

# 2nd Quarter Financial Results

(April 1, 2020 to September 30, 2020)

November 9, 2020



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Disclaimer: This "Financial Results" is the English version of the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryo" released on November 9, 2020. 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, 2020

### 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	%
Six Months Ended September 30, 2020	852,681	(11.7)	54,871	(24.6)	57,127	(25.6)	47,155	(17.0)
Six Months Ended September 30, 2019	965,290	3.0	72,764	11.9	76,751	10.0	56,813	16.4

(Note) Comprehensive income : [Six Months Ended September 30, 2020] 46,399 million yen, (10.5)% ; [Six Months Ended September 30, 2019] 51,859 million yen, (10.4)%

	Profit attributable to owners of parent per Share (EPS)
	Yen
Six Months Ended September 30, 2020	65.71
Six Months Ended September 30, 2019	79.17

### 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, 2020	2,157,669		884,040		39.5		1,188.63	
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 September 30, 2020] 853,045 million yen ; [As of March 31, 2020] 817,892 million yen

## (2) Consolidated Forecast for Fiscal Year Ending March 31, 2021

(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	1,860,000	(10.3)	119,000	(22.2)	126,000	(20.8)	94,000	(16.9)		130.98

※ There have been no revisions to the forecasts previously announced on August 3, 2020

## (3) Non-consolidated Financial Results for the Six Months Ended September 30, 2020

### 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	
Six Months Ended September 30, 2020	577,809	(13.7)	41,016	(27.3)	47,421	(23.6)	39,610	(13.6)		55.19
Six Months Ended September 30, 2019	669,414	7.0	56,411	12.7	62,105	4.7	45,831	5.5		63.86

### 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, 2020	1,634,728		685,231		41.9		954.80	
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 September 30, 2020] 685,231 million yen ; [As of March 31, 2020] 656,156 million yen

## (4) Non-consolidated Forecast Fiscal Year Ending March 31, 2021

(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	1,284,000	(9.3)	90,000	(20.4)	101,000	(17.0)	78,000	(11.8)		108.68

※ There have been no revisions to the forecasts previously announced on August 3, 2020

## (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 Mar. 31, 2020	—	16.00	—	16.00	32.00	22,977	20.3	2.9
FY ending Mar. 31, 2021 (including Forecast)	—	16.00	—	16.00	32.00		24.4	

※ There have been no revisions to the forecasts previously announced on August 3, 2020

## 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, 2020), the outlook for the Japanese economy continued to be uncertain and severe due to deteriorating corporate profits, declining private-sector capital investments, and other adverse effects from the global novel coronavirus (COVID-19) pandemic.

Orders in the domestic construction market remained firm for public construction. However, private-sector construction orders declined under the impact of the economic recession. We need to see how the future environment for orders received goes.

Amid these conditions, our consolidated net sales for the first six months of fiscal year ending March 31, 2021 amounted to 852.6 billion yen, a decrease of 112.6 billion yen (11.7%) from the first six months of the previous fiscal year. This was because, in the domestic building construction business, multiple large projects were completed in the previous consolidated fiscal year; many projects had just begun and sales posted for progress on construction did not increase. Operating income was 54.8 billion yen, a decrease of 17.8 billion yen (24.6%) from the same period in the previous fiscal year. Ordinary income was 57.1 billion yen, a decrease of 19.6 billion yen (25.6%) year-on-year, and profit attributable to owners of parent was 47.1 billion yen, a decrease of 9.6 billion yen (17.0%) year-on-year.

The Obayashi Group consolidated performance by business segment for the first six months of fiscal year ending March 31, 2021 was as follows:

#### a. Construction business

Consolidated construction orders received decreased by 254.3 billion yen (28.4%) over the first six months of the previous fiscal year to 641.5 billion yen. This resulted from the concentrated timing of anticipated orders received for large projects in the domestic building construction business in the second half of fiscal year ending March 31, 2021 and cancellations and delays in overseas building construction business due to the spread of COVID-19, despite growth in orders received in our domestic civil engineering business. More specifically, orders received for domestic building construction were 323.1 billion yen; for overseas building construction, 144.0 billion yen; for domestic civil engineering, 161.5 billion yen; and for overseas civil engineering, 12.8 billion yen.

Consolidated net sales for the construction business decreased by 109.1 billion yen (11.9%) from the same period during the previous fiscal year to 808.7 billion yen mainly due to the decline in sales posted on domestic building construction business. More specifically, net sales for domestic building construction were 455.7 billion yen; for overseas building construction, 164.8 billion yen; for domestic civil engineering, 155.8 billion yen; and for overseas civil engineering, 32.3 billion yen.

Operating income decreased by 17.6 billion yen (27.2%) to 47.4 billion yen from the same period during the previous fiscal year.

#### b. Real estate business

In the real estate business, net sales decreased 0.1 billion yen (0.8%) from the same period during the previous fiscal year to 21.9 billion yen. Operating income decreased by 20 million yen (0.4%) year-on-year to 5.8 billion yen.

#### c. Other businesses

Net sales of other businesses decreased by 3.2 billion yen (12.9%) to 21.9 billion yen from the same period during the previous fiscal year. Operating income decreased by 0.1 billion yen (10.5%) year-on-year to 1.6 billion yen.

<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	455,771	164,848	155,816	32,349	808,785	21,992	21,902	852,681
Operating income (loss)	26,266	2,459	19,165	(477)	47,414	5,855	1,601	54,871

(2) Overview of consolidated financial position

Total assets as of September 30, 2020 decreased by 72.6 billion yen (3.3%) compared with the balance at the end of the previous fiscal year (March 31, 2020), to 2,157.6 billion yen. This was mainly due to decreases in “Cash and deposits,” and trade receivables related to construction contracts, which are the sum of “Notes and accounts receivable from completed construction contracts and other” and “Electronically recorded monetary claims,” which exceeded increases in “Land” and “Construction in progress” due to the acquisition of commercial real estate and other factors.

Total liabilities as of September 30, 2020 decreased by 106.1 billion yen (7.7%) compared with the balance at the end of the previous fiscal year, to 1,273.6 billion yen. 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 increases in “Long-term loans payable” and other interest-bearing debt. The balance of interest-bearing debt as of September 30, 2020 increased by 23.8 billion yen (9.6%) compared with the balance at the end of the previous fiscal year (March 31, 2020), to 272.4 billion yen.

Total net assets as of September 30, 2020 increased by 33.5 billion yen (3.9%) compared with the balance at the end of the previous fiscal year, to 884.0 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, 2020 was 39.5%, up 2.8 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, 2021, net cash used by operating activities amounted to 31.2 billion yen, primarily due to expenditures exceeding amounts billed in the domestic construction business (net cash provided by operating activities amounted to 66.0 billion yen in the same period during the previous fiscal year). Net cash used in investment activities amounted to 57.2 billion yen, primarily due to the acquisition of commercial real estate (net cash used in investment activities amounted to 16.6 billion yen in the same period during the previous fiscal year). Net cash provided in financing activities amounted to 10.6 billion, primarily due to an increase in loans (net cash used in financing activities amounted to 34.2 billion yen in the same period during the previous fiscal year).

