Consolidated					Non-consolidated						
	Three Months Ended June 30, 2023		Three Months Ended June 30, 2024		Change	% Change	Three Months Ended June 30, 2023		Three Months Ended June 30, 2024		Change	% Change
Building construction		4,342		3,979			(362)	(8.3)		2,445		
Domestic		2,578		2,474	(103)	(4.0)		2,436		2,391	(45)	(1.9)
Overseas		1,764		1,504	(259)	(14.7)		8		26	18	210.5
Civil engineering		820		2,493	1,673	204.0		555		952	397	71.5
Domestic		621		842	221	35.6		397		645	248	62.4
Overseas		199		1,651	1,452	728.8		157		306	149	94.3
Construction total		5,162		6,473	1,310	25.4		3,000		3,370	369	12.3
Domestic		3,199		3,316	117	3.7		2,833		3,036	202	7.2
Overseas		1,963		3,156	1,192	60.8		166		333	167	100.3
Real estate business and other		186		464	278	149.4		44		47	3	7.6
Total orders received		5,348		6,937	1,589	29.7		3,044		3,418	373	12.3

Interest-bearing Debt Balances

(Yen in 100 millions)

	Consolidated				Non-consolidated							
	Results As of March 31, 2024		Results As of June 30, 2024		Change	% Change	Results As of March 31, 2024		Results As of June 30, 2024		Change	% Change
Interest-bearing debt (except nonrecourse loans)		2,497		3,054			557	22.3		1,778		
Nonrecourse loans		741		889	147	19.9		—		—	—	—
Total interest-bearing debt		3,238		3,944	705	21.8		1,778		2,319	541	30.5

(2) Financial Results for the Three Months Ended June 30, 2023 (Progress toward Full-Year Forecasts)

(Yen in 100 millions)

	Consolidated				Non-consolidated				
	Results Three Months Ended June 30, 2024		Forecasts Fiscal Year Ending March 31, 2025		Results Three Months Ended June 30, 2024		Forecasts Fiscal Year Ending March 31, 2025		% Progress
	%		%		%		%		
Net sales of completed construction contracts		5,540		23,750		3,687		15,850	23.3
Building construction		—		—		2,929		12,650	23.2
Civil engineering		—		—		757		3,200	23.7
Gross profit on completed construction contracts	8.3	461	8.8	2,100	8.4	309	9.1	1,450	21.4
Building construction		—		—	7.1	208	7.9	1,005	20.8
Civil engineering		—		—	13.4	101	13.9	445	22.7
Net sales of real estate business and other		206		1,350		47		250	19.1
Gross profit on real estate business and other	27.0	55	21.5	290	18.4	8	14.0	35	25.1
Net sales		5,747		25,100		3,734		16,100	23.2
Gross profit	9.0	517	9.5	2,390	8.5	318	9.2	1,485	21.4
Selling, general and administrative expenses	6.3	364	5.8	1,460	6.2	233	5.9	950	24.6
(Personnel expenses)		197		760		121		455	
(Others)		166		700		111		495	
Operating income	2.7	153	3.7	930	2.3	84	3.3	535	15.9
Non-operating income		62		105		77		115	67.6
Non-operating expenses		13		55		3		15	25.8
Ordinary income	3.5	203	3.9	980	4.3	158	3.9	635	25.0
Extraordinary income		168		350		167		350	47.7
Extraordinary loss		0		30		0		30	0.5
Income before income taxes	6.4	370	5.2	1,300	8.7	325	5.9	955	34.1
Total income taxes		105		395		84		275	30.7
Profit		265		905		—		—	—
Profit attributable to non-controlling interests (deduction)		6		35		—		—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	4.5	258	3.5	870	6.5	241	4.2	680	35.5

*There have been no revisions to the forecasts previously announced on May 13, 2024.

Orders Received

(Yen in 100 millions)

	Consolidated			Non-consolidated		
	Results Three Months Ended June 30, 2024	Forecasts Fiscal Year Ending March 31, 2025	% Progress	Results Three Months Ended June 30, 2024	Forecasts Fiscal Year Ending March 31, 2025	% Progress
Building construction	3,979	16,950	23.5	2,417	13,100	18.5
Domestic	2,474	13,550	18.3	2,391	13,000	18.4
Overseas	1,504	3,400	44.3	26	100	26.6
Civil engineering	2,493	7,050	35.4	952	3,400	28.0
Domestic	842	3,800	22.2	645	2,950	21.9
Overseas	1,651	3,250	50.8	306	450	68.2
Construction total	6,473	24,000	27.0	3,370	16,500	20.4
Domestic	3,316	17,350	19.1	3,036	15,950	19.0
Overseas	3,156	6,650	47.5	333	550	60.6
Real estate business and other	464	1,200	38.7	47	250	19.1
Total orders received	6,937	25,200	27.5	3,418	16,750	20.4

*There have been no revisions to the forecasts previously announced on May 13, 2024.

