

# 2nd Quarter Financial Results

(April 1, 2022 to September 30, 2022)

November 7, 2022



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### Disclaimer:

This "Financial Results" is the English version of the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryo" released on November 7, 2022. 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 for the Six Months Ended September 30, 2022

### ① Consolidated Business Results

(Percentages indicate the percentage YoY change)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%
Six Months Ended September 30, 2022	924,391	2.8	41,785	116.5	48,659	110.2	38,494	103.8
Six Months Ended September 30, 2021	899,160	5.5	19,298	(64.8)	23,146	(59.5)	18,889	(59.9)

(Note) Comprehensive income : [Six Months Ended September 30, 2022] 53,307 million yen, 78.0% ; [Six Months Ended September 30, 2021] 29,943 million yen, (35.5%)

	Profit Attributable to Owners of Parent per Share (EPS)
	Yen
Six Months Ended September 30, 2022	53.69
Six Months Ended September 30, 2021	26.32

### ② Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share (BPS)
	Yen in millions	Yen in millions	%	Yen
As of September 30, 2022	2,502,407	1,029,103	39.7	1,384.19
As of March 31, 2022	2,422,085	988,913	39.5	1,333.10

(For reference) Equity (net assets less non-controlling interests) : [As of September 30, 2022] 992,390 million yen ; [As of March 31, 2022] 955,691 million yen

## (2) Consolidated Forecast for Fiscal Year Ending March 31, 2023

(Percentages indicate the percentage YoY change)

	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
Full Year	2,045,000	6.4	86,000	109.5	94,000	88.6	71,000	81.5	99.03

\*The forecasts previously announced on August 10, 2022 have been revised. Please see "OBAYASHI CORPORATION announces its revised financial forecasts for FY2022" (disclosed on November 7, 2022) for the latest Consolidated forecasts for fiscal year ending March 31, 2023.

## (3) Non-consolidated Financial Results for the Six Months Ended September 30, 2022

### ① Non-consolidated Business Results

(Percentages indicate the percentage YoY change)

	Net Sales		Operating Income		Ordinary Income		Profit		Profit per Share (EPS)
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen
Six Months Ended September 30, 2022	649,623	(0.2)	28,114	532.0	37,477	247.4	31,646	197.8	44.14
Six Months Ended September 30, 2021	650,709	12.6	4,448	(89.2)	10,009	(78.9)	10,627	(73.2)	14.81

### ② Non-consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share (BPS)
	Yen in millions	Yen in millions	%	Yen
As of September 30, 2022	1,854,011	755,000	40.7	1,053.08
As of March 31, 2022	1,844,400	740,713	40.2	1,033.22

(Reference) Equity (net assets less non-controlling interests) : [As of September 30, 2022] 755,000 million yen ; [As of March 31, 2022] 740,713 million yen

## (4) Non-consolidated Forecast for Fiscal Year Ending March 31, 2023

(Percentages indicate the percentage YoY change)

	Net Sales		Operating Income		Ordinary Income		Profit		Profit per Share (EPS)
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen
Full Year	1,404,000	2.2	51,000	-	62,500	219.5	53,000	181.3	73.92

\*The forecasts previously announced on August 10, 2022 have been revised. Please see "OBAYASHI CORPORATION announces its revised financial forecasts for FY2022" (disclosed on November 7, 2022) for the latest non-consolidated forecasts for fiscal year ending March 31, 2023.

## (5) Dividends

	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			
FY ended March 31, 2022	—	16.00	—	16.00	32.00	22,977	58.7	2.4
FY ending March 31, 2023 (including Forecast)	—	21.00	—	21.00	42.00		42.4	

\*There have been no revisions to the forecasts previously announced on August 10, 2022.

## 2 Qualitative Information

### (1) Overview of consolidated business results

During the first six months of the fiscal year under review (from April 1 to September 30, 2022), the Japanese economy showed signs of gradual recovery as economic and social activities progressively returned to normal owing to eased COVID-related restrictions. However, import prices still continue to rise due to the yen's rapid slide, and raw material prices also keep soaring mainly because of the situation in Ukraine, causing uncertainty over the future.

Orders in the domestic construction market largely remained firm for public and private construction, yet there is concern that the rising cost of raw materials may deter companies from making capital investments. The future environment for orders received can therefore not be predicted, either.

Amid these conditions, the Obayashi Group's consolidated net sales for the first six months of fiscal year ending March 31, 2023 amounted to 924.3 billion yen, an increase of 25.2 billion yen (2.8%) from the first six months of the previous fiscal year, due to growth in sales for the overseas construction business and real estate business. As for income/profit, a provision for loss on construction contracts for the first six months of the previous fiscal year, which was recognized for multiple large construction projects in the domestic building construction business, caused a rebound, resulting in operating income of 41.7 billion yen, an increase of 22.4 billion yen (116.5%), from the same period in the previous fiscal year. Ordinary income was 48.6 billion yen, an increase of 25.5 billion yen (110.2%) year-on-year, and profit attributable to owners of parent was 38.4 billion yen, an increase of 19.6 billion yen (103.8%) year-on-year.

The Obayashi Group consolidated performance by business segment for the first six months of fiscal year ending March 31, 2023 was as follows:

#### (Construction business)

Consolidated construction orders received decreased by 38.3 billion yen (4.3%) from the same period in the previous fiscal year to 853.2 billion yen. This resulted from the fact that orders received in the domestic construction business decreased while those received in the Company's and subsidiaries' overseas construction business increased. More specifically, orders received for domestic building construction were 401.0 billion yen; for overseas building construction, 243.2 billion yen; for domestic civil engineering, 173.1 billion yen; and for overseas civil engineering, 35.8 billion yen.

Consolidated net sales for the construction business increased by 12.4 billion yen (1.5%) from the same period in the previous fiscal year to 862.7 billion yen. This increase resulted from an increase in net sales for the overseas construction business of subsidiaries due to the depreciation of the yen, despite a decline in the Company's and subsidiaries' domestic building construction business. More specifically, net sales for domestic building construction were 492.0 billion yen; for overseas building construction, 170.0 billion yen; for domestic civil engineering, 151.9 billion yen; and for overseas civil engineering, 48.7 billion yen.

Operating income increased by 15.3 billion yen (138.7%) to 26.3 billion yen from the same period in the previous fiscal year. This increase resulted mainly from the rebound caused by the recognition of a provision for loss on construction contracts in multiple large construction projects in the Company's domestic building construction business for the first six months of the previous fiscal year.

#### Real estate business

In the real estate business, net sales increased by 19.8 billion yen (109.8%) from the same period in the previous fiscal year to 38.0 billion yen. This increase resulted mainly from the Company's sale of large real

estate. Operating income increased by 8.0 billion yen (128.5%) year-on-year to 14.3 billion yen.

#### Other businesses

Net sales of other businesses decreased by 7.1 billion yen (23.1%) to 23.6 billion yen from the same period in the previous fiscal year. Operating income decreased by 0.9 billion yen (46.2%) year-on-year to 1.0 billion yen. These decreases were mainly drops from the figures for the first six months of the previous fiscal year for which net sales on large PFI projects were recognized.

#### <Consolidated net sales and operating income (loss) by segment>

(Yen in millions)

Segment	Construction business					Real estate business	Other businesses	Total
	Domestic building construction	Overseas building construction	Domestic civil engineering	Overseas civil engineering	Total construction business			
Net sales	492,020	170,023	151,922	48,746	862,713	38,001	23,677	924,391
Operating income (loss)	12,000	4,061	8,073	2,233	26,370	14,355	1,059	41,785

#### (2) Overview of consolidated financial position

Total assets as of September 30, 2022 increased by 80.3 billion yen (3.3%) compared with the balance at the end of the previous fiscal year, to 2,502.4 billion yen. This was mainly due to increases in “Cash and deposits” and in property, plant and equipment that include “Land,” owing to the acquisition of commercial real estate, which exceeded decreases 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”) and in “Investment securities” due to the sales of cross-shareholdings.

Total liabilities as of September 30, 2022 increased by 40.1 billion yen (2.8%) compared with the balance at the end of the previous fiscal year to 1,473.3 billion yen. This was mainly due to an increase in interest-bearing debt that includes “Bonds payable” and “Long-term loans payable,” which exceeded 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 September 30, 2022 increased by 69.7 billion yen (24.9%) compared with the balance at the end of the previous fiscal year, to 350.1 billion yen.

Total net assets as of September 30, 2022 increased by 40.1 billion yen (4.1%) compared with the balance at the end of the previous fiscal year, to 1,029.1 billion yen. This was mainly due to an increase in “Retained earnings” from the recognition of profit attributable to owners of parent.

As a result, the equity ratio as of September 30, 2022 was 39.7%, up 0.2 percentage points from the end of the previous fiscal year.

#### (3) Overview of consolidated cash flows

During the first six months of fiscal year ending March 31, 2023, net cash provided by operating activities amounted to 62.7 billion yen, primarily due to steady net cash inflow (net cash provided by operating activities amounted to 21.7 billion yen in the same period during the previous fiscal year). Net cash used in investing activities amounted to 54.1 billion yen, primarily due to the acquisition of commercial real estate (net cash used in investing activities amounted to 39.2 billion yen in the same period during the previous fiscal year). Net cash

provided by financing activities amounted to 53.9 billion yen, primarily due to an increase in loan proceeds and bonds payable, which exceeded the payment of dividends (net cash provided by financing activities amounted to 60 million yen in the same period during the previous fiscal year).

Consequently, cash and cash equivalents as of September 30, 2022 increased by 72.1 billion yen to 321.4 billion yen compared with the balance at the end of the previous fiscal year.

