

# 4th Quarter Financial Results

(April 1, 2020 to March 31, 2021)

May 12, 2021



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Disclaimer: This "Financial Results" is the English version of the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryo" released on May 12, 2021. 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 Fiscal Year Ended March 31, 2021

### ① Consolidated Business Results

(Percentages indicate the percentage year on year 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	%
FY Ended March 31, 2021	1,766,893	(14.8)	123,161	(19.4)	128,784	(19.0)	98,780	(12.7)
FY Ended March 31, 2020	2,073,043	1.6	152,871	(1.7)	159,005	(2.5)	113,093	(0.1)

(Note) Comprehensive income : [FY Ended March 31, 2021] 136,723 million yen, 74.2% ; [FY Ended March 31, 2020] 78,465 million yen, (27.1)%

	Profit attributable to owners of parent per Share (EPS)	Net Income Shareholders' Equity Ratio (ROE)	Ordinary Income-Total Assets Ratio	Operating Income-Net Sales Ratio
	Yen	%	%	%
FY Ended March 31, 2021	137.64	11.3	5.7	7.0
FY Ended March 31, 2020	157.59	14.3	7.2	7.4

(For reference) Share of profit (loss) of entities accounted for using equity method : [FY Ended March 31, 2021] 617 million yen ; [FY Ended March 31, 2020] 357 million yen

### ② Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share (BPS)
	Yen in millions	Yen in millions	%	Yen
As of March 31, 2021	2,272,628	961,979	41.0	1,297.25
As of March 31, 2020	2,230,297	850,498	36.7	1,139.69

(For reference) Equity (net assets less non-controlling interests) : [As of March 31, 2021] 931,008 million yen ; [As of March 31, 2020] 817,892 million yen

### ③ Consolidated Cash Flows

	From operating activities	From investment activities	From financing activities	Cash and cash equivalents at FY end
	Yen in millions	Yen in millions	Yen in millions	Yen in millions
FY Ended March 31, 2021	24,803	(79,075)	(8,483)	236,474
FY Ended March 31, 2020	237,628	(47,318)	(49,397)	298,945

## (2) Consolidated Forecast for Fiscal Year Ending March 31, 2022

(Percentages indicate the percentage year on year 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	1,910,000	8.1	95,000	(22.9)	98,500	(23.5)	71,500	(27.6)	99.63

## (3) Non-consolidated Financial Results for Fiscal Year Ended March 31, 2021

### ① Non-consolidated Business Results

(Percentages indicate the percentage year on year 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
FY Ended March 31, 2021	1,230,418	(13.1)	93,441	(17.3)	103,894	(14.6)	81,237	(8.2)	113.20
FY Ended March 31, 2020	1,416,361	1.3	113,019	(8.3)	121,614	(10.4)	88,480	(10.1)	123.29

### 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 March 31, 2021	1,758,937	748,087	42.5	1,042.38
As of March 31, 2020	1,704,670	656,156	38.5	914.31

(For reference) Equity (net assets less non-controlling interests) : [As of March 31, 2021] 748,087 million yen ; [As of March 31, 2020] 656,156 million yen

## (4) Non-consolidated Forecast for Fiscal Year Ending March 31, 2022

(Percentages indicate the percentage year on year 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	1,365,000	(10.9)	65,000	(30.4)	72,500	(30.2)	55,000	(32.3)	76.64

## (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			
		Yen		Yen	Yen	Yen in millions	%	%
FY ended Mar. 31, 2020	—	16.00	—	16.00	32.00	22,977	20.3	2.9
FY ended Mar. 31, 2021	—	16.00	—	16.00	32.00	22,977	23.2	2.6
FY ending Mar. 31, 2022 (including Forecast)	—	16.00	—	16.00	32.00		32.1	

## 2 Qualitative Information

### 1) Overview of consolidated business results

#### (1) Consolidated performance for fiscal year ended March 31, 2021

During fiscal year ended March 31, 2021, parts of the Japanese economy saw improvement in corporate profitability toward the end of the fiscal year. However, the impact of the spread of the novel coronavirus (COVID-19) on the global economy led to a decline in private-sector capital investment and other negative effects, and conditions remain severe with an uncertain economic outlook.

In the domestic construction market, orders placed for public construction are remaining firm, while orders placed for private-sector construction are declining due to deterioration in corporate profitability from the impact of COVID-19. We need to see how the environment for orders received develops in the future.

Amid these conditions, our consolidated net sales for fiscal year ended March 31, 2021 amounted to 1,766.8 billion yen, a decrease of 306.1 billion yen (14.8%) from the previous fiscal year. In the domestic building construction business, the decline was mainly caused by the fact that many construction projects had just started so sales posted for progress on construction declined. In the overseas building construction business, the decline mainly resulted from comparison to the completion of large construction projects in previous fiscal year and the impact caused by a temporary suspension of construction work due to COVID-19. Operating income was 123.1 billion yen, a decrease of 29.7 billion yen (19.4%) from the previous fiscal year. Ordinary income was 128.7 billion yen, a decrease of 30.2 billion yen (19.0%) year-on-year, and profit attributable to owners of parent was 98.7 billion yen, a decrease of 14.3 billion yen (12.7%) year-on-year.

The Obayashi Group performance by business segment for fiscal year ended March 31, 2021 was as follows:

#### a. Construction business

Consolidated construction orders received decreased by 292.0 billion yen (13.6%) over the previous year to 1,857.6 billion yen. Orders received for domestic civil engineering increased, but this was not sufficient to compensate the decline in orders received by our North American subsidiaries due to the COVID-19 pandemic. More specifically, orders received for domestic building construction were 1,174.9 billion yen; for overseas building construction, 203.7 billion yen; for domestic civil engineering, 419.3 billion yen; and for overseas civil engineering, 59.5 billion yen.

Non-consolidated orders received decreased by 23.2 billion yen (1.5%) from the previous fiscal year to 1,509.1 billion yen. More specifically, orders received for building construction decreased by 41.5 billion yen (3.4%) to 1,164.0 billion yen and orders received for civil engineering rose by 18.2 billion yen (5.6%) to 345.0 billion yen.

Consolidated net sales for the construction business decreased by 269.1 billion yen (13.8%) from the previous fiscal year to 1,683.2 billion yen. In the domestic building construction business, the decline was mainly caused by the fact that many construction projects had just started so sales posted for progress on construction declined. In the overseas building construction business, the decline was partially due to COVID-19. More specifically, net sales for domestic building construction were 964.6 billion yen; for overseas building construction, 304.3 billion yen; for domestic civil engineering, 342.2 billion yen; and for overseas civil engineering, 72.0 billion yen. Operating income decreased by 286 billion yen (20.9%) to 108.5 billion yen from the previous fiscal year, mainly due to the decline in gross profit on completed construction resulting from the decline in net sales for domestic and overseas building construction.

Non-consolidated net sales decreased by 183.2 billion yen (13.2%) from the previous fiscal year to 1,209.5 billion yen. More specifically, building construction sales decreased 185.1 billion yen (16.7%) year-on-year to 926.7 billion yen and civil engineering sales increased by 1.8 billion yen (0.7%) year-on-year to 282.8 billion yen.

#### b. Real estate business

Consolidated net sales for the real estate business decreased by 12.6 billion yen (22.9%) to 42.4 billion yen and operating income decreased by 1.3 billion yen (9.9%) to 11.9 billion yen from the previous fiscal year, primarily due to comparison with the growth in sales of real estate by a subsidiary in the previous period.

#### c. Other businesses

Consolidated net sales of other businesses decreased by 24.3 billion yen (37.2%) to 41.1 billion yen, primarily due to comparison with sales posted for a large project involving a private finance initiative (PFI) last fiscal year. Operating income increased by 0.3 billion yen (13.0%) to 2.6 billion yen from the previous fiscal year.

## &lt;Consolidated Net Sales and Operating Income (Loss) by Segment&gt;

(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	964,683	304,388	342,203	72,004	1,683,280	42,426	41,186	1,766,893
Operating Income (Loss)	59,956	3,445	45,389	(210)	108,580	11,937	2,644	123,161

## (2) Outlook for consolidated performance for fiscal year ending March 31, 2022

The outlook for consolidated performance in fiscal year ending March 31, 2022 is as follows: 1,990.0 billion yen in orders received (including 95.0 billion from the real estate and other businesses), 1,910.0 billion yen in net sales (including 130.0 billion yen from the real estate business and other businesses), 95.0 billion yen in operating income, 98.5 billion yen in ordinary income, and 71.5 billion yen in profit attributable to owners of parent.

## 2) Overview of consolidated financial position

Total assets as of March 31, 2021 increased by 42.3 billion yen (1.9%) compared with the balance at the end of the previous fiscal year to 2,272.6 billion yen. This was mainly due to increases in "Investment securities" accompanying an increase in the market value of shares held and in "Land" and "Construction in progress" due to the acquisition of real estate for business use and other factors, which more than compensated for the decline in "Cash and deposits."