Consequently, cash and cash equivalents as of September 30, 2020 decreased by 79.7 billion yen to 219.2 billion yen compared with the balance at the end of the previous fiscal year.

(4) Consolidated forecasts for fiscal year ending March 31, 2021

The consolidated forecasts for the full year (ending March 31, 2021) have not been revised from those announced when financial results for the first quarter were announced on August 3, 2020.

(5) Response to novel coronavirus

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, Guideline of Action 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 the previous level, as we take steps to establish working 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.

The Company has also prepared for unforeseen circumstances by securing a higher level of liquidity than normal and establishing a system for agile supply of funds to Group companies in Japan and overseas.

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 meet the construction demand needed to establish public infrastructure and ensure the continuity of private-sector businesses.

### 3 Financial Highlights

#### (1) Financial Results for the Six Months Ended September 30, 2020 (YoY Comparison)

(Yen in 100 millions)

	Consolidated						Non-consolidated					
	Results April 1, 2019 September 30, 2019		Results April 1, 2020 September 30, 2020		Change	% Change	Results April 1, 2019 September 30, 2019		Results April 1, 2020 September 30, 2020		Change	% Change
Net sales of completed construction contracts	%	9,179	%	8,087	(1,091)	(11.9)	%	6,608	%	5,674	(933)	(14.1)
Building Construction		—		—	—	—		5,232		4,379	(852)	(16.3)
Civil Engineering		—		—	—	—		1,375		1,295	(80)	(5.9)
Gross profit on completed construction contracts	12.0	1,098	11.4	925	(172)	(15.7)	13.3	879	12.8	724	(155)	(17.7)
Building Construction		—		—	—	—	12.0	627	10.7	466	(160)	(25.6)
Civil Engineering		—		—	—	—	18.4	252	19.9	257	5	2.1
Net sales of real estate business and other		473		438	(34)	(7.3)		86		103	17	20.1
Gross profit on real estate business and other	24.3	115	25.3	111	(4)	(3.6)	30.1	25	25.2	26	0	0.7
<b>Net sales</b>		<b>9,652</b>		<b>8,526</b>	<b>(1,126)</b>	<b>(11.7)</b>		<b>6,694</b>		<b>5,778</b>	<b>(916)</b>	<b>(13.7)</b>
Gross profit	12.6	1,213	12.2	1,036	(176)	(14.6)	13.5	905	13.0	750	(155)	(17.1)
Selling, general and administrative expenses	5.1	486	5.8	488	2	0.5	5.1	341	5.9	340	(1)	(0.4)
(Personnel expenses)		280		280	(0)			187		183	(4)	
(Others)		205		207	2			153		156	3	
<b>Operating Income</b>	<b>7.5</b>	<b>727</b>	<b>6.4</b>	<b>548</b>	<b>(178)</b>	<b>(24.6)</b>	<b>8.4</b>	<b>564</b>	<b>7.1</b>	<b>410</b>	<b>(153)</b>	<b>(27.3)</b>
Non-operating income		60		44	(16)	(26.6)		72		77	5	6.9
Non-operating expenses		20		22	1	5.4		15		13	(2)	(13.2)
(interests received/paid and dividend income - net)		42		27	(14)			64		71	6	
<b>Ordinary income</b>	<b>8.0</b>	<b>767</b>	<b>6.7</b>	<b>571</b>	<b>(196)</b>	<b>(25.6)</b>	<b>9.3</b>	<b>621</b>	<b>8.2</b>	<b>474</b>	<b>(146)</b>	<b>(23.6)</b>
Extraordinary income		43		35	(7)	(18.2)		20		34	13	64.4
Extraordinary loss		15		3	(11)	(76.3)		14		36	22	152.5
Income before income taxes	8.2	795	7.1	603	(192)	(24.2)	9.4	627	8.2	471	(155)	(24.8)
Total income taxes		209		122	(87)	(41.6)		168		75	(93)	(55.3)
Profit		585		480	(105)	(17.9)		—		—	—	—
Profit attributable to non-controlling interests (deduction)		17		8	(8)	(49.1)		—		—	—	—
<b>Profit attributable to owners of parent (Non-consolidated: Profit)</b>	<b>5.9</b>	<b>568</b>	<b>5.5</b>	<b>471</b>	<b>(96)</b>	<b>(17.0)</b>	<b>6.8</b>	<b>458</b>	<b>6.9</b>	<b>396</b>	<b>(62)</b>	<b>(13.6)</b>

#### Orders Received

(Yen in 100 millions)

	Consolidated					Non-consolidated						
	Results April 1, 2019 September 30, 2019		Results April 1, 2020 September 30, 2020		Change	% Change	Results April 1, 2019 September 30, 2019		Results April 1, 2020 September 30, 2020		Change	% Change
Building Construction	7,616		4,672		(2,944)	(38.7)	5,348		3,035		(2,312)	(43.2)
Domestic	5,511		3,231		(2,280)	(41.4)	5,257		3,018		(2,238)	(42.6)
Overseas	2,105		1,440		(664)	(31.6)	90		16		(74)	(81.5)
Civil Engineering	1,343		1,743		400	29.9	684		1,257		573	83.8
Domestic	807		1,615		807	100.0	418		1,250		831	198.7
Overseas	535		128		(406)	(76.0)	265		7		(258)	(97.2)
Construction Total	8,959		6,415		(2,543)	(28.4)	6,032		4,293		(1,739)	(28.8)
Domestic	6,319		4,846		(1,472)	(23.3)	5,676		4,268		(1,407)	(24.8)
Overseas	2,640		1,569		(1,071)	(40.6)	356		24		(332)	(93.2)
Real Estate Business and Other	362		429		67	18.6	85		103		17	20.7
Total Orders received	9,322		6,845		(2,476)	(26.6)	6,118		4,396		(1,721)	(28.1)

#### Interest-bearing Debt Balances

(Yen in 100 millions)

	Consolidated				Non-consolidated			
	March 31, 2020	September 30, 2020	Change	% Change	March 31, 2020	September 30, 2020	Change	% Change
Interest-bearing debt (except nonrecourse loans)	1,729	2,008	279	16.1	1,491	1,640	148	10.0
Nonrecourse loans	756	715	(40)	(5.3)	—	—	—	—
Total Interest-bearing debt	2,485	2,724	238	9.6	1,491	1,640	148	10.0