(4) Consolidated forecasts for fiscal year ending March 31, 2023

The consolidated forecasts for the full year (ending March 31, 2023) are 2,040.0 billion yen in orders received (the same as the previously announced forecast), net sales of 2,045.0 billion yen (a decrease of 5.0 billion yen from the previously announced forecast), operating income of 86.0 billion yen (a decrease of 14.0 billion yen from the previously announced forecast), ordinary income of 94.0 billion yen (a decrease of 10.0 billion yen from the previously announced forecast), and profit attributable to owners of parent of 71.0 billion yen (a decrease of 5.0 billion yen from the previously announced forecast).

(5) Reduction of cross-shareholdings

The Company owns shares in its customers' businesses (cross-shareholdings) to maintain and strengthen trade relationships with the customers. The Company reviews the significance of owning shares in each company by regularly reporting to the Board of Directors on valuation gains/losses, and collective consideration of indicators of profitability such as capital cost and return on business from maintaining and strengthening its transactional relationship with a company. The Company verifies the economic rationale for owning shares over the medium and long term, and sells shares as needed when the business significance of owning the shares has weakened.

The Medium-Term Business Plan 2022 states that the Company will proceed further on reassessment of the significance of owning shares and overall investment efficiency for the Company, and that the Company will sell 150 billion yen's worth of shares in total starting from fiscal year ended March 31, 2022, aiming to bring the ratio of cross-shareholdings to 20% or less of consolidated net assets as soon as possible before the end of March 2027.

Shares that have been sold since fiscal year ended March 31, 2022 (on a consolidated market value basis) amounted to 31.1 billion yen (14.1 billion yen over the first six months of fiscal year ending March 31, 2023), and the rate of progress toward the target figure stated above was 20.8%. The balance of cross-shareholdings as of September 30, 2022 was 305.8 billion yen, which accounted for 29.7% of consolidated net assets.

The Company plans to use the proceeds from sales of cross-shareholdings effectively to enhance corporate value, by investing in areas that will contribute to sustained growth with medium- to long-term growth in mind, in addition to investing for the purpose of securing stable investment revenue.

### 3 Financial Highlights

#### (1) Financial Results for the Six Months Ended September 30, 2022 (YoY Comparison)

(Yen in 100 millions)

	Consolidated					Non-consolidated						
	Results April 1, 2021 September 30, 2021	Results April 1, 2022 September 30, 2022	Change	% Change		Results April 1, 2021 September 30, 2021	Results April 1, 2022 September 30, 2022	Change	% Change			
Net sales of completed construction contracts	%	8,502	%	8,627	124	1.5	%	6,399	%	6,264	(135)	(2.1)
Building Construction		—		—	—	—		5,026		4,913	(113)	(2.3)
Civil Engineering		—		—	—	—		1,372		1,350	(22)	(1.6)
Gross profit on completed construction contracts	7.1	607	9.3	803	196	32.3	6.3	403	9.4	586	182	45.1
Building Construction		—		—	—	—	5.2	262	7.5	370	107	41.0
Civil Engineering		—		—	—	—	10.3	141	16.0	215	74	52.8
Net sales of real estate business and other		488		616	127	26.1		107		232	124	115.6
Gross profit on real estate business and other	25.4	124	32.2	198	74	60.0	21.2	22	44.5	103	80	352.8
<b>Net sales</b>		<b>8,991</b>		<b>9,243</b>	<b>252</b>	<b>2.8</b>		<b>6,507</b>		<b>6,496</b>	<b>(10)</b>	<b>(0.2)</b>
Gross profit	8.1	731	10.8	1,002	270	37.0	6.6	426	10.6	689	262	61.6
Selling, general and administrative expenses	6.0	538	6.3	584	45	8.5	5.9	382	6.3	408	26	6.9
(Personnel expenses)		297		321	24			192		204	12	
(Others)		241		263	21			190		204	13	
<b>Operating income</b>	<b>2.1</b>	<b>192</b>	<b>4.5</b>	<b>417</b>	<b>224</b>	<b>116.5</b>	<b>0.7</b>	<b>44</b>	<b>4.3</b>	<b>281</b>	<b>236</b>	<b>532.0</b>
Non-operating income		50		84	33	66.5		61		101	39	64.0
Non-operating expenses		12		16	3	29.3		6		7	1	25.2
<b>Ordinary income</b>	<b>2.6</b>	<b>231</b>	<b>5.3</b>	<b>486</b>	<b>255</b>	<b>110.2</b>	<b>1.5</b>	<b>100</b>	<b>5.8</b>	<b>374</b>	<b>274</b>	<b>274.4</b>
Extraordinary income		44		65	21	47.0		44		63	19	43.3
Extraordinary loss		8		9	1	13.3		7		7	(0)	(3.5)
Income before income taxes	3.0	267	5.9	542	274	102.8	2.1	136	6.6	430	294	215.5
Total income taxes		69		145	76	108.8		30		114	83	277.9
Profit		197		396	198	100.6		—		—	—	—
Profit attributable to non-controlling interests (deduction)		8		11	2	32.8		—		—	—	—
<b>Profit attributable to owners of parent (Non-consolidated: Profit)</b>	<b>2.1</b>	<b>188</b>	<b>4.2</b>	<b>384</b>	<b>196</b>	<b>103.8</b>	<b>1.6</b>	<b>106</b>	<b>4.9</b>	<b>316</b>	<b>210</b>	<b>197.8</b>

#### Orders Received

(Yen in 100 millions)

	Consolidated					Non-consolidated						
	Results April 1, 2021 September 30, 2021	Results April 1, 2022 September 30, 2022	Change	% Change		Results April 1, 2021 September 30, 2021	Results April 1, 2022 September 30, 2022	Change	% Change			
Building Construction		6,443		6,442	(0)	(0.0)		4,757		4,042	(715)	(15.0)
Domestic		4,973		4,010	(962)	(19.4)		4,749		3,845	(904)	(19.0)
Overseas		1,470		2,432	962	65.5		8		197	188	—
Civil Engineering		2,472		2,090	(382)	(15.5)		1,721		1,358	(363)	(21.1)
Domestic		2,189		1,731	(457)	(20.9)		1,710		1,319	(391)	(22.9)
Overseas		283		358	74	26.2		11		39	27	250.9
<b>Construction Total</b>		<b>8,915</b>		<b>8,532</b>	<b>(383)</b>	<b>(4.3)</b>		<b>6,479</b>		<b>5,400</b>	<b>(1,079)</b>	<b>(16.7)</b>
Domestic		7,162		5,742	(1,419)	(19.8)		6,460		5,164	(1,296)	(20.1)
Overseas		1,753		2,790	1,036	59.1		19		236	216	—
Real Estate Business and Other		384		502	117	30.5		107		232	124	115.6
<b>Total orders received</b>		<b>9,300</b>		<b>9,035</b>	<b>(265)</b>	<b>(2.9)</b>		<b>6,587</b>		<b>5,632</b>	<b>(954)</b>	<b>(14.5)</b>

#### Interest-bearing Debt Balances

(Yen in 100 millions)

	Consolidated				Non-consolidated			
	March 31, 2022	September 30, 2022	Change	% Change	March 31, 2022	September 30, 2022	Change	% Change
Interest-bearing debt (except nonrecourse loans)	1,973	2,705	731	37.1	1,551	2,047	496	32.0
Nonrecourse loans	830	795	(34)	(4.2)	—	—	—	—
<b>Total interest-bearing debt</b>	<b>2,804</b>	<b>3,501</b>	<b>697</b>	<b>24.9</b>	<b>1,551</b>	<b>2,047</b>	<b>496</b>	<b>32.0</b>

(2) Forecasts for Fiscal Year Ending March 31, 2023 (Comparison with the forecasts announced on August 10)

(Yen in 100 million)

	Consolidated					Non-consolidated				
	Forecasts announced on August 10, 2022	Forecasts April 1, 2022	Forecasts March 31, 2023	Change	% Change	Forecasts announced on August 10, 2022	Forecasts April 1, 2022	Forecasts March 31, 2023	Change	% Change
Net sales of completed construction contracts	19,150	19,100	(50)	(0.3)	13,820	13,640	(180)	(1.3)		
Building Construction	—	—	—	—	10,820	10,640	(180)	(1.7)		
Civil Engineering	—	—	—	—	3,000	3,000	—	—		
Gross profit on completed construction contracts	1,830	1,750	(80)	(4.4)	1,360	1,260	(100)	(7.4)		
Building Construction	—	—	—	—	8.7	945	8.0	855	(90)	(9.5)
Civil Engineering	—	—	—	—	13.8	415	13.5	405	(10)	(2.4)
Net sales of real estate business and other	1,350	1,350	—	—	350	400	50	14.3		
Gross profit on real estate business and other	360	370	10	2.8	130	135	5	3.8		
<b>Net sales</b>	<b>20,500</b>	<b>20,450</b>	<b>(50)</b>	<b>(0.2)</b>	<b>14,170</b>	<b>14,040</b>	<b>(130)</b>	<b>(0.9)</b>		
Gross profit	2,190	2,120	(70)	(3.2)	1,490	1,395	(95)	(6.4)		
Selling, general and administrative expenses	1,190	1,260	70	5.9	840	885	45	5.4		
(Personnel expenses)	620	655	35		400	410	10			
(Others)	570	605	35		440	475	35			
<b>Operating income</b>	<b>1,000</b>	<b>860</b>	<b>(140)</b>	<b>(14.0)</b>	<b>650</b>	<b>510</b>	<b>(140)</b>	<b>(21.5)</b>		
Non-operating income	75	115	40	53.3	105	135	30	28.6		
Non-operating expenses	35	35	—	—	15	20	5	33.3		
<b>Ordinary income</b>	<b>1,040</b>	<b>940</b>	<b>(100)</b>	<b>(9.6)</b>	<b>740</b>	<b>625</b>	<b>(115)</b>	<b>(15.5)</b>		
Extraordinary income	60	120	60	100.0	60	120	60	100.0		
Extraordinary loss	—	15	15	—	—	15	15	—		
Income before income taxes	1,100	1,045	(55)	(5.0)	800	730	(70)	(8.8)		
Total income taxes	315	310	(5)	(1.6)	225	200	(25)	(11.1)		
Profit	785	735	(50)	(6.4)	—	—	—	—		
Profit attributable to non-controlling interests (deduction)	25	25	—	—	—	—	—	—		
<b>Profit attributable to owners of parent (Non-consolidated: Profit)</b>	<b>760</b>	<b>710</b>	<b>(50)</b>	<b>(6.6)</b>	<b>575</b>	<b>530</b>	<b>(45)</b>	<b>(7.8)</b>		

\* Please see "OBAYASHI CORPORATION announces revised financial forecasts for FY2022" (disclosed on November 7, 2022) for the latest forecasts for fiscal year ending March 31, 2023.