Total liabilities as of March 31, 2021 decreased by 69.1 billion yen (5.0%) to 1,310.6 billion yen compared with the balance at the end of the previous fiscal year. This was mainly due to a decrease in trade payables related to construction costs, which are the sum of "Notes and accounts payable for construction contracts and other" and "Electronically recorded obligations," which exceeded an increase in "Long-term loans payable." The balance of interest-bearing debt as of March 31, 2021 increased by 17.4 billion yen (7.0%) compared with the balance at the end of the previous fiscal year (March 31, 2020), to 265.9 billion yen.

Total net assets as of March 31, 2021 increased by 111.4 billion yen (13.1%) compared with the balance at the end of the previous fiscal year to 961.9 billion yen. This was mainly due to increases in "Retained earnings" from the recognition of profit attributable to owners of parent, and "Valuation difference on available-for-sale securities."

As a result, the equity ratio as of March 31, 2021 was 41.0%, up 4.3 percentage points from the end of the previous fiscal year.

## 3) Overview of consolidated cash flows

During fiscal year ended March 31, 2021, net cash provided by operating activities amounted to 24.8 billion yen, primarily due to a modest net cash inflow in the domestic construction business compared to the previous fiscal year (net cash provided by operating activities amounted to 237.6 billion yen in the previous fiscal year). Net cash used in investment activities amounted to 79.0 billion yen, primarily due to the purchase of real estate for business use (net cash used in investment activities amounted to 47.3 billion yen in the previous fiscal year). Net cash used in financing activities amounted to 8.4 billion yen, primarily due to payment of dividends, which exceeded proceeds from loans payable (net cash used in financing activities amounted to 49.3 billion yen in the previous fiscal year).

Consequently, cash and cash equivalents as of March 31, 2021 decreased by 62.4 billion yen to 236.4 billion yen compared with the balance at the end of the previous fiscal year.

## 4) Response to COVID-19

The Company formulated the Basic Plan of Action to Prevent the Spread of the Novel Coronavirus in May 2020, based on guidelines formulated by industry organizations. A version for construction sites, Guidelines for Actions to Prevent the Spread of the Novel Coronavirus at Construction Sites, was formulated in June 2020.

Based on these plans of action, we are working to maintain business activities and achieve results on par with pre-COVID-19 levels, as we take steps to establish office and work environments that avoid the three crowded conditions of "close contacts, crowded places and closed spaces" and other steps to prevent the spread of novel coronavirus infections and to minimize the impact when someone is infected.

We also improved the Pandemic® Emergency Center (PEC) developed for a new type of influenza in 2008 for use as a COVID-19 hospital ward, established a system capable of providing rapid and flexible support to medical institutions, and are taking other steps to solve urgent social issues.

The Obayashi Group will continue to place the highest priority on protecting the health and lives of and ensuring safe living conditions for all involved, and will implement additional safety measures as needed in the future as we work in earnest to respond to the demand for new construction needed in the COVID-19 and post-COVID-19 eras. Such demand includes establishment of public infrastructure and construction needed to ensure the continuity of private-sector businesses, as well as data center construction and renovation work to adapt to new lifestyles.

5) Basic policy regarding the allocation of profits and dividend payout plan for fiscal years ended March 31, 2021 and ending March 31, 2022

Our profit allocation policy is to sustain stable dividend payouts to our shareholders over the long term for a target payout ratio of 20% to 30%, provide shareholders with returns commensurate with the Group's performance, and also consider the purchase of treasury stock. In doing so, we will take into account the need to enhance internal reserves to further strengthen the Company's financial base, develop technologies, and make capital investments for the future.

For fiscal year ended March 31, 2021, the Company expects to declare an annual dividend of 32 yen per share (on par with the previous fiscal year, for a dividend payout ratio of 23.2%). Accordingly, deduction of the midterm dividend of 16 yen will result in an expected year-end dividend of 16 yen per share.

For fiscal year ending March 31, 2022, the Company projects a dividend of 16 yen per share both for the midterm and year-end dividends, bringing the total annual dividend to 32 yen per share (a dividend payout ratio of 32.1%).

### **3 Basic View on Selection of the Accounting Standards**

The Obayashi Group intends to prepare consolidated financial statements according to the Japanese generally accepted accounting principles. We have taken into account the comparability of consolidated financial statements in different periods and comparisons between companies.

We also intend to respond appropriately to the adoption of IFRS upon collective consideration of conditions in Japan and overseas.

## 4 Financial Highlights

### (1) Financial Results for Fiscal Year Ended March 31, 2021 (YoY Comparison)

(Yen in 100 millions)

	Consolidated					Non-consolidated						
	Results April 1, 2019 - March 31, 2020		Results April 1, 2020 - March 31, 2021		Change	% Change	Results April 1, 2019 - March 31, 2020		Results April 1, 2020 - March 31, 2021		Change	% Change
Net sales of completed construction contracts	%	19,524	%	16,832	(2,691)	(13.8)	%	13,928	%	12,095	(1,832)	(13.2)
Building Construction		—		—	—	—		11,118		9,267	(1,851)	(16.7)
Civil Engineering		—		—	—	—		2,809		2,828	18	0.7
Gross profit on completed construction contracts	11.9	2,316	12.1	2,033	(283)	(12.2)	12.9	1,793	13.3	1,607	(186)	(10.4)
Building Construction		—		—	—	—	11.2	1,240	11.2	1,036	(203)	(16.4)
Civil Engineering		—		—	—	—	19.7	552	20.2	570	17	3.1
Net sales of real estate business and other		1,206		836	(370)	(30.7)		235		208	(27)	(11.5)
Gross profit on real estate business and other	19.8	238	26.9	224	(14)	(6.0)	20.1	47	24.5	51	3	7.7
<b>Net sales</b>		<b>20,730</b>		<b>17,668</b>	<b>(3,061)</b>	<b>(14.8)</b>		<b>14,163</b>		<b>12,304</b>	<b>(1,859)</b>	<b>(13.1)</b>
Gross profit	12.3	2,555	12.8	2,257	(297)	(11.6)	13.0	1,841	13.5	1,658	(182)	(9.9)
Selling, general and administrative expenses	4.9	1,026	5.8	1,026	(0)	(0.1)	5.0	710	5.9	723	12	1.8
(Personnel expenses)		577		563	(13)			374		365	(8)	
(Others)		449		462	13			336		358	21	
<b>Operating income</b>	<b>7.4</b>	<b>1,528</b>	<b>7.0</b>	<b>1,231</b>	<b>(297)</b>	<b>(19.4)</b>	<b>8.0</b>	<b>1,130</b>	<b>7.6</b>	<b>934</b>	<b>(195)</b>	<b>(17.3)</b>
Non-operating income		110		89	(21)	(19.6)		122		129	6	5.4
Non-operating expenses		49		32	(16)	(33.6)		36		24	(11)	(32.4)
<b>Ordinary income</b>	<b>7.7</b>	<b>1,590</b>	<b>7.3</b>	<b>1,287</b>	<b>(302)</b>	<b>(19.0)</b>	<b>8.6</b>	<b>1,216</b>	<b>8.4</b>	<b>1,038</b>	<b>(177)</b>	<b>(14.6)</b>
Extraordinary income		79		79	0	1.1		56		77	20	36.6
Extraordinary loss		44		22	(22)	(50.0)		38		52	13	36.3
Income before income taxes	7.8	1,625	7.6	1,345	(279)	(17.2)	8.7	1,234	8.6	1,063	(170)	(13.8)
Total income taxes		453		337	(116)	(25.6)		349		251	(98)	(28.1)
Profit		1,171		1,008	(163)	(13.9)		—		—	—	—
Profit attributable to non-controlling interests (deduction)		40		20	(20)	(49.3)		—		—	—	—
<b>Profit attributable to owners of parent (Non-consolidated: Profit)</b>	<b>5.5</b>	<b>1,130</b>	<b>5.6</b>	<b>987</b>	<b>(143)</b>	<b>(12.7)</b>	<b>6.2</b>	<b>884</b>	<b>6.6</b>	<b>812</b>	<b>(72)</b>	<b>(8.2)</b>

### Orders Received

(Yen in 100 millions)