(2) Financial Results for the Six Months Ended September 30, 2020 (Progress toward Full-Year Forecasts)

(Yen in 100 millions)

	Consolidated				Non-consolidated					
	Results April 1, 2020 September 30, 2020		Forecasts April 1, 2020 - March 31, 2021		Results April 1, 2020 September 30, 2020		Forecasts April 1, 2020 - March 31, 2021		% Progress	
Net sales of completed construction contracts	%	8,087	%	17,620	45.9	%	5,674	%	12,630	44.9
Building Construction		—		—	—		4,379		9,750	44.9
Civil Engineering		—		—	—		1,295		2,880	45.0
Gross profit on completed construction contracts	11.4	925	11.4	2,005	46.2	12.8	724	12.6	1,590	45.5
Building Construction		—		—	—	10.7	466	11.1	1,080	43.2
Civil Engineering		—		—	—	19.9	257	17.7	510	50.5
Net sales of real estate business and other		438		980	44.8		103		210	49.2
Gross profit on real estate business and other	25.3	111	24.0	235	47.2	25.2	26	23.8	50	52.2
<b>Net sales</b>		<b>8,526</b>		<b>18,600</b>	<b>45.8</b>		<b>5,778</b>		<b>12,840</b>	<b>45.0</b>
Gross profit	12.2	1,036	12.0	2,240	46.3	13.0	750	12.8	1,640	45.7
Selling, general and administrative expenses	5.8	488	5.6	1,050	46.5	5.9	340	5.8	740	46.0
(Personnel expenses)		280		580			183		378	
(Others)		207		470			156		362	
<b>Operating Income</b>	<b>6.4</b>	<b>548</b>	<b>6.4</b>	<b>1,190</b>	<b>46.1</b>	<b>7.1</b>	<b>410</b>	<b>7.0</b>	<b>900</b>	<b>45.6</b>
Non-operating income		44		95	46.9		77		130	59.7
Non-operating expenses		22		25	88.1		13		20	68.0
(interests received/paid and dividend income - net)		27		60			71		115	
<b>Ordinary income</b>	<b>6.7</b>	<b>571</b>	<b>6.8</b>	<b>1,260</b>	<b>45.3</b>	<b>8.2</b>	<b>474</b>	<b>7.9</b>	<b>1,010</b>	<b>47.0</b>
Extraordinary income		35		40	88.5		34		40	85.5
Extraordinary loss		3		10	36.6		36		35	105.3
Income before income taxes	7.1	603	6.9	1,290	46.7	8.2	471	7.9	1,015	46.5
Total income taxes		122		330	37.2		75		235	32.1
Profit		480		960	50.0		—		—	—
Profit attributable to non-controlling interests (deduction)		8		20	44.1		—		—	—
<b>Profit attributable to owners of parent (Non-consolidated: Profit)</b>	<b>5.5</b>	<b>471</b>	<b>5.1</b>	<b>940</b>	<b>50.2</b>	<b>6.9</b>	<b>396</b>	<b>6.1</b>	<b>780</b>	<b>50.8</b>

※ There have been no revision to the forecasts previously announced on August 3, 2020.

Orders Received

(Yen in 100 millions)

	Consolidated				Non-consolidated					
	Results April 1, 2020 September 30, 2020		Forecasts April 1, 2020 - March 31, 2021		Results April 1, 2020 September 30, 2020		Forecasts April 1, 2020 - March 31, 2021		% Progress	
Building Construction		4,672		15,350	30.4		3,035		11,550	26.3
Domestic		3,231		12,150	26.6		3,018		11,500	26.3
Overseas		1,440		3,200	45.0		16		50	33.7
Civil Engineering		1,743		4,600	37.9		1,257		3,300	38.1
Domestic		1,615		3,850	42.0		1,250		2,980	41.9
Overseas		128		750	17.2		7		320	2.3
Construction Total		6,415		19,950	32.2		4,293		14,850	28.9
Domestic		4,846		16,000	30.3		4,268		14,480	29.5
Overseas		1,569		3,950	39.7		24		370	6.6
Real Estate Business and Other		429		850	50.6		103		210	49.2
<b>Total Orders received</b>		<b>6,845</b>		<b>20,800</b>	<b>32.9</b>		<b>4,396</b>		<b>15,060</b>	<b>29.2</b>

※ There have been no revisions to the forecasts previously announced on August 3, 2020.

### (3) Forecasts for Fiscal Year ending March 31, 2021 (YoY Comparison)

(Yen in 100 millions)

	Consolidated						Non-consolidated					
	Results April 1, 2019 - March 31, 2020		Forecasts April 1, 2020 - March 31, 2021		Change	% Change	Results April 1, 2019 - March 31, 2020		Forecasts April 1, 2020 - March 31, 2021		Change	% Change
Net sales of completed construction contracts	%	19,524	%	17,620	(1,904)	(9.8)	%	13,928	%	12,630	(1,298)	(9.3)
Building Construction		—		—	—	—		11,118		9,750	(1,368)	(12.3)
Civil Engineering		—		—	—	—		2,809		2,880	70	2.5
Gross profit on completed construction contracts	11.9	2,316	11.4	2,005	(311)	(13.4)	12.9	1,793	12.6	1,590	(203)	(11.4)
Building Construction		—		—	—	—	11.2	1,240	11.1	1,080	(160)	(13.0)
Civil Engineering		—		—	—	—	19.7	552	17.7	510	(42)	(7.8)
Net sales of real estate business and other		1,206		980	(226)	(18.8)		235		210	(25)	(10.8)
Gross profit on real estate business and other	19.8	238	24.0	235	(3)	(1.7)	20.1	47	23.8	50	2	5.6
<b>Net sales</b>		<b>20,730</b>		<b>18,600</b>	<b>(2,130)</b>	<b>(10.3)</b>		<b>14,163</b>		<b>12,840</b>	<b>(1,323)</b>	<b>(9.3)</b>
Gross profit	12.3	2,555	12.0	2,240	(315)	(12.3)	13.0	1,841	12.8	1,640	(201)	(10.9)
Selling, general and administrative expenses	4.9	1,026	5.6	1,050	23	2.3	5.0	710	5.8	740	29	4.1
(Personnel expenses)		577		580	2			374		378	3	
(Others)		449		470	20			336		362	25	
<b>Operating Income</b>	<b>7.4</b>	<b>1,528</b>	<b>6.4</b>	<b>1,190</b>	<b>(338)</b>	<b>(22.2)</b>	<b>8.0</b>	<b>1,130</b>	<b>7.0</b>	<b>900</b>	<b>(230)</b>	<b>(20.4)</b>
Non-operating income		110		95	(15)	(14.2)		122		130	7	6.0
Non-operating expenses (interests received/paid and dividend income - net)		49		25	(24)	(49.4)		36		20	(16)	(45.5)
		77		60	(17)			107		115	7	
<b>Ordinary income</b>	<b>7.7</b>	<b>1,590</b>	<b>6.8</b>	<b>1,260</b>	<b>(330)</b>	<b>(20.8)</b>	<b>8.6</b>	<b>1,216</b>	<b>7.9</b>	<b>1,010</b>	<b>(206)</b>	<b>(17.0)</b>
Extraordinary income		79		40	(39)	(49.4)		56		40	(16)	(29.3)
Extraordinary loss		44		10	(34)	(77.3)		38		35	(3)	(9.1)
Income before income taxes	7.8	1,625	6.9	1,290	(335)	(20.6)	8.7	1,234	7.9	1,015	(219)	(17.8)
Total income taxes		453		330	(123)	(27.2)		349		235	(114)	(32.7)
Profit		1,171		960	(211)	(18.1)		—		—	—	—
Profit attributable to non-controlling interests (deduction)		40		20	(20)	(50.8)		—		—	—	—
<b>Profit attributable to owners of parent (Non-consolidated: Profit)</b>	<b>5.5</b>	<b>1,130</b>	<b>5.1</b>	<b>940</b>	<b>(190)</b>	<b>(16.9)</b>	<b>6.2</b>	<b>884</b>	<b>6.1</b>	<b>780</b>	<b>(104)</b>	<b>(11.8)</b>