Orders received

(Yen in 100 million)

	Consolidated				Non-consolidated				
	Forecasts announced on August 10, 2022	Forecasts April 1, 2022	Forecasts March 31, 2023	Change	% Change	Forecasts announced on August 10, 2022	Forecasts April 1, 2022	Forecasts March 31, 2023	Change
Building Construction	14,900	14,900	—	—	10,100	10,100	—	—	
(Domestic)	10,500	10,500	—	—	10,100	10,100	—	—	
(Overseas)	4,400	4,400	—	—	—	—	—	—	
Civil Engineering	4,550	4,550	—	—	3,100	3,100	—	—	
(Domestic)	3,600	3,600	—	—	2,700	2,700	—	—	
(Overseas)	950	950	—	—	400	400	—	—	
Construction Total	19,450	19,450	—	—	13,200	13,200	—	—	
(Domestic)	14,100	14,100	—	—	12,800	12,800	—	—	
(Overseas)	5,350	5,350	—	—	400	400	—	—	
Real Estate Business and Other	950	950	—	—	350	350	—	—	
<b>Total orders received</b>	<b>20,400</b>	<b>20,400</b>	<b>—</b>	<b>—</b>	<b>13,550</b>	<b>13,550</b>	<b>—</b>	<b>—</b>	

Interest-bearing loan balances

(Yen in 100 million)

	Consolidated				Non-consolidated			
	Forecasts announced on August 10, 2022	Forecasts March 31, 2023	Change	% Change	Forecasts announced on August 10, 2022	Forecasts March 31, 2023	Change	% Change
Interest-bearing debt (except nonrecourse loans)	2,480	2,480	—	—	1,900	1,900	—	—
Nonrecourse loans	1,020	1,020	—	—	—	—	—	—
<b>Total interest-bearing debt</b>	<b>3,500</b>	<b>3,500</b>	<b>—</b>	<b>—</b>	<b>1,900</b>	<b>1,900</b>	<b>—</b>	<b>—</b>



### (3) Forecasts for Fiscal Year ending March 31, 2023 (YoY Comparison)

(Yen in 100 millions)

	Consolidated					Non-consolidated						
	Results April 1, 2021 March 31, 2022	Forecasts April 1, 2022 March 31, 2023	Change	% Change		Results April 1, 2021 March 31, 2022	Forecasts April 1, 2022 March 31, 2023	Change	% Change			
Net sales of completed construction contracts	%	17,952	%	19,100	1,147	6.4	%	13,511	%	13,640	128	1.0
Building Construction		—		—	—	—		10,501		10,640	138	1.3
Civil Engineering		—		—	—	—		3,010		3,000	(10)	(0.3)
Gross profit on completed construction contracts	6.8	1,219	9.2	1,750	530	43.5	5.9	791	9.2	1,260	468	59.1
Building Construction		—		—	—	—	3.6	377	8.0	855	477	126.3
Civil Engineering		—		—	—	—	13.8	414	13.5	405	(9)	(2.2)
Net sales of real estate business and other		1,276		1,350	73	5.7		229		400	170	74.0
Gross profit on real estate business and other	25.4	323	27.4	370	46	14.3	23.5	53	33.8	135	81	150.4
<b>Net sales</b>		<b>19,228</b>		<b>20,450</b>	<b>1,221</b>	<b>6.4</b>		<b>13,741</b>		<b>14,040</b>	<b>298</b>	<b>2.2</b>
Gross profit	8.0	1,543	10.4	2,120	576	37.4	6.2	845	9.9	1,395	549	64.9
Selling, general and administrative expenses (Personnel expenses)	5.9	1,132	6.2	1,260	127	11.2	5.9	801	6.3	885	83	10.4
(Others)		605		655	49			386		410	23	
		527		605	77			414		475	60	
<b>Operating income</b>	<b>2.1</b>	<b>410</b>	<b>4.2</b>	<b>860</b>	<b>449</b>	<b>109.5</b>	<b>0.3</b>	<b>44</b>	<b>3.6</b>	<b>510</b>	<b>465</b>	<b>—</b>
Non-operating income		117		115	(2)	(2.3)		169		135	(34)	(20.5)
Non-operating expenses		29		35	5	17.7		18		20	1	8.0
<b>Ordinary income</b>	<b>2.6</b>	<b>498</b>	<b>4.6</b>	<b>940</b>	<b>441</b>	<b>88.6</b>	<b>1.4</b>	<b>195</b>	<b>4.5</b>	<b>625</b>	<b>429</b>	<b>219.5</b>
Extraordinary income		131		120	(11)	(8.8)		105		120	14	13.5
Extraordinary loss		67		15	(52)	(77.7)		78		15	(63)	(81.0)
Income before income taxes	2.9	562	5.1	1,045	482	85.7	1.6	222	5.2	730	507	228.0
Total income taxes		148		310	161	109.1		34		200	165	486.1
Profit		414		735	320	77.3		—		—	—	—
Profit attributable to non-controlling interests (deduction)		23		25	1	7.5		—		—	—	—
<b>Profit attributable to owners of parent (Non-consolidated: Profit)</b>	<b>2.0</b>	<b>391</b>	<b>3.5</b>	<b>710</b>	<b>318</b>	<b>81.5</b>	<b>1.4</b>	<b>188</b>	<b>3.8</b>	<b>530</b>	<b>341</b>	<b>181.3</b>

\* Please see "OBAYASHI CORPORATION announces revised financial forecasts for FY2022" (disclosed on November 7, 2022) for the latest forecasts for fiscal year ending March 31, 2023.

### Orders Received

(Yen in 100 millions)

	Consolidated					Non-consolidated				
	Results April 1, 2021 March 31, 2022	Forecasts April 1, 2022 March 31, 2023	Change	% Change		Results April 1, 2021 March 31, 2022	Forecasts April 1, 2022 March 31, 2023	Change	% Change	
Building Construction	15,578	14,900	(678)	(4.4)		11,878	10,100	(1,778)	(15.0)	
Domestic	12,173	10,500	(1,673)	(13.7)		11,865	10,100	(1,765)	(14.9)	
Overseas	3,405	4,400	994	29.2		13	—	(13)	(100.0)	
Civil Engineering	4,846	4,550	(296)	(6.1)		3,234	3,100	(134)	(4.1)	
Domestic	4,084	3,600	(484)	(11.9)		3,213	2,700	(513)	(16.0)	
Overseas	761	950	188	24.7		20	400	379	—	
Construction Total	20,424	19,450	(974)	(4.8)		15,112	13,200	(1,912)	(12.7)	
Domestic	16,258	14,100	(2,158)	(13.3)		15,078	12,800	(2,278)	(15.1)	
Overseas	4,166	5,350	1,183	28.4		34	400	365	—	
Real Estate Business and Other	1,038	950	(88)	(8.5)		229	350	120	52.2	
Total orders received	21,463	20,400	(1,063)	(5.0)		15,342	13,550	(1,792)	(11.7)	

### Interest-bearing Debt Balances

(Yen in 100 millions)

	Consolidated				Non-consolidated			
	March 31, 2022	Forecasts March 31, 2023	Change	% Change	March 31, 2022	Forecasts March 31, 2023	Change	% Change
Interest-bearing debt (except nonrecourse loans)	1,973	2,480	506	25.6	1,551	1,900	348	22.5
Nonrecourse loans	830	1,020	189	22.8	—	—	—	—
Total interest-bearing debt	2,804	3,500	695	24.8	1,551	1,900	348	22.5