(3) Forecasts for FY2024 (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		23,750	1,682	7.6		15,558		15,850	291	1.9
Building construction		—		—	—	—		12,402		12,650	247	2.0
Civil engineering		—		—	—	—		3,156		3,200	43	1.4
Gross profit on completed construction contracts	8.6	1,888	8.8	2,100	211	11.2	8.2	1,269	9.1	1,450	180	14.3
Building construction		—		—	—	—	6.3	783	7.9	1,005	221	28.3
Civil engineering		—		—	—	—	15.4	485	13.9	445	(40)	(8.3)
Net sales of real estate business and other		1,183		1,350	166	14.0		263		250	(13)	(5.1)
Gross profit on real estate business and other	26.0	307	21.5	290	(17)	(5.7)	19.7	51	14.0	35	(16)	(32.7)
Net sales		23,251		25,100	1,848	7.9		15,821		16,100	278	1.8
Gross profit	9.4	2,196	9.5	2,390	193	8.8	8.3	1,321	9.2	1,485	163	12.4
Selling, general and administrative expenses (Personnel expenses)	6.0	1,402	5.8	1,460	57	4.1	5.6	887	5.9	950	62	7.0
(Others)		704		760	55			428		455	26	
		697		700	2			459		495	35	
Operating income	3.4	793	3.7	930	136	17.2	2.7	433	3.3	535	101	23.5
Non-operating income		166		105	(61)	(37.1)		139		115	(24)	(17.4)
Non-operating expenses		45		55	9	20.6		18		15	(3)	(18.5)
Ordinary income	3.9	915	3.9	980	64	7.1	3.5	554	3.9	635	80	14.6
Extraordinary income		241		350	108	45.0		253		350	96	38.2
Extraordinary loss		85		30	(55)	(64.9)		114		30	(84)	(73.9)
Income before income taxes	4.6	1,071	5.2	1,300	228	21.4	4.4	692	5.9	955	262	37.9
Total income taxes		299		395	95	32.0		195		275	79	40.4
Profit		771		905	133	17.3		—		—	—	—
Profit attributable to non-controlling interests (deduction)		21		35	13	65.1		—		—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	3.2	750	3.5	870	119	15.9	3.1	496	4.2	680	183	37.0

*There have been no revisions to the forecasts previously announced on May 13, 2024.

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		16,950			(623)	(3.5)		11,985		
Domestic		12,369		13,550	1,180	9.5		11,948		13,000	1,051	8.8
Overseas		5,203		3,400	(1,803)	(34.7)		37		100	62	166.9
Civil engineering		5,977		7,050	1,072	17.9		3,766		3,400	(366)	(9.7)
Domestic		4,231		3,800	(431)	(10.2)		3,280		2,950	(330)	(10.1)
Overseas		1,745		3,250	1,504	86.2		485		450	(35)	(7.3)
Construction total		23,550		24,000	449	1.9		15,751		16,500	748	4.7
Domestic		16,601		17,350	748	4.5		15,229		15,950	720	4.7
Overseas		6,949		6,650	(299)	(4.3)		522		550	27	5.2
Real estate business and other		1,580		1,200	(380)	(24.1)		263		250	(13)	(5.2)
Total orders received		25,130		25,200	69	0.3		16,015		16,750	734	4.6

*There have been no revisions to the forecasts previously announced on May 13, 2024.

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

*There have been no revisions to the forecasts previously announced on May 13, 2024.

4 Operating Results and Forecasts for Reportable Segments

(1) Operating Results for the Three Months Ended June 30, 2024 (YoY Comparison)