※ There have been no revisions to the forecasts previously announced on August 3, 2020.

### Orders Received

(Yen in 100 millions)

	Consolidated					Non-consolidated						
	Results April 1, 2019 - March 31, 2020		Forecasts April 1, 2020 - March 31, 2021		Change	% Change	Results April 1, 2019 - March 31, 2020		Forecasts April 1, 2020 - March 31, 2021		Change	% Change
Building Construction	16,770		15,350		(1,420)	(8.5)	12,056		11,550		(506)	(4.2)
Domestic	12,509		12,150		(359)	(2.9)	11,934		11,500		(434)	(3.6)
Overseas	4,260		3,200		(1,060)	(24.9)	121		50		(71)	(58.9)
Civil Engineering	4,727		4,600		(127)	(2.7)	3,268		3,300		31	1.0
Domestic	3,278		3,850		571	17.4	2,473		2,980		506	20.5
Overseas	1,449		750		(699)	(48.3)	795		320		(475)	(59.8)
Construction Total	21,497		19,950		(1,547)	(7.2)	15,324		14,850		(474)	(3.1)
Domestic	15,788		16,000		211	1.3	14,407		14,480		72	0.5
Overseas	5,709		3,950		(1,759)	(30.8)	916		370		(546)	(59.6)
Real Estate Business and Other	902		850		(52)	(5.8)	234		210		(24)	(10.6)
<b>Total Orders received</b>	<b>22,400</b>		<b>20,800</b>		<b>(1,600)</b>	<b>(7.1)</b>	<b>15,559</b>		<b>15,060</b>		<b>(499)</b>	<b>(3.2)</b>

※ There have been no revisions to the forecasts previously announced on August 3, 2020.

### Interest-bearing Debt Balances

(Yen in 100 millions)

	Consolidated				Non-consolidated			
	March 31, 2020	Forecasts March 31, 2021	Change	% Change	March 31, 2020	Forecasts March 31, 2021	Change	% Change
Interest-bearing debt (except nonrecourse loans)	1,729	1,800	70	4.1	1,491	1,500	8	0.6
Nonrecourse loans	756	700	(56)	(7.4)	—	—	—	—
<b>Total Interest-bearing debt</b>	<b>2,485</b>	<b>2,500</b>	<b>14</b>	<b>0.6</b>	<b>1,491</b>	<b>1,500</b>	<b>8</b>	<b>0.6</b>

※ There have been no revisions to the forecasts previously announced on August 3, 2020.



## 4 Operating Results and Forecasts for Reportable Segments

### (1) Operating Results for the Six Months Ended September 30, 2020 (YoY Comparison)

#### 【Consolidated】

(Yen in millions)

	Net Sales				Operating Income						
	Result		Change	% Change	Result		Change	% Change	% Profit		
	April 1, 2019 - September 30, 2019	April 1, 2020 - September 30, 2020			April 1, 2019 - September 30, 2019	April 1, 2020 - September 30, 2020			% Profit	% Profit	
<b>Building Construction</b>											
Domestic	538,055	455,771	(82,284)	(15.3)	7.7	41,191	5.8	26,266	(14,925)	(36.2)	
Overseas	185,141	164,848	(20,292)	(11.0)	2.8	5,263	1.5	2,459	(2,803)	(53.3)	
Subtotal	723,196	620,619	(102,576)	(14.2)	6.4	46,454	4.6	28,726	(17,728)	(38.2)	
<b>Civil Engineering</b>											
Domestic	164,532	155,816	(8,715)	(5.3)	10.6	17,502	12.3	19,165	1,662	9.5	
Overseas	30,233	32,349	2,115	7.0	3.8	1,138	(1.5)	(477)	(1,615)	—	
Subtotal	194,766	188,165	(6,600)	(3.4)	9.6	18,641	9.9	18,688	47	0.3	
<b>Construction Total</b>											
Domestic	702,587	611,587	(90,999)	(13.0)	8.4	58,694	7.4	45,432	(13,262)	(22.6)	
Overseas	215,375	197,198	(18,177)	(8.4)	3.0	6,401	1.0	1,982	(4,419)	(69.0)	
Subtotal	917,962	808,785	(109,177)	(11.9)	7.1	65,096	5.9	47,414	(17,681)	(27.2)	
<b>Real Estate Business and Other</b>											
Real Estate Business	22,178	21,992	(185)	(0.8)	26.5	5,878	26.6	5,855	(23)	(0.4)	
Other	25,149	21,902	(3,246)	(12.9)	7.1	1,789	7.3	1,601	(187)	(10.5)	
Subtotal	47,327	43,895	(3,432)	(7.3)	16.2	7,668	17.0	7,457	(210)	(2.7)	
<b>Total</b>	<b>965,290</b>	<b>852,681</b>	<b>(112,609)</b>	<b>(11.7)</b>	<b>7.5</b>	<b>72,764</b>	<b>6.4</b>	<b>54,871</b>	<b>(17,892)</b>	<b>(24.6)</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						
	Result		Change	% Change	Result		Change	% Change	% Gross Profit		
	April 1, 2019 - September 30, 2019	April 1, 2020 - September 30, 2020			April 1, 2019 - September 30, 2019	April 1, 2020 - September 30, 2020			% Gross Profit	% Gross Profit	
<b>Building Construction</b>											
Domestic	517,292	434,806	(82,486)	(15.9)	12.0	62,269	10.7	46,640	(15,629)	(25.1)	
Overseas	5,950	3,156	(2,794)	(47.0)	7.5	446	0.1	3	(442)	(99.1)	
Subtotal	523,243	437,962	(85,281)	(16.3)	12.0	62,715	10.7	46,644	(16,071)	(25.6)	
<b>Civil Engineering</b>											
Domestic	127,860	120,860	(7,000)	(5.5)	18.0	23,061	20.9	25,249	2,187	9.5	
Overseas	9,698	8,645	(1,052)	(10.9)	22.6	2,191	6.1	526	(1,665)	(76.0)	
Subtotal	137,558	129,505	(8,052)	(5.9)	18.4	25,252	19.9	25,775	522	2.1	
<b>Construction Total</b>											
Domestic	645,153	555,666	(89,486)	(13.9)	13.2	85,331	12.9	71,889	(13,442)	(15.8)	
Overseas	15,649	11,801	(3,847)	(24.6)	16.9	2,637	4.5	530	(2,107)	(79.9)	
Subtotal	660,802	567,468	(93,334)	(14.1)	13.3	87,968	12.8	72,419	(15,549)	(17.7)	
<b>Real Estate Business and Other</b>											
Real Estate Business	8,611	10,341	1,729	20.1	30.1	2,589	25.2	2,608	18	0.7	
Subtotal	8,611	10,341	1,729	20.1	13.5	90,558	13.0	75,027	(15,530)	(17.1)	
<b>Total</b>	<b>669,414</b>	<b>577,809</b>	<b>(91,604)</b>	<b>(13.7)</b>							