## 4 Operating Results and Forecasts for Reportable Segments

### (1) Operating Results for the Six Months Ended September 30, 2022 (YoY Comparison)

#### 【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Results		Change	% Change	Results		Change	% Change	% Profit	
	April 1, 2021 - September 30, 2021	April 1, 2022 - September 30, 2022			April 1, 2021 - September 30, 2021	April 1, 2022 - September 30, 2022			% Profit	% Profit
<b>Building Construction</b>										
Domestic	509,570	492,020	(17,550)	(3.4)	0.8	4,274	2.4	12,000	7,726	180.8
Overseas	144,946	170,023	25,076	17.3	1.1	1,625	2.4	4,061	2,436	149.8
<b>Subtotal</b>	<b>654,517</b>	<b>662,043</b>	<b>7,525</b>	<b>1.1</b>	<b>0.9</b>	<b>5,899</b>	<b>2.4</b>	<b>16,062</b>	<b>10,162</b>	<b>172.3</b>
<b>Civil Engineering</b>										
Domestic	155,778	151,922	(3,856)	(2.5)	3.2	5,052	5.3	8,073	3,020	59.8
Overseas	39,965	48,746	8,781	22.0	0.2	92	4.6	2,233	2,141	—
<b>Subtotal</b>	<b>195,744</b>	<b>200,669</b>	<b>4,925</b>	<b>2.5</b>	<b>2.6</b>	<b>5,145</b>	<b>5.1</b>	<b>10,307</b>	<b>5,162</b>	<b>100.3</b>
<b>Construction Total</b>										
Domestic	665,349	643,943	(21,406)	(3.2)	1.4	9,327	3.1	20,074	10,747	115.2
Overseas	184,912	218,769	33,857	18.3	0.9	1,718	2.9	6,295	4,577	266.3
<b>Subtotal</b>	<b>850,262</b>	<b>862,713</b>	<b>12,451</b>	<b>1.5</b>	<b>1.3</b>	<b>11,045</b>	<b>3.1</b>	<b>26,370</b>	<b>15,324</b>	<b>138.7</b>
<b>Real Estate Business and Other</b>										
Real Estate Business	18,113	38,001	19,887	109.8	34.7	6,283	37.8	14,355	8,072	128.5
Other	30,784	23,677	(7,107)	(23.1)	6.4	1,969	4.5	1,059	(909)	(46.2)
<b>Subtotal</b>	<b>48,898</b>	<b>61,678</b>	<b>12,779</b>	<b>26.1</b>	<b>16.9</b>	<b>8,252</b>	<b>25.0</b>	<b>15,415</b>	<b>7,162</b>	<b>86.8</b>
<b>Total</b>	<b>899,160</b>	<b>924,391</b>	<b>25,231</b>	<b>2.8</b>	<b>2.1</b>	<b>19,298</b>	<b>4.5</b>	<b>41,785</b>	<b>22,487</b>	<b>116.5</b>

\* 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	% Gross Profit	
	April 1, 2021 - September 30, 2021	April 1, 2022 - September 30, 2022			April 1, 2021 - September 30, 2021	April 1, 2022 - September 30, 2022			% Gross Profit	% Gross Profit
<b>Building Construction</b>										
Domestic	499,233	489,180	(10,053)	(2.0)	5.2	26,182	7.6	36,971	10,789	41.2
Overseas	3,416	2,139	(1,276)	(37.4)	2.3	78	2.7	58	(20)	(26.5)
<b>Subtotal</b>	<b>502,649</b>	<b>491,320</b>	<b>(11,329)</b>	<b>(2.3)</b>	<b>5.2</b>	<b>26,261</b>	<b>7.5</b>	<b>37,029</b>	<b>10,768</b>	<b>41.0</b>
<b>Civil Engineering</b>										
Domestic	119,684	117,266	(2,418)	(2.0)	11.3	13,467	16.0	18,801	5,334	39.6
Overseas	17,603	17,815	211	1.2	3.7	652	15.6	2,774	2,122	325.3
<b>Subtotal</b>	<b>137,288</b>	<b>135,082</b>	<b>(2,206)</b>	<b>(1.6)</b>	<b>10.3</b>	<b>14,119</b>	<b>16.0</b>	<b>21,576</b>	<b>7,457</b>	<b>52.8</b>
<b>Construction Total</b>										
Domestic	618,918	606,447	(12,471)	(2.0)	6.4	39,649	9.2	55,773	16,123	40.7
Overseas	21,020	19,955	(1,064)	(5.1)	3.5	731	14.2	2,832	2,101	287.3
<b>Subtotal</b>	<b>639,938</b>	<b>626,402</b>	<b>(13,536)</b>	<b>(2.1)</b>	<b>6.3</b>	<b>40,380</b>	<b>9.4</b>	<b>58,606</b>	<b>18,225</b>	<b>45.1</b>
<b>Real Estate Business and Other</b>										
Real Estate Business and Other	10,771	23,221	12,450	115.6	21.2	2,284	44.5	10,344	8,059	352.8
<b>Total</b>	<b>650,709</b>	<b>649,623</b>	<b>(1,085)</b>	<b>(0.2)</b>	<b>6.6</b>	<b>42,665</b>	<b>10.6</b>	<b>68,951</b>	<b>26,285</b>	<b>61.6</b>

(2) Forecasts for Fiscal Year Ending March 31, 2023 (Comparison with the forecasts announced on August 10)

**【Consolidated】**

(Yen in millions)

	Net Sales				Operating Income					
	Forecasts announced on August 10, 2022	Forecasts April 1, 2022 - March 31, 2023	Change	% Change	Forecasts announced on August 10, 2022		Forecasts April 1, 2022 - March 31, 2023		Change	% Change
					% Profit		% Profit			
<b>Building Construction</b>										
Domestic	1,095,000	1,075,000	(20,000)	(1.8)	4.0	43,500	3.0	32,000	(11,500)	(26.4)
Overseas	365,000	370,000	5,000	1.4	1.4	5,000	1.5	5,500	500	10.0
<b>Subtotal</b>	<b>1,460,000</b>	<b>1,445,000</b>	<b>(15,000)</b>	<b>(1.0)</b>	<b>3.3</b>	<b>48,500</b>	<b>2.6</b>	<b>37,500</b>	<b>(11,000)</b>	<b>(22.7)</b>
<b>Civil Engineering</b>										
Domestic	355,000	350,000	(5,000)	(1.4)	6.9	24,500	5.3	18,500	(6,000)	(24.5)
Overseas	100,000	115,000	15,000	15.0	0.5	500	2.6	3,000	2,500	500.0
<b>Subtotal</b>	<b>455,000</b>	<b>465,000</b>	<b>10,000</b>	<b>2.2</b>	<b>5.5</b>	<b>25,000</b>	<b>4.6</b>	<b>21,500</b>	<b>(3,500)</b>	<b>(14.0)</b>
<b>Construction Total</b>										
Domestic	1,450,000	1,425,000	(25,000)	(1.7)	4.7	68,000	3.5	50,500	(17,500)	(25.7)
Overseas	465,000	485,000	20,000	4.3	1.2	5,500	1.8	8,500	3,000	54.5
<b>Subtotal</b>	<b>1,915,000</b>	<b>1,910,000</b>	<b>(5,000)</b>	<b>(0.3)</b>	<b>3.8</b>	<b>73,500</b>	<b>3.1</b>	<b>59,000</b>	<b>(14,500)</b>	<b>(19.7)</b>
<b>Real Estate Business and Other</b>										
Real Estate Business	78,000	78,000	—	—	28.2	22,000	30.1	23,500	1,500	6.8
Other	57,000	57,000	—	—	7.9	4,500	6.1	3,500	(1,000)	(22.2)
<b>Subtotal</b>	<b>135,000</b>	<b>135,000</b>	<b>—</b>	<b>—</b>	<b>19.6</b>	<b>26,500</b>	<b>20.0</b>	<b>27,000</b>	<b>500</b>	<b>1.9</b>
<b>Total</b>	<b>2,050,000</b>	<b>2,045,000</b>	<b>(5,000)</b>	<b>(0.2)</b>	<b>4.9</b>	<b>100,000</b>	<b>4.2</b>	<b>86,000</b>	<b>(14,000)</b>	<b>(14.0)</b>

\* 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 August 10, 2022	Forecasts April 1, 2022 - March 31, 2023	Change	% Change	Forecasts announced on August 10, 2022		Forecasts April 1, 2022 - March 31, 2023		Change	% Change
					% Gross Profit		% Gross Profit			
<b>Building Construction</b>										
Domestic	1,080,000	1,060,000	(20,000)	(1.9)	8.8	94,500	8.1	85,500	(9,000)	(9.5)
Overseas	2,000	4,000	2,000	100.0	—	—	—	—	—	—
<b>Subtotal</b>	<b>1,082,000</b>	<b>1,064,000</b>	<b>(18,000)</b>	<b>(1.7)</b>	<b>8.7</b>	<b>94,500</b>	<b>8.0</b>	<b>85,500</b>	<b>(9,000)</b>	<b>(9.5)</b>
<b>Civil Engineering</b>										
Domestic	265,000	265,000	—	—	14.9	39,500	14.0	37,000	(2,500)	(6.3)
Overseas	35,000	35,000	—	—	5.7	2,000	10.0	3,500	1,500	75.0
<b>Subtotal</b>	<b>300,000</b>	<b>300,000</b>	<b>—</b>	<b>—</b>	<b>13.8</b>	<b>41,500</b>	<b>13.5</b>	<b>40,500</b>	<b>(1,000)</b>	<b>(2.4)</b>
<b>Construction Total</b>										
Domestic	1,345,000	1,325,000	(20,000)	(1.5)	10.0	134,000	9.2	122,500	(11,500)	(8.6)
Overseas	37,000	39,000	2,000	5.4	5.4	2,000	9.0	3,500	1,500	75.0
<b>Subtotal</b>	<b>1,382,000</b>	<b>1,364,000</b>	<b>(18,000)</b>	<b>(1.3)</b>	<b>9.8</b>	<b>136,000</b>	<b>9.2</b>	<b>126,000</b>	<b>(10,000)</b>	<b>(7.4)</b>
<b>Real Estate Business and Other</b>										
Real Estate Business	35,000	40,000	5,000	14.3	37.1	13,000	33.8	13,500	500	3.8
<b>Total</b>	<b>1,417,000</b>	<b>1,404,000</b>	<b>(13,000)</b>	<b>(0.9)</b>	<b>10.5</b>	<b>149,000</b>	<b>9.9</b>	<b>139,500</b>	<b>(9,500)</b>	<b>(6.4)</b>