【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Results Three Months Ended June 30, 2023	Results Three Months Ended June 30, 2024	Change	% Change	Results Three Months Ended June 30, 2023		Results Three Months Ended June 30, 2024		Change	% Change
					% Profit		% Profit			
Building Construction										
Domestic	270,876	298,221	27,344	10.1	(1.3)	(3,475)	2.1	6,130	9,605	—
Overseas	95,385	120,511	25,126	26.3	2.4	2,320	1.5	1,819	(500)	(21.6)
Subtotal	366,261	418,732	52,471	14.3	(0.3)	(1,154)	1.9	7,950	9,104	—
Civil Engineering										
Domestic	82,583	87,940	5,357	6.5	4.2	3,459	4.1	3,620	161	4.7
Overseas	18,944	47,371	28,427	150.1	(0.8)	(159)	1.8	832	992	—
Subtotal	101,528	135,312	33,784	33.3	3.2	3,299	3.3	4,453	1,153	35.0
Construction Total										
Domestic	353,459	386,161	32,701	9.3	(0.0)	(16)	2.5	9,750	9,766	—
Overseas	114,329	167,883	53,553	46.8	1.9	2,160	1.6	2,652	492	22.8
Subtotal	467,789	554,045	86,255	18.4	0.5	2,144	2.2	12,403	10,258	478.4
Real Estate Business and Other										
Real Estate Business	7,572	9,255	1,682	22.2	20.5	1,551	23.7	2,192	640	41.3
Other	12,082	11,405	(676)	(5.6)	3.9	470	6.8	776	305	65.0
Subtotal	19,654	20,660	1,005	5.1	10.3	2,022	14.4	2,969	946	46.8
Total	487,444	574,706	87,261	17.9	0.9	4,167	2.7	15,372	11,205	268.9

*Consolidated net sales and operating income show the sales and operating income for external customers.

【Non-consolidated】

(Yen in millions)

	Net Sales				Gross Profit					
	Results Three Months Ended June 30, 2023	Results Three Months Ended June 30, 2024	Change	% Change	Results Three Months Ended June 30, 2023		Results Three Months Ended June 30, 2024		Change	% Change
					% Gross Profit		% Gross Profit			
Building Construction										
Domestic	265,909	289,450	23,540	8.9	4.2	11,133	7.2	20,818	9,684	87.0
Overseas	1,965	3,532	1,567	79.7	2.8	54	1.1	37	(17)	(32.3)
Subtotal	267,874	292,982	25,107	9.4	4.2	11,188	7.1	20,855	9,666	86.4
Civil Engineering										
Domestic	64,763	67,377	2,613	4.0	14.1	9,161	13.5	9,096	(65)	(0.7)
Overseas	4,230	8,359	4,128	97.6	16.7	707	12.2	1,022	314	44.5
Subtotal	68,994	75,736	6,742	9.8	14.3	9,869	13.4	10,118	249	2.5
Construction Total										
Domestic	330,673	356,827	26,154	7.9	6.1	20,295	8.4	29,914	9,619	47.4
Overseas	6,195	11,891	5,695	91.9	12.3	762	8.9	1,059	297	39.0
Subtotal	336,869	368,719	31,850	9.5	6.3	21,057	8.4	30,974	9,916	47.1
Real Estate Business and Other										
Real Estate Business	4,432	4,771	338	7.6	23.4	1,038	18.4	878	(160)	(15.5)
Subtotal	4,432	4,771	338	7.6	6.5	22,096	8.5	31,852	9,755	44.2
Total	341,301	373,490	32,188	9.4						

(2) 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	1,310,000	45,818	3.6	1.9	24,204	3.4	44,000	19,795	81.8
Overseas	457,818	460,000	2,181	0.5	2.8	12,942	1.5	7,000	(5,942)	(45.9)
Subtotal	1,722,000	1,770,000	47,999	2.8	2.2	37,147	2.9	51,000	13,852	37.3
Civil Engineering										
Domestic	369,367	370,000	632	0.2	7.1	26,389	5.7	21,000	(5,389)	(20.4)
Overseas	115,396	235,000	119,603	103.6	(3.3)	(3,782)	1.9	4,500	8,282	—
Subtotal	484,764	605,000	120,235	24.8	4.7	22,607	4.2	25,500	2,892	12.8
Construction Total										
Domestic	1,633,549	1,680,000	46,450	2.8	3.1	50,594	3.9	65,000	14,405	28.5
Overseas	573,215	695,000	121,784	21.2	1.6	9,160	1.7	11,500	2,339	25.5
Subtotal	2,206,764	2,375,000	168,235	7.6	2.7	59,754	3.2	76,500	16,745	28.0
Real Estate Business and Other										
Real Estate Business	66,888	81,000	14,111	21.1	27.3	18,277	17.3	14,000	(4,277)	(23.4)
Other	51,509	54,000	2,490	4.8	2.6	1,349	4.6	2,500	1,150	85.3
Subtotal	118,398	135,000	16,601	14.0	16.6	19,626	12.2	16,500	(3,126)	(15.9)
Total	2,325,162	2,510,000	184,837	7.9	3.4	79,381	3.7	93,000	13,618	17.2

*1 Consolidated net sales and operating income show the sales and operating income for external customers.

*2 There have been no revisions to the forecasts previously announced on May 13, 2024.