## (2) Forecasts for Fiscal Year ending March 31, 2021 (YoY Comparison)

### 【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Result April 1, 2019 - March 31, 2020	Forecast April 1, 2020 - March 31, 2021	Change	% Change	Result April 1, 2019 - March 31, 2020		Forecast April 1, 2020 - March 31, 2021		Change	% Change
					% Profit		% Profit			
<b>Building Construction</b>										
Domestic	1,138,934	1,015,000	(123,934)	(10.9)	7.3	82,680	6.4	65,000	(17,680)	(21.4)
Overseas	398,564	313,000	(85,564)	(21.5)	2.7	10,773	0.5	1,500	(9,273)	(86.1)
Subtotal	1,537,499	1,328,000	(209,499)	(13.6)	6.1	93,454	5.0	66,500	(26,954)	(28.8)
<b>Civil Engineering</b>										
Domestic	342,704	351,000	8,295	2.4	11.6	39,602	10.7	37,500	(2,102)	(5.3)
Overseas	72,215	83,000	10,784	14.9	5.8	4,217	—	—	(4,217)	(100.0)
Subtotal	414,919	434,000	19,080	4.6	10.6	43,820	8.6	37,500	(6,320)	(14.4)
<b>Construction Total</b>										
Domestic	1,481,639	1,366,000	(115,639)	(7.8)	8.3	122,283	7.5	102,500	(19,783)	(16.2)
Overseas	470,780	396,000	(74,780)	(15.9)	3.2	14,991	0.4	1,500	(13,491)	(90.0)
Subtotal	1,952,419	1,762,000	(190,419)	(9.8)	7.0	137,274	5.9	104,000	(33,274)	(24.2)
<b>Real Estate Business and Other</b>										
Real Estate Business	55,043	49,000	(6,043)	(11.0)	24.1	13,256	24.5	12,000	(1,256)	(9.5)
Other	65,580	49,000	(16,580)	(25.3)	3.6	2,340	6.1	3,000	659	28.2
Subtotal	120,623	98,000	(22,623)	(18.8)	12.9	15,596	15.3	15,000	(596)	(3.8)
<b>Total</b>	<b>2,073,043</b>	<b>1,860,000</b>	<b>(213,043)</b>	<b>(10.3)</b>	<b>7.4</b>	<b>152,871</b>	<b>6.4</b>	<b>119,000</b>	<b>(33,871)</b>	<b>(22.2)</b>

※ 1 Consolidated net sales and operating income for each segment show the sales and operating income for external customers.

※ 2 There have been no revisions to the forecasts previously announced on August 3, 2020.

### 【Non-consolidated】

(Yen in millions)

	Net Sales				Gross Profit					
	Result April 1, 2019 - March 31, 2020	Forecast April 1, 2020 - March 31, 2021	Change	% Change	Result April 1, 2019 - March 31, 2020		Forecast April 1, 2020 - March 31, 2021		Change	% Change
					% Gross Profit		% Gross Profit			
<b>Building Construction</b>										
Domestic	1,099,515	970,000	(129,515)	(11.8)	11.2	123,254	11.1	108,000	(15,254)	(12.4)
Overseas	12,329	5,000	(7,329)	(59.4)	6.7	821	—	—	(821.0)	(100.0)
Subtotal	1,111,845	975,000	(136,845)	(12.3)	11.2	124,076	11.1	108,000	(16,076)	(13.0)
<b>Civil Engineering</b>										
Domestic	262,169	263,000	830	0.3	19.1	50,050	18.8	49,500	(550)	(1.1)
Overseas	18,810	25,000	6,189	32.9	27.8	5,237	6.0	1,500	(3,737)	(71.4)
Subtotal	280,979	288,000	7,020	2.5	19.7	55,288	17.7	51,000	(4,288)	(7.8)
<b>Construction Total</b>										
Domestic	1,361,685	1,233,000	(128,685)	(9.5)	12.7	173,305	12.8	157,500	(15,805)	(9.1)
Overseas	31,139	30,000	(1,139)	(3.7)	19.5	6,059	5.0	1,500	(4,559)	(75.2)
Subtotal	1,392,825	1,263,000	(129,825)	(9.3)	12.9	179,365	12.6	159,000	(20,365)	(11.4)
<b>Real Estate Business and Other</b>										
Real Estate Business	23,536	21,000	(2,536)	(10.8)	20.1	4,736	23.8	5,000	263	5.6
Subtotal	23,536	21,000	(2,536)	(10.8)	20.1	4,736	23.8	5,000	263	5.6
<b>Total</b>	<b>1,416,361</b>	<b>1,284,000</b>	<b>(132,361)</b>	<b>(9.3)</b>	<b>13.0</b>	<b>184,101</b>	<b>12.8</b>	<b>164,000</b>	<b>(20,101)</b>	<b>(10.9)</b>

※ There have been no revisions to the forecasts previously announced on August 3, 2020.