(3) Forecasts for Fiscal Year ending March 31, 2023 (YoY Comparison)

**[Consolidated]**

(Yen in millions)

	Net Sales				Operating Income					
	Results April 1, 2021 - March 31, 2022	Forecasts April 1, 2022 - March 31, 2023	Change	% Change	Results April 1, 2021 - March 31, 2022		Forecasts April 1, 2022 - March 31, 2023		Change	% Change
					% Profit		% Profit			
<b>Building Construction</b>										
Domestic	1,059,945	1,075,000	15,054	1.4	(0.8)	(8,900)	3.0	32,000	40,900	—
Overseas	298,818	370,000	71,181	23.8	0.3	818	1.5	5,500	4,681	572.1
<b>Subtotal</b>	<b>1,358,764</b>	<b>1,445,000</b>	<b>86,235</b>	<b>6.3</b>	<b>(0.6)</b>	<b>(8,082)</b>	<b>2.6</b>	<b>37,500</b>	<b>45,582</b>	<b>—</b>
<b>Civil Engineering</b>										
Domestic	346,808	350,000	3,191	0.9	6.9	23,861	5.3	18,500	(5,361)	(22.5)
Overseas	89,635	115,000	25,364	28.3	2.3	2,052	2.6	3,000	947	46.2
<b>Subtotal</b>	<b>436,444</b>	<b>465,000</b>	<b>28,555</b>	<b>6.5</b>	<b>5.9</b>	<b>25,914</b>	<b>4.6</b>	<b>21,500</b>	<b>(4,414)</b>	<b>(17.0)</b>
<b>Construction Total</b>										
Domestic	1,406,754	1,425,000	18,245	1.3	1.1	14,961	3.5	50,500	35,538	237.5
Overseas	388,454	485,000	96,545	24.9	0.7	2,870	1.8	8,500	5,629	196.1
<b>Subtotal</b>	<b>1,795,208</b>	<b>1,910,000</b>	<b>114,791</b>	<b>6.4</b>	<b>1.0</b>	<b>17,832</b>	<b>3.1</b>	<b>59,000</b>	<b>41,167</b>	<b>230.9</b>
<b>Real Estate Business and Other</b>										
Real Estate Business	61,124	78,000	16,875	27.6	33.4	20,395	30.1	23,500	3,104	15.2
Other	66,551	57,000	(9,551)	(14.4)	4.2	2,823	6.1	3,500	676	23.9
<b>Subtotal</b>	<b>127,676</b>	<b>135,000</b>	<b>7,323</b>	<b>5.7</b>	<b>18.2</b>	<b>23,219</b>	<b>20.0</b>	<b>27,000</b>	<b>3,780</b>	<b>16.3</b>
<b>Total</b>	<b>1,922,884</b>	<b>2,045,000</b>	<b>122,115</b>	<b>6.4</b>	<b>2.1</b>	<b>41,051</b>	<b>4.2</b>	<b>86,000</b>	<b>44,948</b>	<b>109.5</b>

\* 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 April 1, 2021 - March 31, 2022	Forecasts April 1, 2022 - March 31, 2023	Change	% Change	Results April 1, 2021 - March 31, 2022		Forecasts April 1, 2022 - March 31, 2023		Change	% Change
					% Gross Profit		% Gross Profit			
<b>Building Construction</b>										
Domestic	1,044,174	1,060,000	15,825	1.5	3.6	37,613	8.1	85,500	47,886	127.3
Overseas	5,956	4,000	(1,956)	(32.9)	2.8	164	—	—	(164)	(100.0)
<b>Subtotal</b>	<b>1,050,131</b>	<b>1,064,000</b>	<b>13,868</b>	<b>1.3</b>	<b>3.6</b>	<b>37,777</b>	<b>8.0</b>	<b>85,500</b>	<b>47,722</b>	<b>126.3</b>
<b>Civil Engineering</b>										
Domestic	265,747	265,000	(747)	(0.3)	14.9	39,484	14.0	37,000	(2,484)	(6.3)
Overseas	35,264	35,000	(264)	(0.8)	5.5	1,936	10.0	3,500	1,563	80.8
<b>Subtotal</b>	<b>301,012</b>	<b>300,000</b>	<b>(1,012)</b>	<b>(0.3)</b>	<b>13.8</b>	<b>41,420</b>	<b>13.5</b>	<b>40,500</b>	<b>(920)</b>	<b>(2.2)</b>
<b>Construction Total</b>										
Domestic	1,309,922	1,325,000	15,077	1.2	5.9	77,097	9.2	122,500	45,402	58.9
Overseas	41,221	39,000	(2,221)	(5.4)	5.1	2,100	9.0	3,500	1,399	66.6
<b>Subtotal</b>	<b>1,351,144</b>	<b>1,364,000</b>	<b>12,855</b>	<b>1.0</b>	<b>5.9</b>	<b>79,198</b>	<b>9.2</b>	<b>126,000</b>	<b>46,801</b>	<b>59.1</b>
<b>Real Estate Business and Other</b>										
Real Estate Business	22,988	40,000	17,011	74.0	23.5	5,391	33.8	13,500	8,108	150.4
<b>Subtotal</b>	<b>22,988</b>	<b>40,000</b>	<b>17,011</b>	<b>74.0</b>	<b>6.2</b>	<b>84,590</b>	<b>9.9</b>	<b>139,500</b>	<b>54,909</b>	<b>64.9</b>
<b>Total</b>	<b>1,374,132</b>	<b>1,404,000</b>	<b>29,867</b>	<b>2.2</b>						

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

### (1) Breakdown of Non-consolidated Orders Received

(Yen in millions)

	April 1, 2021 - September 30, 2021		April 1, 2022 - September 30, 2022		Change		Previous FY Results April 1, 2021 - March 31, 2022	
		% of Total		% of Total		% Change		% of Total
<b>Building Construction</b>								
Domestic Public	18,928	2.9	16,162	2.9	(2,766)	(14.6)	57,907	3.8
Domestic Private	456,048	69.2	368,340	65.4	(87,707)	(19.2)	1,128,595	73.5
Domestic total	474,977	72.1	384,503	68.3	(90,473)	(19.0)	1,186,503	77.3
Overseas	806	0.1	19,700	3.5	18,893	-	1,375	0.1
Subtotal	475,783	72.2	404,203	71.8	(71,580)	(15.0)	1,187,879	77.4
<b>Civil Engineering</b>								
Domestic Public	110,607	16.8	49,464	8.8	(61,142)	(55.3)	200,550	13.1
Domestic Private	60,448	9.2	82,459	14.6	22,010	36.4	120,761	7.9
Domestic total	171,055	26.0	131,923	23.4	(39,131)	(22.9)	321,311	21.0
Overseas	1,113	0.2	3,906	0.7	2,792	250.9	2,099	0.1
Subtotal	172,168	26.2	135,829	24.1	(36,338)	(21.1)	323,410	21.1
<b>Construction Total</b>								
Domestic Public	129,535	19.7	65,626	11.7	(63,909)	(49.3)	258,457	16.9
Domestic Private	516,496	78.4	450,800	80.0	(65,696)	(12.7)	1,249,357	81.4
Domestic total	646,032	98.1	516,427	91.7	(129,605)	(20.1)	1,507,815	98.3
Overseas	1,919	0.3	23,606	4.2	21,686	-	3,474	0.2
Subtotal	647,952	98.4	540,033	95.9	(107,918)	(16.7)	1,511,289	98.5
Real Estate Business and Other	10,771	1.6	23,223	4.1	12,452	115.6	22,991	1.5
Total	658,723	100	563,256	100	(95,466)	(14.5)	1,534,281	100

### (2) Breakdown of Non-consolidated Net Sales

(Yen in millions)

	April 1, 2021 - September 30, 2021		April 1, 2022 - September 30, 2022		Change		Previous FY Results April 1, 2021 - March 31, 2022	
		% of Total		% of Total		% Change		% of Total
<b>Building Construction</b>								
Domestic Public	36,582	5.6	42,539	6.6	5,956	16.3	85,150	6.2
Domestic Private	462,651	71.1	446,641	68.8	(16,009)	(3.5)	959,024	69.8
Domestic total	499,233	76.7	489,180	75.4	(10,053)	(2.0)	1,044,174	76.0
Overseas	3,416	0.5	2,139	0.3	(1,276)	(37.4)	5,956	0.4
Subtotal	502,649	77.2	491,320	75.7	(11,329)	(2.3)	1,050,131	76.4
<b>Civil Engineering</b>								
Domestic Public	66,324	10.2	66,515	10.2	190	0.3	150,325	10.9
Domestic Private	53,360	8.2	50,751	7.8	(2,608)	(4.9)	115,421	8.4
Domestic total	119,684	18.4	117,266	18.0	(2,418)	(2.0)	265,747	19.3
Overseas	17,603	2.7	17,815	2.7	211	1.2	35,264	2.6
Subtotal	137,288	21.1	135,082	20.7	(2,206)	(1.6)	301,012	21.9
<b>Construction Total</b>								
Domestic Public	102,906	15.8	109,054	16.8	6,147	6.0	235,476	17.1
Domestic Private	516,011	79.3	497,392	76.6	(18,618)	(3.6)	1,074,446	78.2
Domestic total	618,918	95.1	606,447	93.4	(12,471)	(2.0)	1,309,922	95.3
Overseas	21,020	3.2	19,955	3.0	(1,064)	(5.1)	41,221	3.0
Subtotal	639,938	98.3	626,402	96.4	(13,536)	(2.1)	1,351,144	98.3
Real Estate Business and Other	10,771	1.7	23,221	3.6	12,450	115.6	22,988	1.7
Total	650,709	100	649,623	100	(1,085)	(0.2)	1,374,132	100