	Consolidated					Non-consolidated						
	Results April 1, 2019 - March 31, 2020		Results April 1, 2020 - March 31, 2021		Change	% Change	Results April 1, 2019 - March 31, 2020		Results April 1, 2020 - March 31, 2021		Change	% Change
Building Construction		16,770		13,787	(2,982)	(17.8)		12,056		11,640	(415)	(3.4)
Domestic		12,509		11,749	(760)	(6.1)		11,934		11,621	(312)	(2.6)
Overseas		4,260		2,037	(2,222)	(52.2)		121		19	(102)	(84.2)
Civil Engineering		4,727		4,789	61	1.3		3,268		3,450	182	5.6
Domestic		3,278		4,193	915	27.9		2,473		3,369	896	36.2
Overseas		1,449		595	(853)	(58.9)		795		81	(713)	(89.8)
Construction Total		21,497		18,576	(2,920)	(13.6)		15,324		15,091	(232)	(1.5)
Domestic		15,788		15,943	155	1.0		14,407		14,990	583	4.0
Overseas		5,709		2,633	(3,076)	(53.9)		916		100	(816)	(89.0)
Real Estate Business and Other		902		909	7	0.9		234		208	(26)	(11.3)
Total Orders received		22,400		19,486	(2,913)	(13.0)		15,559		15,299	(259)	(1.7)

### Interest-bearing Debt Balances

(Yen in 100 millions)

	Consolidated				Non-consolidated			
	March 31, 2020	March 31, 2021	Change	% Change	March 31, 2020	March 31, 2021	Change	% Change
Interest-bearing debt (except nonrecourse loans)	1,729	1,963	234	13.5	1,491	1,604	112	7.5
Nonrecourse loans	756	695	(60)	(8.0)	—	—	—	—
Total Interest-bearing debt	2,485	2,659	174	7.0	1,491	1,604	112	7.5

## (2) Financial Results for Fiscal Year Ended March 31, 2021 (Comparison with the latest forecast)

(Yen in 100 millions)

	Consolidated					Non-consolidated						
	Forecasts announced on February 8, 2021		Results April 1, 2020 - March 31, 2021		Change	% Change	Forecasts announced on February 8, 2021		Results April 1, 2020 - March 31, 2021		Change	% Change
	%		%				%		%			
Net sales of completed construction contracts		17,620		16,832	(787)	(4.5)		12,630		12,095	(534)	(4.2)
Building Construction		—		—	—	—		9,750		9,267	(482)	(5.0)
Civil Engineering		—		—	—	—		2,880		2,828	(51)	(1.8)
Gross profit on completed construction contracts	11.4	2,005	12.1	2,033	28	1.4	12.6	1,590	13.3	1,607	17	1.1
Building Construction		—		—	—	—	11.1	1,080	11.2	1,036	(43)	(4.0)
Civil Engineering		—		—	—	—	17.7	510	20.2	570	60	11.8
Net sales of real estate business and other		980		836	(143)	(14.7)		210		208	(1)	(0.8)
Gross profit on real estate business and other	24.0	235	26.9	224	(10)	(4.4)	23.8	50	24.5	51	1	2.0
<b>Net sales</b>		<b>18,600</b>		<b>17,668</b>	<b>(931)</b>	<b>(5.0)</b>		<b>12,840</b>		<b>12,304</b>	<b>(535)</b>	<b>(4.2)</b>
Gross profit	12.0	2,240	12.8	2,257	17	0.8	12.8	1,640	13.5	1,658	18	1.1
Selling, general and administrative expenses	5.6	1,050	5.8	1,026	(23)	(2.3)	5.8	740	5.9	723	(16)	(2.2)
(Personnel expenses)		580		563	(16)			378		365	(12)	
(Others)		470		462	(7)			362		358	(3)	
<b>Operating income</b>	<b>6.4</b>	<b>1,190</b>	<b>7.0</b>	<b>1,231</b>	<b>41</b>	<b>3.5</b>	<b>7.0</b>	<b>900</b>	<b>7.6</b>	<b>934</b>	<b>34</b>	<b>3.8</b>
Non-operating income		95		89	(5)	(6.3)		130		129	(0)	(0.5)
Non-operating expenses		25		32	7	31.3		20		24	4	24.1
<b>Ordinary income</b>	<b>6.8</b>	<b>1,260</b>	<b>7.3</b>	<b>1,287</b>	<b>27</b>	<b>2.2</b>	<b>7.9</b>	<b>1,010</b>	<b>8.4</b>	<b>1,038</b>	<b>28</b>	<b>2.9</b>
Extraordinary income		65		79	14	23.0		65		77	12	18.8
Extraordinary loss		35		22	(12)	(37.0)		60		52	(7)	(12.6)
Income before income taxes	6.9	1,290	7.6	1,345	55	4.3	7.9	1,015	8.6	1,063	48	4.8
Total income taxes		330		337	7	2.2		235		251	16	7.0
Profit		960		1,008	48	5.0		—		—	—	—
Profit attributable to non-controlling interests (deduction)		20		20	0	3.2		—		—	—	—
<b>Profit attributable to owners of parent (Non-consolidated: Profit)</b>	<b>5.1</b>	<b>940</b>	<b>5.6</b>	<b>987</b>	<b>47</b>	<b>5.1</b>	<b>6.1</b>	<b>780</b>	<b>6.6</b>	<b>812</b>	<b>32</b>	<b>4.2</b>

## Orders Received

(Yen in 100 millions)

	Consolidated				Non-consolidated							
	Forecasts announced on February 8, 2021		Results April 1, 2020 - March 31, 2021		Change	% Change	Forecasts announced on February 8, 2021		Results April 1, 2020 - March 31, 2021		Change	% Change
Building Construction		15,350		13,787			(1,562)	(10.2)		11,550		
Domestic		12,150		11,749	(400)	(3.3)		11,500		11,621	121	1.1
Overseas		3,200		2,037	(1,162)	(36.3)		50		19	(30)	(61.5)
Civil Engineering		4,600		4,789	189	4.1		3,300		3,450	150	4.6
Domestic		3,850		4,193	343	8.9		2,980		3,369	389	13.1
Overseas		750		595	(154)	(20.6)		320		81	(238)	(74.6)
Construction Total		19,950		18,576	(1,373)	(6.9)		14,850		15,091	241	1.6
Domestic		16,000		15,943	(56)	(0.4)		14,480		14,990	510	3.5
Overseas		3,950		2,633	(1,316)	(33.3)		370		100	(269)	(72.8)
Real Estate Business and Other		850		909	59	7.1		210		208	(1)	(0.8)
Total Orders received		20,800		19,486	(1,313)	(6.3)		15,060		15,299	239	1.6

## Interest-bearing Debt Balances

(Yen in 100 millions)

	Consolidated				Non-consolidated							
	Forecasts announced on February 8, 2021		March 31, 2021		Change	% Change	Forecasts announced on February 8, 2021		March 31, 2021		Change	% Change
Interest-bearing debt (except nonrecourse loans)		1,800		1,963			163	9.1		1,500		
Nonrecourse loans		700		695	(4)	(0.6)		—		—	—	—
Total Interest-bearing debt		2,500		2,659	159	6.4		1,500		1,604	104	7.0



### (3) Forecasts for Fiscal Year Ending March 31, 2022 (YoY Comparison)

(Yen in 100 millions)

	Consolidated						Non-consolidated					
	Results April 1, 2020 - March 31, 2021		Forecasts April 1, 2021 - March 31, 2022		Change	% Change	Results April 1, 2020 - March 31, 2021		Forecasts April 1, 2021 - March 31, 2022		Change	% Change
Net sales of completed construction contracts	%	16,832	%	17,800	967	5.7	%	12,095	%	13,400	1,304	10.8
Building Construction		—		—	—	—		9,267		10,350	1,082	11.7
Civil Engineering		—		—	—	—		2,828		3,050	221	7.8
Gross profit on completed construction contracts	12.1	2,033	10.3	1,830	(203)	(10.0)	13.3	1,607	10.4	1,390	(217)	(13.5)
Building Construction		—		—	—	—	11.2	1,036	8.9	925	(111)	(10.8)
Civil Engineering		—		—	—	—	20.2	570	15.2	465	(105)	(18.5)
Net sales of real estate business and other		836		1,300	463	55.5		208		250	41	20.0
Gross profit on real estate business and other	26.9	224	18.5	240	15	6.8	24.5	51	24.0	60	8	17.6
<b>Net sales</b>		<b>17,668</b>		<b>19,100</b>	<b>1,431</b>	<b>8.1</b>		<b>12,304</b>		<b>13,650</b>	<b>1,345</b>	<b>10.9</b>
Gross profit	12.8	2,257	10.8	2,070	(187)	(8.3)	13.5	1,658	10.6	1,450	(208)	(12.6)
Selling, general and administrative expenses	5.8	1,026	5.8	1,120	93	9.1	5.9	723	5.8	800	76	10.5
(Personnel expenses)		563		590	26			365		391	25	
(Others)		462		530	67			358		409	50	
<b>Operating income</b>	<b>7.0</b>	<b>1,231</b>	<b>5.0</b>	<b>950</b>	<b>(281)</b>	<b>(22.9)</b>	<b>7.6</b>	<b>934</b>	<b>4.8</b>	<b>650</b>	<b>(284)</b>	<b>(30.4)</b>
Non-operating income		89		70	(19)	(21.4)		129		90	(39)	(30.4)
Non-operating expenses		32		35	2	6.6		24		15	(9)	(39.5)
<b>Ordinary income</b>	<b>7.3</b>	<b>1,287</b>	<b>5.2</b>	<b>985</b>	<b>(302)</b>	<b>(23.5)</b>	<b>8.4</b>	<b>1,038</b>	<b>5.3</b>	<b>725</b>	<b>(313)</b>	<b>(30.2)</b>
Extraordinary income		79		30	(49)	(62.5)		77		30	(47)	(61.2)
Extraordinary loss		22		—	(22)	(100.0)		52		—	(52)	(100.0)
Income before income taxes	7.6	1,345	5.3	1,015	(330)	(24.6)	8.6	1,063	5.5	755	(308)	(29.0)
Total income taxes		337		280	(57)	(17.0)		251		205	(46)	(18.5)
Profit		1,008		735	(273)	(27.1)		—		—	—	—
Profit attributable to non-controlling interests (deduction)		20		20	(0)	(3.1)		—		—	—	—
<b>Profit attributable to owners of parent (Non-consolidated: Profit)</b>	<b>5.6</b>	<b>987</b>	<b>3.7</b>	<b>715</b>	<b>(272)</b>	<b>(27.6)</b>	<b>6.6</b>	<b>812</b>	<b>4.0</b>	<b>550</b>	<b>(262)</b>	<b>(32.3)</b>