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

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

(Yen in millions)

	April 1, 2019 - September 30, 2019		April 1, 2020 - September 30, 2020		Change		Previous FY Results April 1, 2019 - March 31, 2020	
		% of Total		% of Total		% Change		% of Total
<b>Building Construction</b>								
Domestic Public	42,086	6.9	9,313	2.1	(32,772)	(77.9)	141,590	9.1
Domestic Private	483,662	79.0	292,579	66.5	(191,082)	(39.5)	1,051,865	67.6
Domestic total	525,749	85.9	301,893	68.6	(223,855)	(42.6)	1,193,456	76.7
Overseas total	9,096	1.5	1,686	0.4	(7,409)	(81.5)	12,151	0.8
Subtotal	534,845	87.4	303,579	69.0	(231,265)	(43.2)	1,205,607	77.5
<b>Civil Engineering</b>								
Domestic Public	21,890	3.6	78,483	17.8	56,592	258.5	110,135	7.1
Domestic Private	19,961	3.3	46,519	10.6	26,557	133.0	137,178	8.8
Domestic total	41,852	6.9	125,003	28.4	83,150	198.7	247,314	15.9
Overseas total	26,572	4.3	741	0.2	(25,830)	(97.2)	79,513	5.1
Subtotal	68,425	11.2	125,745	28.6	57,319	83.8	326,827	21.0
<b>Construction Total</b>								
Domestic Public	63,977	10.5	87,797	19.9	23,820	37.2	251,726	16.2
Domestic Private	503,624	82.3	339,099	77.1	(164,525)	(32.7)	1,189,044	76.4
Domestic total	567,601	92.8	426,896	97.0	(140,705)	(24.8)	1,440,770	92.6
Overseas total	35,668	5.8	2,428	0.6	(33,240)	(93.2)	91,664	5.9
Subtotal	603,270	98.6	429,324	97.6	(173,945)	(28.8)	1,532,434	98.5
Real Estate Business and Other	8,569	1.4	10,341	2.4	1,771	20.7	23,491	1.5
<b>Total</b>	<b>611,840</b>	<b>100</b>	<b>439,666</b>	<b>100</b>	<b>(172,174)</b>	<b>(28.1)</b>	<b>1,555,926</b>	<b>100</b>

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

(Yen in millions)

	April 1, 2019 - September 30, 2019		April 1, 2020 - September 30, 2020		Change		Previous FY Results April 1, 2019 - March 31, 2020	
		% of Total		% of Total		% Change		% of Total
<b>Building Construction</b>								
Domestic Public	42,880	6.4	22,456	3.9	(20,423)	(47.6)	76,180	5.4
Domestic Private	474,411	70.9	412,349	71.4	(62,062)	(13.1)	1,023,334	72.2
Domestic total	517,292	77.3	434,806	75.3	(82,486)	(15.9)	1,099,515	77.6
Overseas total	5,950	0.9	3,156	0.5	(2,794)	(47.0)	12,329	0.9
Subtotal	523,243	78.2	437,962	75.8	(85,281)	(16.3)	1,111,845	78.5
<b>Civil Engineering</b>								
Domestic Public	77,796	11.6	72,850	12.6	(4,945)	(6.4)	160,570	11.3
Domestic Private	50,063	7.5	48,009	8.3	(2,054)	(4.1)	101,599	7.2
Domestic total	127,860	19.1	120,860	20.9	(7,000)	(5.5)	262,169	18.5
Overseas total	9,698	1.4	8,645	1.5	(1,052)	(10.9)	18,810	1.3
Subtotal	137,558	20.5	129,505	22.4	(8,052)	(5.9)	280,979	19.8
<b>Construction Total</b>								
Domestic Public	120,677	18.0	95,307	16.5	(25,369)	(21.0)	236,751	16.7
Domestic Private	524,475	78.4	460,358	79.7	(64,117)	(12.2)	1,124,934	79.4
Domestic total	645,153	96.4	555,666	96.2	(89,486)	(13.9)	1,361,685	96.1
Overseas total	15,649	2.3	11,801	2.0	(3,847)	(24.6)	31,139	2.2
Subtotal	660,802	98.7	567,468	98.2	(93,334)	(14.1)	1,392,825	98.3
Real Estate Business and Other	8,611	1.3	10,341	1.8	1,729	20.1	23,536	1.7
<b>Total</b>	<b>669,414</b>	<b>100</b>	<b>577,809</b>	<b>100</b>	<b>(91,604)</b>	<b>(13.7)</b>	<b>1,416,361</b>	<b>100</b>

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

(Yen in millions)

	September 30, 2019		September 30, 2020		Change		March 31, 2020	
		% of Total		% of Total		% Change		% of Total
<b>Building Construction</b>								
Domestic Public	93,521	5.8	146,582	8.8	53,060	56.7	159,725	8.8
Domestic Private	1,122,710	69.6	1,022,221	61.1	(100,489)	(9.0)	1,141,990	63.1
Domestic total	1,216,232	75.4	1,168,803	69.9	(47,428)	(3.9)	1,301,716	71.9
Overseas total	14,419	0.9	9,625	0.6	(4,793)	(33.2)	11,094	0.6
Subtotal	1,230,651	76.3	1,178,428	70.5	(52,222)	(4.2)	1,312,811	72.5
<b>Civil Engineering</b>								
Domestic Public	218,176	13.5	229,280	13.7	11,104	5.1	223,647	12.4
Domestic Private	117,255	7.3	181,447	10.9	64,191	54.7	182,936	10.1
Domestic total	335,432	20.8	410,727	24.6	75,295	22.4	406,584	22.5
Overseas total	46,434	2.9	82,358	4.9	35,924	77.4	90,263	5.0
Subtotal	381,866	23.7	493,086	29.5	111,220	29.1	496,847	27.5
<b>Construction Total</b>								
Domestic Public	311,697	19.3	375,862	22.5	64,164	20.6	383,373	21.2
Domestic Private	1,239,966	76.9	1,203,668	72.0	(36,298)	(2.9)	1,324,927	73.2
Domestic total	1,551,664	96.2	1,579,531	94.5	27,866	1.8	1,708,300	94.4
Overseas total	60,853	3.8	91,984	5.5	31,130	51.2	101,357	5.6
Subtotal	1,612,517	100.0	1,671,515	100	58,997	3.7	1,809,658	100
Real Estate Business and Other	2	0.0	—	—	(2.0)	(100.0)	—	—
<b>Total</b>	<b>1,612,519</b>	<b>100</b>	<b>1,671,515</b>	<b>100</b>	<b>58,995</b>	<b>3.7</b>	<b>1,809,658</b>	<b>100</b>

## 6 Main Projects

### (1) Orders received

Owner	Project Name
Kubota Corporation	(Tentative name) Japan New Research and Development Center Construction Project
Ministry of the Environment, Fukushima branch Office	litate-mura Naganuma Area, Environmental Restoration Banking Project FY2020, 2021, 2022, 2023
Doho Group of Educational Institutions	(Tentative name) Nagoya Zokei University Relocation Construction Project
Tokyo Metropolitan Government, Bureau of Finance	Sakai River, Kisohigashi Regulating Reservoir Construction Project No.2
JR West Real Estate & Development Company	Shin Osaka Miyahara NK Building Development, Construction Project
AIA	AIA EAST GATEWAY (Thailand) ※

※ Undertaken by Thai Obayashi.