【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	1,260,000	25,767	2.1	6.3	78,246	8.0	100,300	22,053	28.2
Overseas	6,000	5,000	(1,000)	(16.7)	1.8	107	4.0	200	92	85.8
Subtotal	1,240,232	1,265,000	24,767	2.0	6.3	78,354	7.9	100,500	22,145	28.3
Civil Engineering										
Domestic	286,591	285,000	(1,591)	(0.6)	15.8	45,263	14.7	42,000	(3,263)	(7.2)
Overseas	29,020	35,000	5,979	20.6	11.3	3,289	7.1	2,500	(789)	(24.0)
Subtotal	315,612	320,000	4,387	1.4	15.4	48,553	13.9	44,500	(4,053)	(8.3)
Construction Total										
Domestic	1,520,823	1,545,000	24,176	1.6	8.1	123,510	9.2	142,300	18,789	15.2
Overseas	35,021	40,000	4,978	14.2	9.7	3,397	6.8	2,700	(697)	(20.5)
Subtotal	1,555,844	1,585,000	29,155	1.9	8.2	126,907	9.1	145,000	18,092	14.3
Real Estate Business and Other										
Real Estate Business	26,354	25,000	(1,354)	(5.1)	19.7	5,199	14.0	3,500	(1,699)	(32.7)
Subtotal	1,582,199	1,610,000	27,800	1.8	8.3	132,107	9.2	148,500	16,392	12.4

*There have been no revisions to the forecasts previously announced on May 13, 2024

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

(1) Breakdown of Non-consolidated Orders Received

(Yen in millions)

	Results Three Months Ended June 30, 2023		Results Three Months Ended June 30, 2024		Change		Results FY2023 April 1, 2023 - March 31, 2024	
		% of Total		% of Total		% Change		% of Total
<u>Building Construction</u>								
Domestic Public	3,811	1.2	41,352	12.1	37,540	984.8	72,891	4.6
Domestic Private	239,833	78.8	197,768	57.8	(42,064)	(17.5)	1,121,934	70.1
Domestic Total	243,644	80.0	239,120	69.9	(4,524)	(1.9)	1,194,826	74.7
Overseas	856	0.3	2,660	0.8	1,803	210.5	3,746	0.2
Subtotal	244,501	80.3	241,780	70.7	(2,720)	(1.1)	1,198,572	74.9
<u>Civil Engineering</u>								
Domestic Public	9,602	3.1	38,389	11.2	28,787	299.8	213,329	13.3
Domestic Private	30,149	9.9	26,179	7.7	(3,970)	(13.2)	114,748	7.2
Domestic Total	39,752	13.0	64,568	18.9	24,816	62.4	328,078	20.5
Overseas	15,796	5.2	30,697	9.0	14,900	94.3	48,542	3.0
Subtotal	55,548	18.2	95,265	27.9	39,716	71.5	376,621	23.5
<u>Construction Total</u>								
Domestic Public	13,413	4.3	79,741	23.3	66,327	494.5	286,221	17.9
Domestic Private	269,983	88.7	223,947	65.5	(46,035)	(17.1)	1,236,683	77.3
Domestic Total	283,396	93.0	303,689	88.8	20,292	7.2	1,522,904	95.2
Overseas	16,653	5.5	33,357	9.8	16,703	100.3	52,289	3.2
Subtotal	300,050	98.5	337,046	98.6	36,996	12.3	1,575,194	98.4
Real Estate Business and Other	4,432	1.5	4,769	1.4	336	7.6	26,358	1.6
Total	304,482	100	341,815	100	37,333	12.3	1,601,552	100

(2) Breakdown of Non-consolidated Net Sales

(Yen in millions)