### Orders Received

(Yen in 100 millions)

	Consolidated					Non-consolidated			
	Results April 1, 2020 - March 31, 2021	Forecasts April 1, 2021 - March 31, 2022	Change	% Change		Results April 1, 2020 - March 31, 2021	Forecasts April 1, 2021 - March 31, 2022	Change	% Change
Building Construction	13,787	14,400	612	4.4		11,640	10,550	(1,090)	(9.4)
Domestic	11,749	10,950	(799)	(6.8)		11,621	10,500	(1,121)	(9.7)
Overseas	2,037	3,450	1,412	69.3		19	50	30	160.1
Civil Engineering	4,789	4,550	(239)	(5.0)		3,450	3,250	(200)	(5.8)
Domestic	4,193	3,700	(493)	(11.8)		3,369	2,800	(569)	(16.9)
Overseas	595	850	254	42.8		81	450	368	452.8
Construction Total	18,576	18,950	373	2.0		15,091	13,800	(1,291)	(8.6)
Domestic	15,943	14,650	(1,293)	(8.1)		14,990	13,300	(1,690)	(11.3)
Overseas	2,633	4,300	1,666	63.3		100	500	399	396.9
Real Estate Business and Other	909	950	40	4.4		208	250	41	20.0
Total Orders received	19,486	19,900	413	2.1		15,299	14,050	(1,249)	(8.2)

### Interest-bearing Debt Balances

(Yen in 100 millions)

	Consolidated				Non-consolidated			
	March 31, 2021	Forecasts March 31, 2022	Change	% Change	March 31, 2021	Forecasts March 31, 2022	Change	% Change
Interest-bearing debt (except nonrecourse loans)	1,963	1,900	(63)	(3.2)	1,604	1,500	(104)	(6.5)
Nonrecourse loans	695	1,100	404	58.1	—	—	—	—
Total Interest-bearing debt	2,659	3,000	340	12.8	1,604	1,500	(104)	(6.5)

## 5 Operating Results and Forecasts for Reportable Segments

### (1) Operating Results for Fiscal Year Ended March 31, 2021 (YoY Comparison)

#### 【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Results April 1, 2019 - March 31, 2020	Results April 1, 2020 - March 31, 2021	Change	% Change	Results April 1, 2019 - March 31, 2020		Results April 1, 2020 - March 31, 2021		Change	% Change
					% Profit		% Profit			
<b>Building Construction</b>										
Domestic	1,138,934	964,683	(174,251)	(15.3)	7.3	82,680	6.2	59,956	(22,724)	(27.5)
Overseas	398,564	304,388	(94,176)	(23.6)	2.7	10,773	1.1	3,445	(7,328)	(68.0)
Subtotal	1,537,499	1,269,072	(268,427)	(17.5)	6.1	93,454	5.0	63,402	(30,052)	(32.2)
<b>Civil Engineering</b>										
Domestic	342,704	342,203	(500)	(0.1)	11.6	39,602	13.3	45,389	5,786	14.6
Overseas	72,215	72,004	(210)	(0.3)	5.8	4,217	(0.3)	(210)	(4,428)	—
Subtotal	414,919	414,208	(711)	(0.2)	10.6	43,820	10.9	45,178	1,358	3.1
<b>Construction Total</b>										
Domestic	1,481,639	1,306,887	(174,751)	(11.8)	8.3	122,283	8.1	105,345	(16,937)	(13.9)
Overseas	470,780	376,393	(94,386)	(20.0)	3.2	14,991	0.9	3,234	(11,756)	(78.4)
Subtotal	1,952,419	1,683,280	(269,138)	(13.8)	7.0	137,274	6.5	108,580	(28,694)	(20.9)
<b>Real Estate Business and Other</b>										
Real Estate Business	55,043	42,426	(12,616)	(22.9)	24.1	13,256	28.1	11,937	(1,318)	(9.9)
Other	65,580	41,186	(24,394)	(37.2)	3.6	2,340	6.4	2,644	303	13.0
Subtotal	120,623	83,612	(37,011)	(30.7)	12.9	15,596	17.4	14,581	(1,015)	(6.5)
<b>Total</b>	<b>2,073,043</b>	<b>1,766,893</b>	<b>(306,149)</b>	<b>(14.8)</b>	<b>7.4</b>	<b>152,871</b>	<b>7.0</b>	<b>123,161</b>	<b>(29,709)</b>	<b>(19.4)</b>

※ 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 April 1, 2019 - March 31, 2020	Results April 1, 2020 - March 31, 2021	Change	% Change	Results April 1, 2019 - March 31, 2020		Results April 1, 2020 - March 31, 2021		Change	% Change
					% Gross Profit		% Gross Profit			
<b>Building Construction</b>										
Domestic	1,099,515	920,380	(179,135)	(16.3)	11.2	123,254	11.2	103,538	(19,715)	(16.0)
Overseas	12,329	6,331	(5,998)	(48.7)	6.7	821	2.4	149	(672)	(81.8)
Subtotal	1,111,845	926,711	(185,134)	(16.7)	11.2	124,076	11.2	103,688	(20,388)	(16.4)
<b>Civil Engineering</b>										
Domestic	262,169	262,685	516	0.2	19.1	50,050	21.6	56,758	6,707	13.4
Overseas	18,810	20,192	1,382	7.3	27.8	5,237	1.3	264	(4,973)	(95.0)
Subtotal	280,979	282,878	1,898	0.7	19.7	55,288	20.2	57,022	1,733	3.1
<b>Construction Total</b>										
Domestic	1,361,685	1,183,066	(178,619)	(13.1)	12.7	173,305	13.5	160,296	(13,008)	(7.5)
Overseas	31,139	26,523	(4,616)	(14.8)	19.5	6,059	1.6	413	(5,645)	(93.2)
Subtotal	1,392,825	1,209,589	(183,235)	(13.2)	12.9	179,365	13.3	160,710	(18,654)	(10.4)
<b>Real Estate Business and Other</b>										
Real Estate Business	23,536	20,828	(2,707)	(11.5)	20.1	4,736	24.5	5,101	365	7.7
Subtotal	23,536	20,828	(2,707)	(11.5)	13.0	184,101	13.5	165,812	(18,289)	(9.9)
<b>Total</b>	<b>1,416,361</b>	<b>1,230,418</b>	<b>(185,943)</b>	<b>(13.1)</b>						