### (3) Breakdown of Non-consolidated Projects in Process

(Yen in millions)

	September 30, 2021		September 30, 2022		Change		March 31, 2022	
		%		%		% Change		% of Total
<b>Building Construction</b>								
Domestic Public	145,086	6.9	109,121	5.0	(35,965)	(24.8)	135,497	6.0
Domestic Private	1,374,157	64.9	1,472,030	67.5	97,873	7.1	1,550,331	68.3
Domestic total	1,519,244	71.8	1,581,151	72.5	61,907	4.1	1,685,829	74.3
Overseas	4,076	0.2	19,665	0.9	15,589	382.5	2,104	0.1
<b>Sub-total</b>	<b>1,523,320</b>	<b>72.0</b>	<b>1,600,816</b>	<b>73.4</b>	<b>77,496</b>	<b>5.1</b>	<b>1,687,933</b>	<b>74.4</b>
<b>Civil Engineering</b>								
Domestic Public	332,254	15.7	321,145	14.7	(11,109)	(3.3)	338,196	14.9
Domestic Private	199,948	9.4	229,907	10.5	29,959	15.0	198,199	8.7
Domestic total	532,203	25.1	551,053	25.2	18,849	3.5	536,396	23.6
Overseas	61,720	2.9	31,136	1.4	(30,584)	(49.6)	45,045	2.0
<b>Subtotal</b>	<b>593,924</b>	<b>28.0</b>	<b>582,189</b>	<b>26.6</b>	<b>(11,734)</b>	<b>(2.0)</b>	<b>581,442</b>	<b>25.6</b>
<b>Construction Total</b>								
Domestic Public	477,341	22.6	430,266	19.7	(47,074)	(9.9)	473,694	20.9
Domestic Private	1,574,105	74.3	1,701,938	78.0	127,832	8.1	1,748,531	77.0
Domestic total	2,051,447	96.9	2,132,205	97.7	80,757	3.9	2,222,225	97.9
Overseas	65,796	3.1	50,801	2.3	(14,995)	(22.8)	47,150	2.1
<b>Subtotal</b>	<b>2,117,244</b>	<b>100.0</b>	<b>2,183,006</b>	<b>100.0</b>	<b>65,762</b>	<b>3.1</b>	<b>2,269,376</b>	<b>100.0</b>
Real Estate Business and Other	—	—	5	0.0	5	—	2	0.0
<b>Total</b>	<b>2,117,244</b>	<b>100</b>	<b>2,183,012</b>	<b>100</b>	<b>65,767</b>	<b>3.1</b>	<b>2,269,378</b>	<b>100</b>

## 6 Main Projects

### (1) Orders received

Owner	Project Name
SEKISUI HOUSE, LTD. Nippon Life Insurance Company	AKASAKA2 OFFICE PROJECT
Dexus Property Services Pty Limited	Atlassian Building Central
SUMITOMO CHEMICAL COMPANY, LIMITED	(Tentative name) SUMITOMO CHEMICAL Chiba District New Research Facility Construction Project
Shimonoseki City Waterworks and Sewerage Bureau	Chofu Water Treatment Plant Renewal Construction Project
Japan Association for the 2025 World Exposition	Expo 2025 Osaka, Kansai, Japan Facilities Development Project PW Northeast Construction Area
SUKHUMVIT DIGITAL PARKS LIMITED	CLOUD 11 PROJECT (Thailand)*

\* Undertake by THAI OBAYASHI

### (2) Completed projects

Owner	Project Name
Kubota Corporation	Kubota Global Institute of Technology Construction Project
Sumitomo Realty & Development Co., Ltd.	UMEDA GARDEN Construction Project
TOYOTA FUDOSAN CO., LTD.	Fuji Speedway Hotel Construction Project
Central Nippon Expressway Company Limited	Shin-Tomei Expressway Nakashima Viaduct Project
East Japan Railway Company	Tokyo Station North Passage Renovation Project
Genton Property Group	Four Seasons Private Residences Los Angeles (U.S.A.)*

\* Undertaken by WEBCOR (Subsidiary of Obayashi USA)

### (3) Projects in Process

Owner	Project Name
East Japan Railway Company	(Tentative name) Takanawa Gateway City, Tower 1 (North · South) Construction Project
Mita 3,4-chome District Urban Redevelopment Association	Mita 3,4-chome District Class 1 Urban Redevelopment Projects, Tower 1 Construction Project
Organizing Committee for Urban Redevelopment Project for Yaesu 1-Chome East Area District B in Front of Tokyo Station	Urban Redevelopment Project for Yaesu 1-Chome East Area District B in Front of Tokyo Station, Facilities Construction
Kansai Airports	Kansai International Airport (KIX) Terminal 1 (T1) Renovation Project
East Nippon Expressway Company Limited	Yokohama Ring Expressway South Line Kuden Interchange Construction Project
San Francisco Public Utilities Commission (SFPUC)	Southeast Water Pollution Control Plant Biosolids Digester Facilities Project (U.S.A.) *

\* Undertaken by WEBCOR (Subsidiary of Obayashi USA)

## 7 Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Yen in millions)

	March 31, 2022	September 30, 2022	Change
<b>Assets</b>			
<b>Current assets</b>			
Cash and deposits	265,042	<b>335,664</b>	70,622
Notes and accounts receivable from completed construction contracts and other	902,244	<b>836,625</b>	(65,619)
Electronically recorded monetary claims	12,162	<b>12,884</b>	722
Short-term investment securities	5,988	<b>6,411</b>	423
Real estate for sale	19,436	<b>22,332</b>	2,896
Costs on uncompleted construction contracts	43,823	<b>46,355</b>	2,531
Costs on real estate business	28,300	<b>31,457</b>	3,157
Inventories for PFI and other projects	10,127	<b>7,592</b>	(2,534)
Other inventories	9,182	<b>12,113</b>	2,930
Accounts receivable	78,433	<b>67,208</b>	(11,224)
Other	20,938	<b>46,082</b>	25,143
Allowance for doubtful accounts	(162)	<b>(145)</b>	17
<b>Total current assets</b>	<b>1,395,517</b>	<b>1,424,582</b>	29,064
<b>Noncurrent assets</b>			
<b>Property, plant and equipment</b>			
Buildings and structures	121,482	<b>136,477</b>	14,995
Machinery, vehicles, tools, furniture and fixtures	68,716	<b>78,154</b>	9,437
Land	378,270	<b>397,027</b>	18,756
Lease assets	493	<b>426</b>	(67)
Construction in progress	54,343	<b>42,625</b>	(11,717)
<b>Total property, plant and equipment</b>	<b>623,306</b>	<b>654,711</b>	31,404
Intangible assets	8,648	<b>9,507</b>	859
<b>Investments and other assets</b>			
Investment securities	337,976	<b>322,984</b>	(14,992)
Long-term loans receivable	2,096	<b>1,276</b>	(820)
Deferred tax assets	2,129	<b>2,264</b>	135
Assets for retirement benefits	35	<b>35</b>	(0)
Other	52,549	<b>87,221</b>	34,671
Allowance for doubtful accounts	(175)	<b>(176)</b>	(0)
<b>Total investments and other assets</b>	<b>394,612</b>	<b>413,606</b>	18,993
<b>Total noncurrent assets</b>	<b>1,026,567</b>	<b>1,077,825</b>	51,257
<b>Total assets</b>	<b>2,422,085</b>	<b>2,502,407</b>	80,322



(Yen in millions)

	March 31, 2022	September 30, 2022	Change
<b>Liabilities</b>			
Current liabilities			
Notes and accounts payable for construction contracts and other	500,757	<b>471,595</b>	(29,161)
Electronically recorded obligations	128,960	<b>118,501</b>	(10,458)
Short-term loans payable	62,785	<b>65,098</b>	2,312
Current portion of nonrecourse loans	14,122	<b>8,482</b>	(5,640)
Current portion of bonds	—	<b>10,000</b>	10,000
Lease obligations	294	<b>223</b>	(70)
Income taxes payable	9,982	<b>15,994</b>	6,012
Advances received on uncompleted construction contracts	137,174	<b>131,556</b>	(5,618)
Deposits received	143,850	<b>152,701</b>	8,850
Provision for warranties for completed construction	3,138	<b>3,112</b>	(25)
Provision for loss on construction contracts	53,146	<b>48,821</b>	(4,324)
Other	74,390	<b>81,320</b>	6,930
<b>Total current liabilities</b>	<b>1,128,602</b>	<b>1,107,409</b>	(21,192)
Noncurrent liabilities			
Bonds payable	40,000	<b>60,000</b>	20,000
Long-term loans payable	94,590	<b>135,450</b>	40,859
Nonrecourse loans	68,937	<b>71,112</b>	2,175
Lease obligations	144	<b>155</b>	10
Deferred tax liabilities	10,222	<b>6,265</b>	(3,957)
Deferred tax liabilities for land revaluation	18,445	<b>18,445</b>	—
Provision for stock payments for directors	436	<b>381</b>	(54)
Provision for environmental measures	26	<b>26</b>	—
Liability for retirement benefits	47,977	<b>49,009</b>	1,031
Other	23,788	<b>25,048</b>	1,260
<b>Total noncurrent liabilities</b>	<b>304,569</b>	<b>365,894</b>	61,324
<b>Total liabilities</b>	<b>1,433,171</b>	<b>1,473,303</b>	40,131
<b>Net assets</b>			
Shareholders' equity			
Capital stock	57,752	<b>57,752</b>	—
Capital surplus	42,641	<b>42,682</b>	40
Retained earnings	677,559	<b>704,564</b>	27,005
Treasury stock	(2,808)	<b>(2,755)</b>	53
<b>Total shareholders' equity</b>	<b>775,144</b>	<b>802,243</b>	27,098
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	136,235	<b>130,246</b>	(5,989)
Deferred gains (losses) on hedges	8,642	<b>12,005</b>	3,362
Revaluation reserve for land	23,052	<b>23,052</b>	—
Foreign currency translation adjustments	9,728	<b>22,306</b>	12,577
Retirement benefit asset and liability adjustments	2,887	<b>2,536</b>	(350)
<b>Total accumulated other comprehensive income</b>	<b>180,546</b>	<b>190,146</b>	9,599
Non-controlling interests	33,222	<b>36,713</b>	3,491
<b>Total net assets</b>	<b>988,913</b>	<b>1,029,103</b>	40,190
<b>Total liabilities and net assets</b>	<b>2,422,085</b>	<b>2,502,407</b>	80,322
<b>(Reference)</b>			
Interest-bearing debt balances	280,436	<b>350,143</b>	69,706