	Results Three Months Ended June 30, 2023		Results Three Months Ended June 30, 2024		Change		Results FY2023 April 1, 2023 - March 31, 2024	
		% of Total		% of Total		% Change		% of Total
<u>Building Construction</u>								
Domestic Public	16,165	4.7	17,723	4.7	1,558	9.6	73,169	4.6
Domestic Private	249,744	73.2	271,726	72.8	21,982	8.8	1,161,063	73.4
Domestic Total	265,909	77.9	289,450	77.5	23,540	8.9	1,234,232	78.0
Overseas	1,965	0.6	3,532	0.9	1,567	79.7	6,000	0.4
Subtotal	267,874	78.5	292,982	78.4	25,107	9.4	1,240,232	78.4
<u>Civil Engineering</u>								
Domestic Public	34,550	10.1	37,993	10.2	3,442	10.0	155,748	9.8
Domestic Private	30,213	8.9	29,383	7.9	(829)	(2.7)	130,843	8.3
Domestic Total	64,763	19.0	67,377	18.1	2,613	4.0	286,591	18.1
Overseas	4,230	1.2	8,359	2.2	4,128	97.6	29,020	1.8
Subtotal	68,994	20.2	75,736	20.3	6,742	9.8	315,612	19.9
<u>Construction Total</u>								
Domestic Public	50,715	14.8	55,716	14.9	5,001	9.9	228,917	14.4
Domestic Private	279,957	82.1	301,110	80.7	21,153	7.6	1,291,906	81.7
Domestic Total	330,673	96.9	356,827	95.6	26,154	7.9	1,520,823	96.1
Overseas	6,195	1.8	11,891	3.1	5,695	91.9	35,021	2.2
Subtotal	336,869	98.7	368,719	98.7	31,850	9.5	1,555,844	98.3
Real Estate Business and Other	4,432	1.3	4,771	1.3	338	7.6	26,354	1.7
Total	341,301	100	373,490	100	32,188	9.4	1,582,199	100

(3) Breakdown of Non-consolidated Projects in Process

(Yen in millions)

	Results As of June 30, 2023		Results As of June 30, 2024		Change		Results As of March 31, 2024	
		%		%		% Change		% of Total
<u>Building Construction</u>								
Domestic Public	108,969	4.7	144,674	6.1	35,704	32.8	121,045	5.1
Domestic Private	1,599,109	68.3	1,495,933	63.3	(103,175)	(6.5)	1,569,891	65.5
Domestic Total	1,708,078	73.0	1,640,607	69.4	(67,470)	(4.0)	1,690,937	70.6
Overseas	16,940	0.7	14,922	0.6	(2,017)	(11.9)	15,794	0.7
Sub-total	1,725,019	73.7	1,655,530	70.0	(69,488)	(4.0)	1,706,732	71.3
<u>Civil Engineering</u>								
Domestic Public	315,260	13.5	398,185	16.8	82,925	26.3	397,789	16.6
Domestic Private	210,017	9.0	190,782	8.1	(19,235)	(9.2)	193,986	8.1
Domestic Total	525,277	22.5	588,967	24.9	63,689	12.1	591,775	24.7
Overseas	89,132	3.8	119,426	5.1	30,293	34.0	97,089	4.0
Subtotal	614,410	26.3	708,394	30.0	93,983	15.3	688,865	28.7
<u>Construction Total</u>								
Domestic Public	424,229	18.2	542,859	22.9	118,630	28.0	518,834	21.7
Domestic Private	1,809,126	77.3	1,686,715	71.4	(122,411)	(6.8)	1,763,878	73.6
Domestic Total	2,233,356	95.5	2,229,575	94.3	(3,780)	(0.2)	2,282,713	95.3
Overseas	106,073	4.5	134,349	5.7	28,276	26.7	112,884	4.7
Subtotal	2,339,429	100	2,363,924	100.0	24,495	1.0	2,395,597	100.0
Real Estate Business and Other	—	—	2	0.0	2	—	4	0.0
Total	2,339,429	100	2,363,926	100	24,497	1.0	2,395,601	100

6 Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Yen in millions)

	March 31, 2024	June 30, 2024	Change
Assets			
Current assets			
Cash and deposits	339,188	255,659	(83,529)
Notes and accounts receivable from completed construction contracts and other	1,036,514	1,039,304	2,789
Electronically recorded monetary claims	40,717	24,584	(16,133)
Short-term investment securities	8,430	11,177	2,747
Real estate for sale	15,236	26,747	11,510
Costs on uncompleted construction contracts	40,121	48,401	8,280
Costs on real estate business	35,530	42,757	7,227
Inventories for PFI and other projects	4,847	4,383	(463)
Other inventories	15,788	16,056	268
Accounts receivable	127,323	116,302	(11,021)
Other	32,709	54,862	22,153
Allowance for doubtful accounts	(7,270)	(7,562)	(291)
Total current assets	1,689,137	1,632,676	(56,461)
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	191,208	182,720	(8,487)
Machinery, vehicles, tools, furniture and fixtures	80,155	80,122	(32)
Land	413,163	424,562	11,399
Lease assets	5,175	5,895	720
Construction in progress	46,212	51,340	5,128
Total property, plant and equipment	735,914	744,641	8,727
Intangible assets	36,465	40,158	3,692
Investments and other assets			
Investment securities	422,583	389,696	(32,887)
Long-term loans receivable	2,637	2,723	86
Deferred tax assets	3,256	3,335	78
Assets for retirement benefits	7,482	7,299	(182)
Other	119,721	128,514	8,792
Allowance for doubtful accounts	(152)	(152)	0
Total investments and other assets	555,529	531,416	(24,113)
Total noncurrent assets	1,327,910	1,316,217	(11,692)
Total assets	3,017,047	2,948,893	(68,153)