## (2) Forecasts for Fiscal Year Ending March 31, 2022 (YoY Comparison)

### 【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Results April 1, 2020 - March 31, 2021	Forecasts April 1, 2021 - March 31, 2022	Change	% Change	Results April 1, 2020 - March 31, 2021		Forecasts April 1, 2021 - March 31, 2022		Change	% Change
					% Profit		% Profit			
<b>Building Construction</b>										
Domestic	964,683	1,030,000	65,316	6.8	6.2	59,956	4.4	45,500	(14,456)	(24.1)
Overseas	304,388	310,000	5,611	1.8	1.1	3,445	1.1	3,500	54	1.6
Subtotal	1,269,072	1,340,000	70,927	5.6	5.0	63,402	3.7	49,000	(14,402)	(22.7)
<b>Civil Engineering</b>										
Domestic	342,203	360,000	17,796	5.2	13.3	45,389	8.6	31,000	(14,389)	(31.7)
Overseas	72,004	80,000	7,995	11.1	(0.3)	(210)	0.6	500	710	—
Subtotal	414,208	440,000	25,791	6.2	10.9	45,178	7.2	31,500	(13,678)	(30.3)
<b>Construction Total</b>										
Domestic	1,306,887	1,390,000	83,112	6.4	8.1	105,345	5.5	76,500	(28,845)	(27.4)
Overseas	376,393	390,000	13,606	3.6	0.9	3,234	1.0	4,000	765	23.7
Subtotal	1,683,280	1,780,000	96,719	5.7	6.5	108,580	4.5	80,500	(28,080)	(25.9)
<b>Real Estate Business and Other</b>										
Real Estate Business	42,426	53,000	10,573	24.9	28.1	11,937	22.6	12,000	62	0.5
Other	41,186	77,000	35,813	87.0	6.4	2,644	3.2	2,500	(144)	(5.5)
Subtotal	83,612	130,000	46,387	55.5	17.4	14,581	11.2	14,500	(81)	(0.6)
<b>Total</b>	<b>1,766,893</b>	<b>1,910,000</b>	<b>143,106</b>	<b>8.1</b>	<b>7.0</b>	<b>123,161</b>	<b>5.0</b>	<b>95,000</b>	<b>(28,161)</b>	<b>(22.9)</b>

※ 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 April 1, 2020 - March 31, 2021	Forecasts April 1, 2021 - March 31, 2022	Change	% Change	Results April 1, 2020 - March 31, 2021		Forecasts April 1, 2021 - March 31, 2022		Change	% Change
					% Gross Profit		% Gross Profit			
<b>Building Construction</b>										
Domestic	920,380	1,030,000	109,619	11.9	11.2	103,538	9.0	92,500	(11,038)	(10.7)
Overseas	6,331	5,000	(1,331)	(21.0)	2.4	149	—	—	(149)	(100.0)
Subtotal	926,711	1,035,000	108,288	11.7	11.2	103,688	8.9	92,500	(11,188)	(10.8)
<b>Civil Engineering</b>										
Domestic	262,685	275,000	12,314	4.7	21.6	56,758	16.0	44,000	(12,758)	(22.5)
Overseas	20,192	30,000	9,807	48.6	1.3	264	8.3	2,500	2,235	845.4
Subtotal	282,878	305,000	22,121	7.8	20.2	57,022	15.2	46,500	(10,522)	(18.5)
<b>Construction Total</b>										
Domestic	1,183,066	1,305,000	121,933	10.3	13.5	160,296	10.5	136,500	(23,796)	(14.8)
Overseas	26,523	35,000	8,476	32.0	1.6	413	7.1	2,500	2,086	504.0
Subtotal	1,209,589	1,340,000	130,410	10.8	13.3	160,710	10.4	139,000	(21,710)	(13.5)
<b>Real Estate Business and Other</b>										
Real Estate Business	20,828	25,000	4,171	20.0	24.5	5,101	24.0	6,000	898	17.6
Subtotal	20,828	25,000	4,171	20.0	13.5	165,812	10.6	145,000	(20,812)	(12.6)
<b>Total</b>	<b>1,230,418</b>	<b>1,365,000</b>	<b>134,581</b>	<b>10.9</b>						

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

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

(Yen in millions)

	April 1, 2019 - March 31, 2020		April 1, 2020 - March 31, 2021		Change	
		% of Total		% of Total		% Change
<u>Building Construction</u>						
Domestic Public	141,590	9.1	68,495	4.5	(73,095)	(51.6)
Domestic Private	1,051,865	67.6	1,093,668	71.5	41,802	4.0
Domestic total	1,193,456	76.7	1,162,163	76.0	(31,292)	(2.6)
Overseas total	12,151	0.8	1,922	0.1	(10,228)	(84.2)
Subtotal	1,205,607	77.5	1,164,086	76.1	(41,520)	(3.4)
<u>Civil Engineering</u>						
Domestic Public	110,135	7.1	221,893	14.5	111,757	101.5
Domestic Private	137,178	8.8	115,040	7.5	(22,137)	(16.1)
Domestic total	247,314	15.9	336,934	22.0	89,619	36.2
Overseas total	79,513	5.1	8,140	0.5	(71,372)	(89.8)
Subtotal	326,827	21.0	345,074	22.5	18,247	5.6
<u>Construction Total</u>						
Domestic Public	251,726	16.2	290,388	19.0	38,662	15.4
Domestic Private	1,189,044	76.4	1,208,709	79.0	19,665	1.7
Domestic total	1,440,770	92.6	1,499,097	98.0	58,327	4.0
Overseas total	91,664	5.9	10,063	0.6	(81,600)	(89.0)
Subtotal	1,532,434	98.5	1,509,161	98.6	(23,273)	(1.5)
Real Estate Business and Other	23,491	1.5	20,828	1.4	(2,662)	(11.3)
Total	1,555,926	100	1,529,989	100	(25,936)	(1.7)

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

(Yen in millions)

	April 1, 2019 - March 31, 2020		April 1, 2020 - March 31, 2021		Change	
		% of Total		% of Total		% Change
<u>Building Construction</u>						
Domestic Public	76,180	5.4	65,480	5.3	(10,700)	(14.0)
Domestic Private	1,023,334	72.2	854,899	69.5	(168,435)	(16.5)
Domestic total	1,099,515	77.6	920,380	74.8	(179,135)	(16.3)
Overseas total	12,329	0.9	6,331	0.5	(5,998)	(48.7)
Subtotal	1,111,845	78.5	926,711	75.3	(185,134)	(16.7)
<u>Civil Engineering</u>						
Domestic Public	160,570	11.3	157,568	12.8	(3,001)	(1.9)
Domestic Private	101,599	7.2	105,117	8.6	3,517	3.5
Domestic total	262,169	18.5	262,685	21.4	516	0.2
Overseas total	18,810	1.3	20,192	1.6	1,382	7.3
Subtotal	280,979	19.8	282,878	23.0	1,898	0.7
<u>Construction Total</u>						
Domestic Public	236,751	16.7	223,049	18.1	(13,701)	(5.8)
Domestic Private	1,124,934	79.4	960,016	78.1	(164,917)	(14.7)
Domestic total	1,361,685	96.1	1,183,066	96.2	(178,619)	(13.1)
Overseas total	31,139	2.2	26,523	2.1	(4,616)	(14.8)
Subtotal	1,392,825	98.3	1,209,589	98.3	(183,235)	(13.2)
Real Estate Business and Other	23,536	1.7	20,828	1.7	(2,707)	(11.5)
Total	1,416,361	100	1,230,418	100	(185,943)	(13.1)

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

(Yen in millions)

	March 31, 2020		March 31, 2021		Change	
		% of Total		% of Total		% Change
<u>Building Construction</u>						
Domestic Public	159,725	8.8	162,740	7.7	3,014	1.9
Domestic Private	1,141,990	63.1	1,380,759	65.5	238,769	20.9
Domestic total	1,301,716	71.9	1,543,500	73.2	241,783	18.6
Overseas total	11,094	0.6	6,686	0.3	(4,408)	(39.7)
Subtotal	1,312,811	72.5	1,550,186	73.5	237,375	18.1
<u>Civil Engineering</u>						
Domestic Public	223,647	12.4	287,972	13.7	64,324	28.8
Domestic Private	182,936	10.1	192,860	9.1	9,923	5.4
Domestic total	406,584	22.5	480,832	22.8	74,248	18.3
Overseas total	90,263	5.0	78,211	3.7	(12,051)	(13.4)
Subtotal	496,847	27.5	559,044	26.5	62,196	12.5
<u>Construction Total</u>						
Domestic Public	383,373	21.2	450,712	21.4	67,339	17.6
Domestic Private	1,324,927	73.2	1,573,620	74.6	248,692	18.8
Domestic total	1,708,300	94.4	2,024,332	96.0	316,031	18.5
Overseas total	101,357	5.6	84,897	4.0	(16,460)	(16.2)
Subtotal	1,809,658	100	2,109,230	100	299,571	16.6
Real Estate Business and Other	—	—	—	—	—	—
Total	1,809,658	100	2,109,230	100	299,571	16.6

## 7 Main Projects

### (1) Orders received

Owner	Project Name
Mitsubishi Estate Co., Ltd. Osaka Gas Urban Development Co., Ltd. ORIX Real Estate Corporation Kanden Realty & Development Co., Ltd. Sekisui House, Ltd. Takenaka Corporation Hankyu Corporation Umekita Development SPC	(Tentative name) Umekita 2nd Project Development, Construction of South Block Lease Building and North Block Lease Building
Kubota Corporation	(Tentative name) Japan New Research and Development Center Construction Project
(Tentative name) Minato Mirai 21 Central District 53 Block Development JV	(Tentative name) Minato Mirai 21 Central District 53 Block Development Project
Canon Inc.	Hiratsuka New Manufacturing Building Construction Project
Ministry of Land, Infrastructure, Transport and Tourism Chubu Regional Development Bureau	Construction Work of the Main Body of Shinmaruyama Dam the first FY2020
N.C.C. Management and Development Company Limited	Queen Sirikit National Convention Center Renovation (Thailand) ※

※ Undertaken by Thai Obayashi.