## (2) Consolidated Statements of Income

(Yen in millions)

	April 1, 2021 - September 30, 2021	April 1, 2022 - September 30, 2022	Change
<b>Net sales</b>			
Net sales of completed construction contracts	850,262	<b>862,713</b>	12,451
Net sales of real estate business and other	48,898	<b>61,678</b>	12,779
<b>Total net sales</b>	<b>899,160</b>	<b>924,391</b>	<b>25,231</b>
<b>Cost of sales</b>			
Cost of sales on completed construction contracts	789,502	<b>782,350</b>	(7,151)
Cost of sales on real estate business and other	36,473	<b>41,792</b>	5,319
<b>Total cost of sales</b>	<b>825,975</b>	<b>824,143</b>	<b>(1,831)</b>
<b>Gross profit</b>			
Gross profit on completed construction contracts	60,759	<b>80,362</b>	19,602
Gross profit on real estate business and other	12,425	<b>19,885</b>	7,460
<b>Total gross profit</b>	<b>73,185</b>	<b>100,248</b>	<b>27,062</b>
Selling, general and administrative expenses	53,887	<b>58,462</b>	4,575
<b>Operating income</b>	<b>19,298</b>	<b>41,785</b>	<b>22,487</b>
<b>Non-operating income</b>			
Interest income	282	<b>362</b>	80
Dividends income	3,516	<b>3,960</b>	444
Foreign exchange gains	635	<b>3,589</b>	2,954
Other	660	<b>570</b>	(89)
<b>Total non-operating income</b>	<b>5,093</b>	<b>8,483</b>	<b>3,389</b>
<b>Non-operating expenses</b>			
Interest expenses	995	<b>1,171</b>	175
Other	249	<b>438</b>	189
<b>Total non-operating expenses</b>	<b>1,245</b>	<b>1,609</b>	<b>364</b>
<b>Ordinary income</b>	<b>23,146</b>	<b>48,659</b>	<b>25,512</b>
<b>Extraordinary income</b>			
Gain on sales of investing securities	4,403	<b>6,483</b>	2,079
Other	66	<b>88</b>	21
<b>Total extraordinary income</b>	<b>4,470</b>	<b>6,571</b>	<b>2,101</b>
<b>Extraordinary loss</b>			
Loss on valuation of investment securities	109	<b>790</b>	680
Impairment loss	178	—	(178)
Other	569	<b>180</b>	(388)
<b>Total extraordinary losses</b>	<b>856</b>	<b>970</b>	<b>113</b>
<b>Profit before income taxes</b>	<b>26,760</b>	<b>54,259</b>	<b>27,499</b>
Income taxes-current	10,577	<b>16,887</b>	6,309
Income taxes-deferred	(3,588)	<b>(2,293)</b>	1,295
<b>Total income taxes</b>	<b>6,989</b>	<b>14,594</b>	<b>7,604</b>
<b>Profit</b>	<b>19,770</b>	<b>39,665</b>	<b>19,894</b>
Profit attributable to non-controlling interests	881	<b>1,171</b>	289
<b>Profit attributable to owners of parent</b>	<b>18,889</b>	<b>38,494</b>	<b>19,605</b>

### (3) Consolidated Statements of Comprehensive Income

(Yen in millions)

	April 1, 2021 - September 30, 2021	April 1, 2022 - September 30, 2022
Profit	19,770	39,665
Other comprehensive income		
Valuation difference on available-for-sale securities	2,036	(5,973)
Deferred gains (losses) on hedges	1,939	2,951
Foreign currency translation adjustment	6,759	16,544
Retirement benefit adjustment	(324)	(352)
Share of other comprehensive income of associates accounted for using equity method	(237)	472
<b>Total other comprehensive income</b>	<b>10,172</b>	<b>13,642</b>
<b>Comprehensive income</b>	<b>29,943</b>	<b>53,307</b>
Comprehensive income attributable to owners of parent	28,754	48,094
Comprehensive income attributable to non-controlling interests	1,189	5,213

## (4) Consolidated Statements of Cash Flows

(Yen in millions)

	April 1, 2021 - September 30, 2021	April 1, 2022 - September 30, 2022	Change
<b>Net cash provided by (used in) operating activities</b>			
Income before income taxes	26,760	<b>54,259</b>	27,499
Depreciation and amortization	9,632	<b>11,532</b>	1,899
Impairment loss	178	—	(178)
Increase (decrease) in allowance for doubtful accounts	(3)	<b>(22)</b>	(18)
Increase (decrease) in provision for loss on construction contracts	9,732	<b>(4,369)</b>	(14,102)
Increase (decrease) in liability for retirement benefits	422	<b>392</b>	(30)
Loss (gain) on valuation of short-term and long term investment securities	109	<b>790</b>	680
Interest and dividends income	(3,798)	<b>(4,322)</b>	(524)
Interest expenses	995	<b>1,171</b>	175
Loss (gain) on sales of short-term and long term investment securities	(4,370)	<b>(6,452)</b>	(2,082)
Decrease (increase) in notes and accounts receivable—trade	20,150	<b>82,473</b>	62,323
Decrease (increase) in costs on uncompleted construction contracts	22,429	<b>(2,504)</b>	(24,933)
Decrease (increase) in inventories	(4,630)	<b>1,244</b>	5,874
Decrease (increase) in inventories for PFI and other projects	(7,455)	<b>2,534</b>	9,990
Decrease (increase) in other assets	(15,752)	<b>(13,156)</b>	2,595
Increase (decrease) in notes and accounts payable—trade	(27,004)	<b>(54,502)</b>	(27,497)
Increase (decrease) in advances received on uncompleted construction contracts	6,955	<b>(9,909)</b>	(16,865)
Increase (decrease) in other liabilities	(2,775)	<b>13,064</b>	15,839
Other, net	1,175	<b>(1,354)</b>	(2,529)
<b>Subtotal</b>	<b>32,751</b>	<b>70,868</b>	<b>38,116</b>
Interest and dividends income received	3,974	<b>4,483</b>	509
Interest expenses	(1,071)	<b>(1,023)</b>	48
Income taxes (paid) refund	(13,876)	<b>(11,596)</b>	2,280
<b>Net cash provided by (used in) operating activities</b>	<b>21,777</b>	<b>62,732</b>	<b>40,954</b>
<b>Net cash provided by (used in) investing activities</b>			
Payments into time deposits	(9,619)	<b>(3,503)</b>	6,116
Proceeds from withdrawal of time deposits	8,720	<b>7,022</b>	(1,697)
Purchase of property, plant and equipment and intangible assets	(29,270)	<b>(46,458)</b>	(17,187)
Proceeds from sales of property, plant and equipment and intangible assets	235	<b>530</b>	295
Purchase of short-term and long term investment securities	(6,584)	<b>(1,700)</b>	4,883
Proceeds from sales and redemption of short-term and long term investment securities	7,685	<b>15,019</b>	7,334
Payments of loans receivable	(430)	<b>(228)</b>	201
Collection of loans receivable	282	<b>6</b>	(275)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(530)	—	530
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	(9,689)	—	9,689
Other, net	—	<b>(24,797)</b>	(24,797)
<b>Net cash provided by (used in) investing activities</b>	<b>(39,201)</b>	<b>(54,108)</b>	<b>(14,906)</b>
<b>Net cash provided by (used in) financing activities</b>			
Net increase (decrease) in short-term loans payable	—	<b>749</b>	749
Repayments of lease obligations	(475)	<b>(206)</b>	269
Proceeds from long-term loans payable	2,508	<b>47,927</b>	45,419
Repayment of long-term loans payable	(6,128)	<b>(7,801)</b>	(1,672)
Proceeds from nonrecourse loans payable	20,911	<b>6,870</b>	(14,041)
Payment of nonrecourse loans payable	(4,083)	<b>(10,335)</b>	(6,251)
Proceeds from issuance of bonds	—	<b>30,000</b>	30,000
Purchase of treasury stock	(710)	<b>(1)</b>	709
Cash dividends paid	(11,488)	<b>(11,488)</b>	0
Cash dividends paid to non-controlling interests	(463)	<b>(1,533)</b>	(1,069)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(2)	<b>(267)</b>	(265)
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	2	—	(2)
<b>Net cash provided by (used in) financing activities</b>	<b>66</b>	<b>53,913</b>	<b>53,846</b>
Effect of exchange rate change on cash and cash equivalents	2,793	<b>9,601</b>	6,807
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(14,564)</b>	<b>72,137</b>	<b>86,701</b>
Cash and cash equivalents at beginning of period	236,474	<b>249,317</b>	12,842
<b>Cash and cash equivalents at end of period</b>	<b>221,910</b>	<b>321,455</b>	<b>99,544</b>

## **( 5 ) Notes on the Quarterly Consolidated Financial Statements**

### **(Application of Implementation Guidance on Accounting Standard for Fair Value Measurement)**

The Company has applied the “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, June 17, 2021; hereinafter “Fair Value Measurement Guidance”) from the beginning of the first quarter of the fiscal year under review, and will prospectively apply the new accounting policies stipulated by the Fair Value Measurement Guidance in accordance with the transitional treatment provided in Paragraph 27-2 of the Fair Value Measurement Guidance. This change has a negligible impact on the quarterly consolidated financial statements.