(Yen in millions)

	March 31, 2024	June 30, 2024	Change
Assets			
Liabilities			
Current liabilities			
Notes and accounts payable for construction contracts and other	676,252	617,902	(58,349)
Electronically recorded obligations	144,615	107,525	(37,090)
Short-term loans payable	68,142	70,386	2,244
Current portion of nonrecourse loans	8,252	9,744	1,492
Commercial papers	—	46,000	46,000
Current portion of bonds	10,000	—	(10,000)
Lease obligations	2,105	2,616	511
Income taxes payable	10,398	16,084	5,686
Advances received on uncompleted construction contracts	191,909	180,016	(11,893)
Deposits received	202,026	205,090	3,064
Provision for warranties for completed construction	3,155	3,160	4
Provision for loss on construction contracts	33,149	27,556	(5,592)
Other	83,510	98,592	15,082
Total current liabilities	1,433,517	1,384,678	(48,839)
Noncurrent liabilities			
Bonds payable	40,107	60,107	20,000
Long-term loans payable	131,507	129,001	(2,505)
Nonrecourse loans	65,875	79,162	13,286
Lease obligations	6,915	7,989	1,074
Deferred tax liabilities	47,051	30,566	(16,485)
Deferred tax liabilities for land revaluation	17,931	17,883	(48)
Provision for stock payments for directors	625	627	1
Provision for environmental measures	23	23	—
Liability for retirement benefits	51,914	51,825	(88)
Other	26,765	27,348	583
Total noncurrent liabilities	388,719	404,536	15,817
Total liabilities	1,822,236	1,789,215	(33,021)
Net assets			
Shareholders' equity			
Capital stock	57,752	57,752	—
Capital surplus	42,002	41,097	(904)
Retained earnings	773,841	761,030	(12,810)
Treasury stock	(2,711)	(2,713)	(1)
Total shareholders' equity	870,884	857,168	(13,716)
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	205,623	169,888	(35,734)
Deferred gains (losses) on hedges	15,341	17,722	2,380
Revaluation reserve for land	22,777	22,666	(110)
Foreign currency translation adjustments	32,304	43,633	11,329
Retirement benefit asset and liability adjustments	4,698	4,526	(172)
Total accumulated other comprehensive income	280,745	258,438	(22,307)
Non-controlling interests	43,180	44,072	891
Total net assets	1,194,810	1,159,678	(35,132)
Total liabilities and net assets	3,017,047	2,948,893	(68,153)
(Reference)			
Interest-bearing debt balances	323,884	394,402	70,518

(2) Consolidated Statements of Income

(Yen in millions)

	April 1, 2023 - June 30, 2023	April 1, 2024 - June 30, 2024	Change
Net sales			
Net sales of completed construction contracts	467,789	554,045	86,255
Net sales of real estate business and other	19,654	20,660	1,005
Total net sales	487,444	574,706	87,261
Cost of sales			
Cost of sales on completed construction contracts	435,335	507,852	72,517
Cost of sales on real estate business and other	15,078	15,076	(2)
Total cost of sales	450,414	522,929	72,515
Gross profit			
Gross profit on completed construction contracts	32,453	46,192	13,738
Gross profit on real estate business and other	4,576	5,584	1,008
Total gross profit	37,030	51,776	14,746
Selling, general and administrative expenses	32,863	36,404	3,541
Operating income	4,167	15,372	11,205
Non-operating income			
Interest income	645	980	335
Dividends income	2,865	3,205	340
Foreign exchange gains	2,145	1,797	(347)
Other	126	251	124
Total non-operating income	5,782	6,234	452
Non-operating expenses			
Interest expenses	498	1,097	599
Other	134	209	74
Total non-operating expenses	633	1,306	673
Ordinary income	9,315	20,300	10,984
Extraordinary income			
Gain on sales of investing securities	258	16,714	16,456
Other	71	99	28
Total extraordinary income	329	16,814	16,485
Extraordinary loss	573	49	(523)
Profit before income taxes	9,071	37,065	27,993
Income taxes-current	4,063	13,382	9,318
Income taxes-deferred	(1,816)	(2,821)	(1,004)
Total income taxes	2,247	10,561	8,314
Profit	6,824	26,504	19,679
Profit attributable to non-controlling interests	232	656	423
Profit attributable to owners of parent	6,591	25,847	19,255