### (2) Completed projects

Owner	Project Name
Mizuho Financial Group, Inc. Japanese Bankers Association Mitsubishi Estate Co., Ltd.	Construction Project of Mizuho Marunouchi Tower, Japanese Bankers Association and Marunouchi TERRACE
East Nippon Expressway Company Limited	Tokyo Gaikan Expressway Ichikawa-naka Construction Project
SMFL MIRAI Partners Co., Ltd. H.U. Group Holdings, Inc.	H.U. Group Holdings Akiruno Project, Lab and R&D Facilities Construction Project
Kintetsu Real Estate Co., Ltd.	The Westin Miyako Kyoto Seismic Repair and Renovation Project
Kumamoto City	Kumamoto Castle Keeps Restoration and Maintenance Work Project
University of California, San Francisco (UCSF)	Wayne and Gladys Valley Center for Vision (UCSF Block 33) (U.S.A) ※

※ Undertaken by Webcor. (Subsidiary of Obayashi USA)

### (3) Projects in Process

Owner	Project Name
Mita 3,4-chome District Urban Redevelopment Association	Mita 3,4-chome District Class 1 Urban Redevelopment Projects, Tower 1 Construction Project
Shirokane 1-chome East-North District Category 1 Urban Redevelopment Association	Shirokane 1-chome East-North District Category 1 Urban Redevelopment Project, Public Facilities Construction
Fighters Sports & Entertainment Co., Ltd.	ES CON FIELD HOKKAIDO Construction Project
Mitsui Fudosan Co., Ltd.	Mitsui Fudosan Logistics Park Funabashi III Construction Project
Ministry of the Environment	Interim Storage Facilities (Okuma Section 3) Soil Storage Facilities Construction Project FY2017
Maguire Properties - 775 South Figueroa, LLC	960 W 7th Street (U.S.A) ※

※ Undertaken by Webcor. (Subsidiary of Obayashi USA)

## 8 Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Yen in millions)

	March 31, 2020	March 31, 2021	Change
<b>Assets</b>			
<b>Current assets</b>			
Cash and deposits	315,027	<b>258,549</b>	(56,478)
Notes and accounts receivable from completed construction contracts and other	773,694	<b>744,473</b>	(29,221)
Electronically recorded monetary claims	12,680	<b>21,327</b>	8,647
Short-term investment securities	7,103	<b>4,401</b>	(2,701)
Real estate for sale	11,937	<b>12,160</b>	223
Costs on uncompleted construction contracts	38,141	<b>69,198</b>	31,056
Costs on real estate business	15,171	<b>22,826</b>	7,654
Inventories for PFI and other projects	53,500	<b>38,095</b>	(15,404)
Other inventories	8,744	<b>8,206</b>	(537)
Accounts receivable	75,125	<b>64,501</b>	(10,623)
Other	22,749	<b>25,812</b>	3,063
Allowance for doubtful accounts	(118)	<b>(147)</b>	(29)
<b>Total current assets</b>	<b>1,333,757</b>	<b>1,269,405</b>	(64,352)
<b>Noncurrent assets</b>			
<b>Property, plant and equipment</b>			
Buildings and structures	120,866	<b>117,083</b>	(3,783)
Machinery, vehicles, tools, furniture and fixtures	55,274	<b>50,846</b>	(4,427)
Land	367,701	<b>385,157</b>	17,456
Lease assets	236	<b>1,081</b>	844
Construction in progress	28,112	<b>55,087</b>	26,975
<b>Total property, plant and equipment</b>	<b>572,190</b>	<b>609,256</b>	37,065
Intangible assets	6,367	<b>6,437</b>	69
<b>Investments and other assets</b>			
Investment securities	290,719	<b>340,079</b>	49,360
Long-term loans receivable	2,109	<b>1,769</b>	(340)
Deferred tax assets	1,846	<b>2,126</b>	279
Other	23,496	<b>43,730</b>	20,234
Allowance for doubtful accounts	(191)	<b>(177)</b>	13
<b>Total investments and other assets</b>	<b>317,981</b>	<b>387,528</b>	69,547
<b>Total noncurrent assets</b>	<b>896,539</b>	<b>1,003,222</b>	106,682
<b>Total assets</b>	<b>2,230,297</b>	<b>2,272,628</b>	42,330

## (1) Consolidated Balance Sheets

(Yen in millions)

	March 31, 2020	March 31, 2021	Change
<b>Liabilities</b>			
Current liabilities			
Notes and accounts payable for construction contracts and other	536,863	<b>466,213</b>	(70,649)
Electronically recorded obligations	118,976	<b>106,456</b>	(12,520)
Short-term loans payable	54,823	<b>54,634</b>	(189)
Current portion of nonrecourse loans	7,631	<b>7,445</b>	(185)
Lease obligations	839	<b>740</b>	(99)
Income taxes payable	27,209	<b>13,415</b>	(13,794)
Advances received on uncompleted construction contracts	109,216	<b>127,845</b>	18,629
Deposits received	121,611	<b>121,289</b>	(322)
Provision for warranties for completed construction	4,313	<b>2,975</b>	(1,337)
Provision for loss on construction contracts	12,694	<b>13,551</b>	857
Provision for loss on Antimonopoly Act	4,145	—	(4,145)
Other	91,845	<b>78,357</b>	(13,488)
<b>Total current liabilities</b>	<b>1,090,170</b>	<b>992,925</b>	<b>(97,245)</b>
Noncurrent liabilities			
Bonds payable	40,000	<b>40,000</b>	—
Long-term loans payable	78,104	<b>101,722</b>	23,617
Nonrecourse loans	67,993	<b>62,151</b>	(5,841)
Lease obligations	442	<b>296</b>	(146)
Deferred tax liabilities	5,336	<b>21,229</b>	15,892
Deferred tax liabilities for land revaluation	18,893	<b>18,644</b>	(249)
Provision for stock payments for directors	433	<b>401</b>	(32)
Provision for environmental measures	239	<b>26</b>	(213)
Liability for retirement benefits	52,598	<b>47,758</b>	(4,839)
Other	25,584	<b>25,493</b>	(91)
<b>Total noncurrent liabilities</b>	<b>289,627</b>	<b>317,723</b>	<b>28,096</b>
<b>Total liabilities</b>	<b>1,379,798</b>	<b>1,310,648</b>	<b>(69,149)</b>
<b>Net assets</b>			
Shareholders' equity			
Capital stock	57,752	<b>57,752</b>	—
Capital surplus	42,825	<b>42,641</b>	(183)
Retained earnings	587,012	<b>661,512</b>	74,500
Treasury stock	(2,121)	<b>(2,090)</b>	30
<b>Total shareholders' equity</b>	<b>685,469</b>	<b>759,816</b>	<b>74,346</b>
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	104,775	<b>138,542</b>	33,766
Deferred gains (losses) on hedges	6,837	<b>7,471</b>	633
Revaluation reserve for land	19,076	<b>20,379</b>	1,302
Foreign currency translation adjustments	1,306	<b>1,349</b>	42
Retirement benefit asset and liability adjustments	426	<b>3,449</b>	3,023
<b>Total accumulated other comprehensive income</b>	<b>132,422</b>	<b>171,191</b>	<b>38,769</b>
Non-controlling interests	32,606	<b>30,970</b>	(1,635)
<b>Total net assets</b>	<b>850,498</b>	<b>961,979</b>	<b>111,480</b>
<b>Total liabilities and net assets</b>	<b>2,230,297</b>	<b>2,272,628</b>	<b>42,330</b>
<b>(Reference)</b>			
Interest-bearing debt balances	248,552	<b>265,953</b>	17,401



## (2) Consolidated Statements of Income

(Yen in millions)