## 8 Non-consolidated Financial Statements

### (1) Non-consolidated Balance Sheets

(Yen in millions)

	March 31, 2022	September 30, 2022	Change
<b>Assets</b>			
Current assets			
Cash and deposits	141,707	<b>199,323</b>	57,616
Notes receivable—trade	1,993	<b>19,190</b>	17,197
Electronically recorded monetary claims	9,628	<b>10,382</b>	754
Accounts receivable from completed construction contracts	679,269	<b>600,443</b>	(78,825)
Accounts receivable—real estate business and other	6,169	<b>1,861</b>	(4,308)
Short-term investment securities	48	<b>87</b>	39
Real estate for sale	10,156	<b>3,670</b>	(6,485)
Costs on uncompleted construction contracts	40,575	<b>39,752</b>	(823)
Costs on real estate business and other	3,993	<b>4,722</b>	729
Short-term loans receivable	66,087	<b>65,840</b>	(247)
Accounts receivable—other	73,788	<b>57,781</b>	(16,006)
Other	19,599	<b>45,843</b>	26,244
Allowance for doubtful accounts	(79)	<b>(72)</b>	7
<b>Total current assets</b>	<b>1,052,939</b>	<b>1,048,830</b>	<b>(4,108)</b>
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	54,918	<b>54,534</b>	(384)
Machinery, equipment and vehicles	9,361	<b>8,869</b>	(492)
Tools, furniture and fixtures	3,370	<b>3,670</b>	300
Land	172,497	<b>172,765</b>	267
Leased assets	21	<b>17</b>	(4)
Construction in progress	16,102	<b>20,873</b>	4,771
<b>Total property, plant and equipment</b>	<b>256,272</b>	<b>260,730</b>	<b>4,458</b>
Intangible assets	5,744	<b>6,790</b>	1,045
Investments and other assets			
Investment securities	320,600	<b>309,077</b>	(11,523)
Shares and investments in capital of subsidiaries and affiliates	131,042	<b>156,531</b>	25,488
Long-term loans receivable	69,688	<b>62,359</b>	(7,329)
Claims provable in bankruptcy, claims provable in rehabilitation and other	580	<b>590</b>	10
Other	8,518	<b>10,147</b>	1,629
Allowance for doubtful accounts	(986)	<b>(1,045)</b>	(59)
<b>Total investments and other assets</b>	<b>529,444</b>	<b>537,660</b>	<b>8,216</b>
<b>Total noncurrent assets</b>	<b>791,460</b>	<b>805,181</b>	<b>13,720</b>
<b>Total assets</b>	<b>1,844,400</b>	<b>1,854,011</b>	<b>9,611</b>

(Yen in millions)

	March 31, 2022	September 30, 2022	Change
<b>Liabilities</b>			
Current liabilities			
Notes payable—trade	9,718	9,238	(479)
Electronically recorded obligations	126,941	117,745	(9,195)
Accounts payable for construction contracts	373,096	342,368	(30,728)
Accounts payable—real estate and other	1,626	686	(939)
Short-term loans payable	41,788	44,047	2,259
Current portion of bonds	—	10,000	10,000
Lease obligations	9	8	(0)
Accounts payable	5,546	2,462	(3,083)
Accrued expenses	16,590	17,251	660
Income taxes payable	6,906	13,113	6,207
Advances received on uncompleted construction contracts	109,545	90,664	(18,881)
Deposit received—real estate and other	2,326	3,851	1,524
Deposits received	134,280	141,990	7,710
Provision for warranties for completed construction	2,556	2,529	(27)
Provision for loss on construction contracts	52,404	48,599	(3,805)
Deposits received from employees	27,415	27,566	151
Other	866	905	38
<b>Total current liabilities</b>	<b>911,616</b>	<b>873,029</b>	<b>(38,587)</b>
Noncurrent liabilities			
Bonds payable	40,000	60,000	20,000
Long-term loans payable	73,341	90,739	17,398
Lease obligations	14	10	(4)
Deferred tax liabilities	11,345	7,429	(3,915)
Deferred tax liabilities for land revaluation	15,054	15,054	—
Provision for retirement benefits	43,855	44,162	307
Provision for stock payments for directors	436	381	(54)
Provision for loss on business of subsidiaries and affiliates	3,126	3,429	303
Other	4,896	4,773	(123)
<b>Total noncurrent liabilities</b>	<b>192,069</b>	<b>225,981</b>	<b>33,911</b>
<b>Total liabilities</b>	<b>1,103,686</b>	<b>1,099,010</b>	<b>(4,675)</b>
<b>Net assets</b>			
Shareholders' equity			
Capital stock	57,752	57,752	—
Capital surplus			
Legal capital surplus	41,694	41,694	—
<b>Total capital surpluses</b>	<b>41,694</b>	<b>41,694</b>	<b>—</b>
Retained earnings			
Legal retained earnings	14,438	14,438	—
Other retained earnings			
Reserve for advanced depreciation of noncurrent assets	2,370	2,349	(21)
General reserve	435,000	435,000	—
Retained earnings brought forward	38,870	59,049	20,179
<b>Total retained earnings</b>	<b>490,679</b>	<b>510,837</b>	<b>20,158</b>
Treasury stock	(2,808)	(2,755)	53
<b>Total shareholders' equity</b>	<b>587,317</b>	<b>607,528</b>	<b>20,211</b>
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	135,792	129,889	(5,903)
Deferred gains (losses) on hedges	23	2	(21)
Revaluation reserve for land	17,579	17,579	—
<b>Total valuation and translation adjustments</b>	<b>153,396</b>	<b>147,471</b>	<b>(5,924)</b>
<b>Total net assets</b>	<b>740,713</b>	<b>755,000</b>	<b>14,286</b>
<b>Total liabilities and net assets</b>	<b>1,844,400</b>	<b>1,854,011</b>	<b>9,611</b>
<b>(Reference)</b>			
Interest-bearing debt balances	155,129	204,786	49,657

## (2) Non-consolidated Statements of Income

(Yen in millions)

	April 1, 2021 - September 30, 2021	April 1, 2022 - September 30, 2022	Change
<b>Net sales</b>			
Net sales of completed construction contracts	639,938	626,402	(13,536)
Net sales of real estate business and other	10,771	23,221	12,450
<b>Total net sales</b>	<b>650,709</b>	<b>649,623</b>	<b>(1,085)</b>
<b>Cost of sales</b>			
Cost of sales on completed construction contracts	599,557	567,795	(31,761)
Cost of sales on real estate business and other	8,486	12,876	4,390
<b>Total cost of sales</b>	<b>608,043</b>	<b>580,672</b>	<b>(27,371)</b>
<b>Gross profit</b>			
Gross profit on completed construction contracts	40,380	58,606	18,225
Gross profit on real estate business and other	2,284	10,344	8,059
<b>Total gross profit</b>	<b>42,665</b>	<b>68,951</b>	<b>26,285</b>
Selling, general and administrative expenses	38,217	40,836	2,618
<b>Operating income</b>	<b>4,448</b>	<b>28,114</b>	<b>23,666</b>
<b>Non-operating income</b>			
Interest and dividend income	5,863	7,761	1,898
Foreign exchange gains	131	2,108	1,977
Other	191	273	82
<b>Total non-operating income</b>	<b>6,186</b>	<b>10,144</b>	<b>3,957</b>
<b>Non-operating expenses</b>			
Interest expenses	439	460	21
Provision of allowance for doubtful accounts	30	15	(15)
Other	154	306	151
<b>Total non-operating expenses</b>	<b>624</b>	<b>781</b>	<b>157</b>
<b>Ordinary income</b>	<b>10,009</b>	<b>37,477</b>	<b>27,467</b>
<b>Extraordinary income</b>			
Gain on sales of investment securities	4,403	6,334	1,930
Other	18	0	(18)
<b>Total extraordinary income</b>	<b>4,422</b>	<b>6,335</b>	<b>1,912</b>
<b>Extraordinary loss</b>			
Loss on valuation of investment securities	108	377	269
Other	677	381	(296)
<b>Total extraordinary losses</b>	<b>785</b>	<b>758</b>	<b>(27)</b>
Profit before income taxes	13,646	43,053	29,407
Income taxes-current	6,881	12,722	5,841
Income taxes-deferred	(3,862)	(1,315)	2,547
<b>Total income taxes</b>	<b>3,018</b>	<b>11,407</b>	<b>8,388</b>
<b>Profit</b>	<b>10,627</b>	<b>31,646</b>	<b>21,019</b>