### (2) Completed projects

Owner	Project Name
Mizuho Financial Group, Inc. Japanese Bankers Association Mitsubishi Estate Co., Ltd	(Tentative name) Marunouchi 1-3 Construction Project
Kansai Airports	Osaka International Airport Terminal Building Renovation Project
DAIWA HOUSE INDUSTRY CO., LTD.	iiias okinawa toyosaki Construction Project
Toranomon 1-chome District Urban Redevelopment Association	Toranomon Underground passage Construction Project
Hankyu Corporation	TAKARAZUKA HOTEL Construction Project
KASEMSUBSIRI	THE PARQ PROJECT (Thailand) ※

※ Undertaken by Thai Obayashi.

### (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
Central Nippon Expressway Company Limited	Tokyo Outer Ring Road, Main Line Tunnel (Northbound) Tomei North 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
Plenary Properties Merced	UC MERCED 2020 EXPANSION (U.S.A) ※

※ Undertaken by Webcor. (Subsidiary of Obayashi USA)

## 7 Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Yen in millions)

	March 31, 2020	September 30, 2020	Change
<b>Assets</b>			
Current assets			
Cash and deposits	315,027	<b>241,584</b>	(73,443)
Notes and accounts receivable from completed construction contracts and other	773,694	<b>715,244</b>	(58,450)
Electronically recorded monetary claims	12,680	<b>15,190</b>	2,510
Short-term investment securities	7,103	<b>4,643</b>	(2,460)
Real estate for sale	11,937	<b>13,127</b>	1,190
Costs on uncompleted construction contracts	38,141	<b>52,488</b>	14,347
Costs on real estate business	15,171	<b>14,515</b>	(656)
Inventories for PFI and other projects	53,500	<b>38,947</b>	(14,552)
Other inventories	8,744	<b>8,304</b>	(439)
Accounts receivable	75,125	<b>76,101</b>	975
Other	22,749	<b>36,287</b>	13,537
Allowance for doubtful accounts	(118)	<b>(121)</b>	(2)
Total current assets	1,333,757	<b>1,216,314</b>	(117,442)
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	120,866	<b>118,409</b>	(2,457)
Machinery, vehicles, tools, furniture and fixtures	55,274	<b>52,944</b>	(2,330)
Land	367,701	<b>382,879</b>	15,178
Lease assets	236	<b>219</b>	(16)
Construction in progress	28,112	<b>40,648</b>	12,535
Total property, plant and equipment	572,190	<b>595,101</b>	22,910
Intangible assets	6,367	<b>6,782</b>	414
Investments and other assets			
Investment securities	290,719	<b>292,986</b>	2,267
Long-term loans receivable	2,109	<b>1,993</b>	(116)
Deferred tax assets	1,846	<b>1,879</b>	32
Other	23,496	<b>42,804</b>	19,307
Allowance for doubtful accounts	(191)	<b>(192)</b>	(1)
Total investments and other assets	317,981	<b>339,471</b>	21,490
Total noncurrent assets	896,539	<b>941,354</b>	44,815
<b>Total assets</b>	<b>2,230,297</b>	<b>2,157,669</b>	<b>(72,627)</b>

## (1) Consolidated Balance Sheets

(Yen in millions)

	March 31, 2020	September 30, 2020	Change
<b>Liabilities</b>			
Current liabilities			
Notes and accounts payable for construction contracts and other	536,863	<b>444,494</b>	(92,368)
Electronically recorded obligations	118,976	<b>97,675</b>	(21,300)
Short-term loans payable	54,823	<b>56,928</b>	2,104
Current portion of nonrecourse loans	7,631	<b>7,585</b>	(45)
Lease obligations	839	<b>557</b>	(281)
Income taxes payable	27,209	<b>10,436</b>	(16,773)
Advances received on uncompleted construction contracts	109,216	<b>135,801</b>	26,584
Deposits received	121,611	<b>106,597</b>	(15,013)
Provision for warranties for completed construction	4,313	<b>4,053</b>	(260)
Provision for loss on construction contracts	12,694	<b>11,796</b>	(898)
Provision for loss on Antimonopoly Act	4,145	<b>4,145</b>	—
Other	91,845	<b>79,054</b>	(12,791)
Total current liabilities	1,090,170	<b>959,126</b>	(131,044)
Noncurrent liabilities			
Bonds payable	40,000	<b>40,000</b>	—
Long-term loans payable	78,104	<b>103,900</b>	25,795
Nonrecourse loans	67,993	<b>64,000</b>	(3,992)
Lease obligations	442	<b>319</b>	(122)
Deferred tax liabilities	5,336	<b>8,506</b>	3,169
Deferred tax liabilities for land revaluation	18,893	<b>18,893</b>	—
Provision for stock payments for directors	433	<b>408</b>	(25)
Provision for environmental measures	239	<b>26</b>	(213)
Liability for retirement benefits	52,598	<b>53,158</b>	560
Other	25,584	<b>25,288</b>	(296)
Total noncurrent liabilities	289,627	<b>314,502</b>	24,875
Total liabilities	1,379,798	<b>1,273,629</b>	(106,168)
<b>Net assets</b>			
Shareholders' equity			
Capital stock	57,752	<b>57,752</b>	—
Capital surplus	42,825	<b>42,827</b>	1
Retained earnings	587,012	<b>621,030</b>	34,017
Treasury stock	(2,121)	<b>(2,095)</b>	25
Total shareholders' equity	685,469	<b>719,514</b>	34,044
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	104,775	<b>105,727</b>	951
Deferred gains (losses) on hedges	6,837	<b>7,025</b>	187
Revaluation reserve for land	19,076	<b>20,725</b>	1,649
Foreign currency translation adjustments	1,306	<b>(220)</b>	(1,527)
Retirement benefit asset and liability adjustments	426	<b>272</b>	(153)
Total accumulated other comprehensive income	132,422	<b>133,530</b>	1,107
Non-controlling interests	32,606	<b>30,994</b>	(1,611)
Total net assets	850,498	<b>884,040</b>	33,541
Total liabilities and net assets	2,230,297	<b>2,157,669</b>	(72,627)
<b>(Reference)</b>			
Interest-bearing debt balances	248,552	<b>272,415</b>	23,863

## (2) Consolidated Statements of Income

(Yen in millions)