	April 1, 2019 - March 31, 2020	April 1, 2020 - March 31, 2021	Change
<b>Net sales</b>			
Net sales of completed construction contracts	1,952,419	<b>1,683,280</b>	(269,138)
Net sales of real estate business and other	120,623	<b>83,612</b>	(37,011)
<b>Total net sales</b>	<b>2,073,043</b>	<b>1,766,893</b>	(306,149)
<b>Cost of sales</b>			
Cost of sales on completed construction contracts	1,720,769	<b>1,479,959</b>	(240,809)
Cost of sales on real estate business and other	96,726	<b>61,149</b>	(35,576)
<b>Total cost of sales</b>	<b>1,817,495</b>	<b>1,541,108</b>	(276,386)
<b>Gross profit</b>			
Gross profit on completed construction contracts	231,650	<b>203,321</b>	(28,328)
Gross profit on real estate business and other	23,897	<b>22,463</b>	(1,434)
<b>Total gross profit</b>	<b>255,547</b>	<b>225,784</b>	(29,763)
Selling, general and administrative expenses	102,675	<b>102,622</b>	(53)
<b>Operating income</b>	<b>152,871</b>	<b>123,161</b>	(29,709)
<b>Non-operating income</b>			
Interest income	1,385	<b>865</b>	(520)
Dividends income	8,202	<b>6,123</b>	(2,079)
Other	1,490	<b>1,916</b>	425
<b>Total non-operating income</b>	<b>11,078</b>	<b>8,904</b>	(2,173)
<b>Non-operating expenses</b>			
Interest expenses	1,800	<b>1,866</b>	66
Foreign exchange losses	1,294	—	(1,294)
Other	1,849	<b>1,414</b>	(434)
<b>Total non-operating expenses</b>	<b>4,944</b>	<b>3,281</b>	(1,662)
<b>Ordinary income</b>	<b>159,005</b>	<b>128,784</b>	(30,221)
<b>Extraordinary income</b>			
Gain on sales of investment securities	5,161	<b>5,362</b>	201
Gain on sales of noncurrent assets	165	<b>1,356</b>	1,190
Reversal of provision for loss on Antimonopoly Act	2,096	<b>1,026</b>	(1,069)
Other	479	<b>246</b>	(232)
<b>Total extraordinary income</b>	<b>7,902</b>	<b>7,992</b>	89
<b>Extraordinary loss</b>			
Impairment loss	511	<b>1,188</b>	676
Loss on retirement of noncurrent assets	202	<b>607</b>	404
Loss on sales of noncurrent assets	115	<b>231</b>	116
Other	3,575	<b>175</b>	(3,399)
<b>Total extraordinary losses</b>	<b>4,405</b>	<b>2,204</b>	(2,201)
<b>Profit before income taxes</b>	<b>162,503</b>	<b>134,573</b>	(27,929)
Income taxes-current	50,241	<b>34,437</b>	(15,803)
Income taxes-deferred	(4,900)	<b>(708)</b>	4,191
<b>Total income taxes</b>	<b>45,340</b>	<b>33,728</b>	(11,611)
<b>Profit</b>	<b>117,162</b>	<b>100,844</b>	(16,317)
Profit attributable to non-controlling interests	4,068	<b>2,063</b>	(2,005)
<b>Profit attributable to owners of parent</b>	<b>113,093</b>	<b>98,780</b>	(14,312)

### (3) Consolidated Statements of Comprehensive Income

(Yen in millions)

	April 1, 2019 - March 31, 2020	April 1, 2020 - March 31, 2021
Profit	117,162	<b>100,844</b>
Other comprehensive income		
Valuation difference on available-for-sale securities	(45,357)	<b>33,765</b>
Deferred gains (losses) on hedges	5,971	<b>(46)</b>
Foreign currency translation adjustment	2,693	<b>(1,526)</b>
Retirement benefit adjustment	(1,753)	<b>3,019</b>
Share of other comprehensive income of associates accounted for using equity method	(250)	<b>666</b>
Total other comprehensive income	(38,697)	<b>35,878</b>
Comprehensive income	78,465	<b>136,723</b>
Comprehensive income attributable to owners of parent	73,065	<b>136,246</b>
Comprehensive income attributable to non-controlling interests	5,399	<b>476</b>

#### (4) Consolidated Statements of Cash Flows

(Yen in millions)

	April 1, 2019 - March 31, 2020	April 1, 2020 - March 31, 2021	Change
<b>Net cash provided by (used in) operating activities</b>			
Income before income taxes	162,503	<b>134,573</b>	(27,929)
Depreciation and amortization	19,880	<b>20,038</b>	157
Impairment loss	511	<b>1,188</b>	676
Increase (decrease) in allowance for doubtful accounts	(50)	<b>17</b>	67
Increase (decrease) in provision for loss on construction contracts	10,743	<b>891</b>	(9,851)
Increase (decrease) in provision for loss on Antimonopoly Act	(6,179)	<b>(4,145)</b>	2,034
Increase (decrease) in provision for loss on real estate business and other	(993)	<b>—</b>	993
Increase (decrease) in liability for retirement benefits	(788)	<b>(424)</b>	364
Interest and dividends income	(9,588)	<b>(6,988)</b>	2,599
Interest expenses	1,800	<b>1,866</b>	66
Loss (gain) on sales of noncurrent assets	(50)	<b>(1,124)</b>	(1,073)
Loss (gain) on sales of short-term and long term investment securities	(4,717)	<b>(5,312)</b>	(595)
Decrease (increase) in notes and accounts receivable—trade	84,441	<b>14,647</b>	(69,793)
Decrease (increase) in costs on uncompleted construction contracts	(2,772)	<b>(31,141)</b>	(28,368)
Decrease (increase) in inventories	8,421	<b>(5,653)</b>	(14,074)
Decrease (increase) in inventories for PFI and other projects	(9,391)	<b>15,404</b>	24,796
Decrease (increase) in other assets	15,370	<b>4,645</b>	(10,725)
Increase (decrease) in notes and accounts payable—trade	(14,922)	<b>(77,678)</b>	(62,756)
Increase (decrease) in advances received on uncompleted construction contracts	(7,472)	<b>20,284</b>	27,757
Increase (decrease) in other liabilities	26,292	<b>(12,868)</b>	(39,160)
Other, net	8,744	<b>1,454</b>	(7,290)
<b>Subtotal</b>	<b>281,781</b>	<b>69,676</b>	<b>(212,104)</b>
Interest and dividends income received	9,698	<b>7,827</b>	(1,871)
Interest expenses	(1,777)	<b>(1,830)</b>	(52)
Income taxes (paid) refund	(47,991)	<b>(47,753)</b>	238
Surcharges paid	(4,083)	<b>(3,118)</b>	965
<b>Net cash provided by (used in) operating activities</b>	<b>237,628</b>	<b>24,803</b>	<b>(212,824)</b>
<b>Net cash provided by (used in) investing activities</b>			
Payments into time deposits	(38,901)	<b>(38,801)</b>	100
Proceeds from withdrawal of time deposits	33,359	<b>32,044</b>	(1,315)
Purchase of property, plant and equipment and intangible assets	(47,471)	<b>(57,431)</b>	(9,959)
Proceeds from sales of property, plant and equipment and intangible assets	504	<b>2,726</b>	2,222
Purchase of short-term and long term investment securities	(5,369)	<b>(4,973)</b>	396
Proceeds from sales and redemption of short-term and long term investment securities	10,859	<b>11,971</b>	1,112
Payments of loans receivable	(408)	<b>(79)</b>	329
Collection of loans receivable	224	<b>168</b>	(56)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	<b>(6,671)</b>	(6,671)
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	(113)	<b>—</b>	<b>113</b>
Other, net	—	<b>(18,028)</b>	(18,028)
<b>Net cash provided by (used in) investing activities</b>	<b>(47,318)</b>	<b>(79,075)</b>	<b>(31,757)</b>
<b>Net cash provided by (used in) financing activities</b>			
Net increase (decrease) in short-term loans payable	(1,700)	<b>—</b>	1,700
Repayments of lease obligations	(344)	<b>(883)</b>	(538)
Proceeds from long-term loans payable	10,212	<b>41,161</b>	30,949
Repayment of long-term loans payable	(17,879)	<b>(17,464)</b>	414
Proceeds from nonrecourse loans payable	3,302	<b>1,605</b>	(1,697)
Payment of nonrecourse loans payable	(16,835)	<b>(7,632)</b>	9,202
Proceeds from issuance of bonds	10,000	<b>—</b>	(10,000)
Redemption of bonds	(10,000)	<b>—</b>	10,000
Cash dividends paid	(24,413)	<b>(22,977)</b>	1,436
Cash dividends paid to non-controlling interests	(1,370)	<b>(1,754)</b>	(383)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(364)	<b>(534)</b>	(170)
Other, net	(5)	<b>(3)</b>	1
<b>Net cash provided by (used in) financing activities</b>	<b>(49,397)</b>	<b>(8,483)</b>	<b>40,913</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>332</b>	<b>285</b>	<b>(47)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>141,245</b>	<b>(62,470)</b>	<b>(203,715)</b>
Cash and cash equivalents at beginning of period	157,699	<b>298,945</b>	141,245
Cash and cash equivalents at end of period	298,945	<b>236,474</b>	(62,470)

## 9 Non-consolidated Financial Statements

### (1) Non-consolidated Balance Sheets

(Yen in millions)