(3) Consolidated Statements of Comprehensive Income

(Yen in millions)

	April 1, 2023 - June 30, 2023	April 1, 2024 - June 30, 2024
Profit	6,824	26,504
Other comprehensive income		
Valuation difference on available-for-sale securities	32,137	(35,765)
Deferred gains (losses) on hedges	2,193	2,195
Foreign currency translation adjustment	4,774	11,490
Retirement benefit adjustment	(119)	(172)
Share of other comprehensive income of associates accounted for using equity method	(93)	674
Total other comprehensive income	38,891	(21,578)
Comprehensive income	45,715	4,925
Comprehensive income attributable to owners of parent	44,591	3,650
Comprehensive income attributable to non-controlling interests	1,124	1,275

(4) Consolidated Segment Information

a) Reportable Segment Information (Net Sales and Income)

FY2023 (April 1, 2023 – June 30, 2023)

(Yen in millions)

	Reporting segment						Others *1	Total
	Domestic Building Construction	Overseas Building Construction	Domestic Civil Engineering	Overseas Civil Engineering	Real Estate	Subtotal		
Net sales								
Sales to third parties	270,876	95,385	82,583	18,944	7,572	475,362	12,082	487,444
Intersegment sales and transfers	9,504	18	3,523	—	231	13,277	2,961	16,239
Segment sales	280,380	95,403	86,107	18,944	7,803	488,639	15,044	503,683
Operating income (loss)								
Operating income (loss) from sales to third parties *2	(3,475)	2,320	3,459	(159)	1,551	3,696	470	4,167
Intersegment operating income and transfers	548	(42)	(36)	—	(14)	454	(7)	447
Segment income (loss)	(2,926)	2,277	3,422	(159)	1,537	4,150	463	4,614

*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 – June 30, 2024)

(Yen in millions)

	Reporting segment						Others *1	Total
	Domestic Building Construction	Overseas Building Construction	Domestic Civil Engineering	Overseas Civil Engineering	Real Estate	Subtotal		
Net sales								
Sales to third parties	298,221	120,511	87,940	47,371	9,255	563,300	11,405	574,706
Intersegment sales and transfers	4,667	21	3,632	—	213	8,535	3,002	11,537
Segment sales	302,888	120,533	91,573	47,371	9,468	571,836	14,407	586,243
Operating income								
Operating income from sales to third parties *2	6,130	1,819	3,620	832	2,192	14,595	776	15,372
Intersegment operating income and transfers	168	(41)	(32)	—	(7)	87	(7)	79
Segment income	6,298	1,778	3,588	832	2,184	14,682	768	15,451

*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	FY2024
	April 1 2023 - June 30,2023	April 1 2024 - June 30,2024
Total reportable segment	4,150	14,682
Income from "Others"	463	768
Elimination of intersegment transactions	(447)	(79)
Operating income in the consolidated statements of income	4,167	15,372

c) Note to Consolidated Statements of Cash Flows

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

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

(Yen in millions)

	FY2023	FY2024
	April 1 2023 - June 30,2023	April 1 2024 - June 30,2024
Depreciation and amortization	6,184	7,438
Amortization of goodwill	183	502

7 Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Yen in millions)

	March 31, 2024	June 30, 2024	Change
Assets			
Current assets			
Cash and deposits	173,279	91,830	(81,448)
Notes receivable—trade	3,024	2,090	(934)
Electronically recorded monetary claims	37,442	21,550	(15,891)
Accounts receivable from completed construction contracts	753,643	758,805	5,162
Accounts receivable—real estate business and other	5,270	2,655	(2,615)
Short-term investment securities	15	26	10
Real estate for sale	2,216	2,179	(36)
Costs on uncompleted construction contracts	34,300	40,012	5,711
Costs on real estate business and other	4,198	4,474	276
Short-term loans receivable	55,024	24,113	(30,910)
Accounts receivable—other	116,229	105,999	(10,229)
Other	53,964	81,810	27,845
Allowance for doubtful accounts	(92)	(88)	4
Total current assets	1,238,517	1,135,461	(103,056)
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	71,950	72,680	730
Machinery, equipment and vehicles	15,125	15,261	135
Tools, furniture and fixtures	3,592	3,634	41
Land	175,677	186,068	10,391
Leased assets	6	5	(1)
Construction in progress	12,108	12,276	167
Total property, plant and equipment	278,462	289,927	11,465
Intangible assets	8,325	8,474	148
Investments and other assets			
Investment securities	407,382	355,001	(52,381)
Shares and investments in capital of subsidiaries and affiliates	246,990	270,937	23,947
Long-term loans receivable	35,300	35,215	(85)
Claims provable in bankruptcy, claims provable in rehabilitation and other	620	620	—
Prepaid pensions cost	1,318	1,354	36
Other	9,099	9,057	(42)
Allowance for doubtful accounts	(696)	(696)	—
Total investments and other assets	700,016	671,490	(28,526)
Total noncurrent assets	986,804	969,892	(16,912)
Total assets	2,225,321	2,105,353	(119,968)

(Yen in millions)

	March 31, 2024	June 30, 2024	Change
Liabilities			
Current liabilities			
Notes payable—trade	7,552	7,431	(121)
Electronically recorded obligations	145,335	103,991	(41,343)
Accounts payable for construction contracts	504,725	454,375	(50,349)
Accounts payable—real estate and other	1,808	929	(879)
Short-term loans payable	39,449	41,949	2,500
Commercial papers	—	46,000	46,000
Current portion of bonds	10,000	—	(10,000)
Lease obligations	5	4	(0)
Accounts payable	4,195	2,397	(1,798)
Accrued expenses	17,819	30,558	12,739
Income taxes payable	4,792	12,216	7,423
Advances received on uncompleted construction contracts	130,298	104,156	(26,142)
Deposit received—real estate and other	2,486	2,091	(394)
Deposits received	186,910	189,642	2,731
Provision for warranties for completed construction	2,824	2,882	58
Provision for loss on construction contracts	32,932	26,840	(6,092)
Deposits received from employees	26,379	25,542	(837)
Other	1,393	2,106	713
Total current liabilities	1,118,909	1,053,116	(65,792)
Noncurrent liabilities			
Bonds payable	40,000	60,000	20,000
Long-term loans payable	88,373	84,046	(4,327)
Lease obligations	1	0	(1)
Deferred tax liabilities	41,980	23,166	(18,813)
Deferred tax liabilities for land revaluation	14,592	14,543	(48)
Provision for retirement benefits	43,954	43,870	(84)
Provision for stock payments for directors	625	627	1
Provision for loss on business of subsidiaries and affiliates	5,204	5,097	(106)
Other	5,450	5,366	(83)
Total noncurrent liabilities	240,181	236,717	(3,463)
Total liabilities	1,359,090	1,289,834	(69,256)
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	2,277	(10)
General reserve	460,000	460,000	—
Retained earnings brought forward	69,557	55,036	(14,521)
Total retained earnings	546,283	531,751	(14,531)
Treasury stock	(2,711)	(2,713)	(1)
Total shareholders' equity	643,018	628,485	(14,532)
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	205,396	169,683	(35,712)
Deferred gains (losses) on hedges	355	—	(355)
Revaluation reserve for land	17,460	17,349	(110)
Total valuation and translation adjustments	223,212	187,033	(36,179)
Total net assets	866,231	815,518	(50,712)
Total liabilities and net assets	2,225,321	2,105,353	(119,968)
(Reference)			
Interest-bearing debt balances	177,822	231,995	54,173

(2) Non-consolidated Statements of Income

(Yen in millions)

	April 1, 2023 - June 30, 2023	April 1, 2024 - June 30, 2024	Change
Net sales			
Net sales of completed construction contracts	336,869	368,719	31,850
Net sales of real estate business and other	4,432	4,771	338
Total net sales	341,301	373,490	32,188
Cost of sales			
Cost of sales on completed construction contracts	315,811	337,744	21,933
Cost of sales on real estate business and other	3,393	3,893	499
Total cost of sales	319,204	341,637	22,433
Gross profit			
Gross profit on completed construction contracts	21,057	30,974	9,916
Gross profit on real estate business and other	1,038	878	(160)
Total gross profit	22,096	31,852	9,755
Selling, general and administrative expenses	22,845	23,362	517
Operating income	(748)	8,489	9,238
Non-operating income			
Interest and dividend income	4,141	5,972	1,831
Foreign exchange gains	1,754	1,393	(361)
Other	281	405	123
Total non-operating income	6,177	7,771	1,594
Non-operating expenses			
Interest expenses	238	241	3
Other	37	145	108
Total non-operating expenses	275	387	111
Ordinary income	5,153	15,874	10,721
Extraordinary income			
Gain on sales of investment securities	184	16,705	16,521
Other	0	0	(0)
Total extraordinary income	184	16,706	16,521
Extraordinary loss	545	15	(530)
Profit before income taxes	4,792	32,565	27,773
Income taxes-current	2,394	11,472	9,077
Income taxes-deferred	(1,457)	(3,033)	(1,576)
Total income taxes	937	8,438	7,501
Profit	3,855	24,126	20,271