	March 31, 2020	March 31, 2021	Change
<b>Assets</b>			
Current assets			
Cash and deposits	183,648	<b>141,431</b>	(42,216)
Notes receivable—trade	1,609	<b>2,293</b>	684
Electronically recorded monetary claims	10,324	<b>18,818</b>	8,494
Accounts receivable from completed construction contracts	604,250	<b>581,160</b>	(23,089)
Accounts receivable—real estate business and other	8,349	<b>4,476</b>	(3,873)
Short-term investment securities	154	<b>16</b>	(137)
Real estate for sale	3,512	<b>3,611</b>	98
Costs on uncompleted construction contracts	33,765	<b>62,968</b>	29,203
Costs on real estate business and other	4,144	<b>3,995</b>	(148)
Short-term loans receivable	79,583	<b>61,964</b>	(17,619)
Accounts receivable—other	71,619	<b>62,148</b>	(9,471)
Other	21,587	<b>23,096</b>	1,509
Allowance for doubtful accounts	(76)	<b>(72)</b>	4
<b>Total current assets</b>	<b>1,022,474</b>	<b>965,911</b>	<b>(56,562)</b>
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	61,546	<b>48,808</b>	(12,738)
Machinery, equipment and vehicles	10,131	<b>8,112</b>	(2,018)
Tools, furniture and fixtures	2,688	<b>3,200</b>	511
Land	198,186	<b>173,116</b>	(25,069)
Leased assets	7	<b>23</b>	15
Construction in progress	8,960	<b>18,585</b>	9,624
<b>Total property, plant and equipment</b>	<b>281,520</b>	<b>251,845</b>	<b>(29,674)</b>
Intangible assets	3,551	<b>3,908</b>	357
Investments and other assets			
Investment securities	278,000	<b>326,421</b>	48,421
Shares and investments in capital of subsidiaries and affiliates	60,544	<b>123,517</b>	62,972
Long-term loans receivable	48,628	<b>76,267</b>	27,639
Claims provable in bankruptcy, claims provable in rehabilitation and other	1,865	<b>2,982</b>	1,117
Other	9,031	<b>9,692</b>	660
Allowance for doubtful accounts	(945)	<b>(1,609)</b>	(663)
<b>Total investments and other assets</b>	<b>397,124</b>	<b>537,272</b>	<b>140,148</b>
<b>Total noncurrent assets</b>	<b>682,195</b>	<b>793,026</b>	<b>110,830</b>
<b>Total assets</b>	<b>1,704,670</b>	<b>1,758,937</b>	<b>54,267</b>

## (1) Non-consolidated Balance Sheets

(Yen in millions)

	March 31, 2020	March 31, 2021	Change
<b>Liabilities</b>			
Current liabilities			
Notes payable—trade	10,327	11,338	1,010
Electronically recorded obligations	119,469	103,571	(15,898)
Accounts payable for construction contracts	388,886	338,368	(50,518)
Accounts payable—real estate and other	1,149	803	(345)
Short-term loans payable	39,729	40,394	665
Lease obligations	4	7	3
Accounts payable	18,854	3,573	(15,280)
Accrued expenses	17,880	16,343	(1,537)
Income taxes payable	24,588	11,610	(12,978)
Advances received on uncompleted construction contracts	72,956	104,989	32,033
Deposit received—real estate and other	1,276	3,247	1,970
Deposits received	115,711	119,133	3,422
Provision for warranties for completed construction	3,867	2,593	(1,274)
Provision for loss on construction contracts	11,881	13,220	1,339
Provision for loss on Antimonopoly Act	4,145	—	(4,145)
Deposits received from employees	26,439	27,226	787
Other	1,195	1,074	(120)
<b>Total current liabilities</b>	<b>858,362</b>	<b>797,494</b>	<b>(60,867)</b>
Noncurrent liabilities			
Bonds payable	40,000	40,000	—
Long-term loans payable	69,443	80,039	10,596
Lease obligations	3	17	14
Deferred tax liabilities	12,000	25,624	13,624
Deferred tax liabilities for land revaluation	15,555	15,305	(249)
Provision for retirement benefits	45,293	44,665	(628)
Provision for stock payments for directors	433	401	(32)
Provision for loss on business of subsidiaries and affiliates	2,068	2,157	89
Provision for environmental measures	213	—	(213)
Other	5,140	5,144	3
<b>Total noncurrent liabilities</b>	<b>190,152</b>	<b>213,355</b>	<b>23,203</b>
<b>Total liabilities</b>	<b>1,048,514</b>	<b>1,010,850</b>	<b>(37,663)</b>
Net assets			
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	2,463	2,414	(48)
General reserve	315,000	315,000	—
Retained earnings brought forward	105,861	163,088	57,226
<b>Total retained earnings</b>	<b>437,763</b>	<b>494,941</b>	<b>57,178</b>
Treasury stock	(2,121)	(2,090)	30
<b>Total shareholders' equity</b>	<b>535,088</b>	<b>592,297</b>	<b>57,208</b>
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	104,712	138,326	33,613
Deferred gains (losses) on hedges	(16)	11	27
Revaluation reserve for land	16,370	17,451	1,080
<b>Total valuation and translation adjustments</b>	<b>121,067</b>	<b>155,789</b>	<b>34,722</b>
<b>Total net assets</b>	<b>656,156</b>	<b>748,087</b>	<b>91,931</b>
<b>Total liabilities and net assets</b>	<b>1,704,670</b>	<b>1,758,937</b>	<b>54,267</b>
(Reference)			
Interest-bearing debt balances	149,172	160,433	11,261

## (2) Non-consolidated Statements of Income

(Yen in millions)

	April 1, 2019 - March 31, 2020	April 1, 2020 - March 31, 2021	Change
<b>Net sales</b>			
Net sales of completed construction contracts	1,392,825	<b>1,209,589</b>	(183,235)
Net sales of real estate business and other	23,536	<b>20,828</b>	(2,707)
<b>Total net sales</b>	<b>1,416,361</b>	<b>1,230,418</b>	<b>(185,943)</b>
<b>Cost of sales</b>			
Cost of sales on completed construction contracts	1,213,460	<b>1,048,878</b>	(164,581)
Cost of sales on real estate business and other	18,799	<b>15,727</b>	(3,072)
<b>Total cost of sales</b>	<b>1,232,259</b>	<b>1,064,606</b>	<b>(167,653)</b>
<b>Gross profit</b>			
Gross profit on completed construction contracts	179,365	<b>160,710</b>	(18,654)
Gross profit on real estate business and other	4,736	<b>5,101</b>	365
<b>Total gross profit</b>	<b>184,101</b>	<b>165,812</b>	<b>(18,289)</b>
Selling, general and administrative expenses	71,082	<b>72,371</b>	1,289
<b>Operating income</b>	<b>113,019</b>	<b>93,441</b>	<b>(19,578)</b>
<b>Non-operating income</b>			
Interest and dividend income	11,570	<b>11,305</b>	(265)
Other	695	<b>1,629</b>	933
<b>Total non-operating income</b>	<b>12,266</b>	<b>12,935</b>	<b>668</b>
<b>Non-operating expenses</b>			
Interest expenses	801	<b>891</b>	90
Provision of allowance for doubtful accounts	51	<b>103</b>	52
Bad debts expenses	—	<b>0</b>	0
Foreign exchange losses	1,213	—	(1,213)
Other	1,605	<b>1,485</b>	(119)
<b>Total non-operating expenses</b>	<b>3,672</b>	<b>2,481</b>	<b>(1,190)</b>
<b>Ordinary income</b>	<b>121,614</b>	<b>103,894</b>	<b>(17,719)</b>
<b>Extraordinary income</b>			
Gain on sales of investment securities	5,034	<b>5,181</b>	146
Gain on sales of noncurrent assets	104	<b>1,285</b>	1,180
Reversal of provision for loss on Antimonopoly Act	—	<b>1,026</b>	1,026
Other	515	<b>231</b>	(284)
<b>Total extraordinary income</b>	<b>5,655</b>	<b>7,724</b>	<b>2,069</b>
<b>Extraordinary loss</b>			
Loss on sales of noncurrent assets	24	<b>3,472</b>	3,447
Impairment loss	118	<b>787</b>	668
Loss on business of subsidiaries and affiliates	123	<b>668</b>	544
Other	3,581	<b>315</b>	(3,266)
<b>Total extraordinary losses</b>	<b>3,848</b>	<b>5,244</b>	<b>1,395</b>
<b>Profit before income taxes</b>	<b>123,420</b>	<b>106,375</b>	<b>(17,045)</b>
Income taxes-current	39,961	<b>26,526</b>	(13,435)
Income taxes-deferred	(5,022)	<b>(1,388)</b>	3,633
<b>Total income taxes</b>	<b>34,939</b>	<b>25,138</b>	<b>(9,801)</b>
<b>Profit</b>	<b>88,480</b>	<b>81,237</b>	<b>(7,243)</b>