	April 1, 2019 - September 30, 2019	April 1, 2020 - September 30, 2020	Change
<b>Net sales</b>			
Net sales of completed construction contracts	917,962	<b>808,785</b>	(109,177)
Net sales of real estate business and other	47,327	<b>43,895</b>	(3,432)
<b>Total net sales</b>	<b>965,290</b>	<b>852,681</b>	(112,609)
<b>Cost of sales</b>			
Cost of sales on completed construction contracts	808,109	<b>716,192</b>	(91,916)
Cost of sales on real estate business and other	35,816	<b>32,793</b>	(3,023)
<b>Total cost of sales</b>	<b>843,926</b>	<b>748,985</b>	(94,940)
<b>Gross profit</b>			
Gross profit on completed construction contracts	109,853	<b>92,593</b>	(17,260)
Gross profit on real estate business and other	11,510	<b>11,102</b>	(408)
<b>Total gross profit</b>	<b>121,364</b>	<b>103,695</b>	(17,669)
Selling, general and administrative expenses	48,600	<b>48,823</b>	222
<b>Operating income</b>	<b>72,764</b>	<b>54,871</b>	(17,892)
<b>Non-operating income</b>			
Interest income	630	<b>471</b>	(158)
Dividends income	4,510	<b>3,437</b>	(1,073)
Other	936	<b>548</b>	(387)
<b>Total non-operating income</b>	<b>6,077</b>	<b>4,458</b>	(1,619)
<b>Non-operating expenses</b>			
Interest expenses	914	<b>1,136</b>	222
Other	1,176	<b>1,066</b>	(110)
<b>Total non-operating expenses</b>	<b>2,090</b>	<b>2,203</b>	112
<b>Ordinary income</b>	<b>76,751</b>	<b>57,127</b>	(19,623)
<b>Extraordinary income</b>			
Gain on sales of investing securities	1,924	<b>1,992</b>	67
Gain on sales of noncurrent assets	131	<b>1,324</b>	1,192
Reversal of provision for loss on Antimonopoly Act	2,096	—	(2,096)
Other	177	<b>223</b>	45
<b>Total extraordinary income</b>	<b>4,329</b>	<b>3,539</b>	(790)
Extraordinary loss	1,544	<b>366</b>	(1,177)
<b>Profit before income taxes</b>	<b>79,536</b>	<b>60,300</b>	(19,236)
Income taxes-current	22,519	<b>9,524</b>	(12,995)
Income taxes-deferred	(1,528)	<b>2,738</b>	4,266
<b>Total income taxes</b>	<b>20,991</b>	<b>12,263</b>	(8,728)
<b>Profit</b>	<b>58,545</b>	<b>48,037</b>	(10,507)
Profit attributable to non-controlling interests	1,732	<b>881</b>	(850)
<b>Profit attributable to owners of parent</b>	<b>56,813</b>	<b>47,155</b>	(9,657)



### (3) Consolidated Statements of Comprehensive Income

(Yen in millions)

	April 1, 2019 - September 30, 2019	April 1, 2020 - September 30, 2020
Profit	58,545	<b>48,037</b>
Other comprehensive income		
Valuation difference on available-for-sale securities	(8,564)	<b>958</b>
Deferred gains (losses) on hedges	1,731	<b>66</b>
Foreign currency translation adjustment	490	<b>(2,624)</b>
Retirement benefit adjustment	(331)	<b>(153)</b>
Share of other comprehensive income of associates accounted for using equity method	(12)	<b>115</b>
Total other comprehensive income	(6,685)	<b>(1,637)</b>
Comprehensive income	51,859	<b>46,399</b>
Comprehensive income attributable to owners of parent	49,666	<b>46,614</b>
Comprehensive income attributable to non-controlling interests	2,192	<b>(214)</b>

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

(Yen in millions)

	April 1, 2019 - September 30, 2019	April 1, 2020 - September 30, 2020	Change
<b>Net cash provided by (used in) operating activities</b>			
Income before income taxes	79,536	<b>60,300</b>	(19,236)
Depreciation and amortization	9,259	<b>9,572</b>	313
Increase (decrease) in allowance for doubtful accounts	(23)	<b>4</b>	28
Increase (decrease) in provision for loss on construction contracts	(413)	<b>(875)</b>	(462)
Increase (decrease) in provision for loss on Antimonopoly Act	(2,096)	—	2,096
Increase (decrease) in liability for retirement benefits	98	<b>378</b>	280
Loss (gain) on valuation of short-term and long-term investment securities	874	—	(874)
Interest and dividends income	(5,141)	<b>(3,909)</b>	1,231
Interest expenses	914	<b>1,136</b>	222
Loss (gain) on sales of noncurrent assets	(112)	<b>(1,312)</b>	(1,200)
Loss (gain) on sales of short-term and long-term investment securities	(1,484)	<b>(1,977)</b>	(492)
Decrease (increase) in notes and accounts receivable—trade	57,524	<b>53,523</b>	(4,000)
Decrease (increase) in costs on uncompleted construction contracts	(15,308)	<b>(14,421)</b>	886
Decrease (increase) in inventories	393	<b>1,207</b>	814
Decrease (increase) in inventories for PFI and other projects	(1,421)	<b>14,552</b>	15,973
Decrease (increase) in other assets	(9,061)	<b>(15,845)</b>	(6,784)
Increase (decrease) in notes and accounts payable—trade	(37,240)	<b>(111,234)</b>	(73,993)
Increase (decrease) in advances received on uncompleted construction contracts	(2,124)	<b>27,397</b>	29,521
Increase (decrease) in other liabilities	11,301	<b>(27,661)</b>	(38,963)
Other, net	(26)	<b>267</b>	294
<b>Subtotal</b>	<b>85,446</b>	<b>(8,898)</b>	<b>(94,345)</b>
Interest and dividends income received	5,270	<b>4,617</b>	(653)
Interest expenses	(878)	<b>(1,117)</b>	(238)
Income taxes (paid) refund	(23,787)	<b>(25,895)</b>	(2,108)
<b>Net cash provided by (used in) operating activities</b>	<b>66,051</b>	<b>(31,293)</b>	<b>(97,345)</b>
<b>Net cash provided by (used in) investing activities</b>			
Payments into time deposits	(15,435)	<b>(23,077)</b>	(7,641)
Proceeds from withdrawal of time deposits	12,235	<b>16,176</b>	3,940
Purchase of property, plant and equipment and intangible assets	(15,981)	<b>(29,294)</b>	(13,313)
Proceeds from sales of property, plant and equipment and intangible assets	225	<b>557</b>	331
Purchase of short-term and long-term investment securities	(1,687)	<b>(3,443)</b>	(1,756)
Proceeds from sales and redemption of short-term and long-term investment securities	4,045	<b>6,502</b>	2,457
Payments of loans receivable	(189)	<b>(47)</b>	141
Collection of loans receivable	178	<b>87</b>	(90)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	<b>(6,671)</b>	(6,671)
Other, net	—	<b>(18,028)</b>	(18,028)
<b>Net cash provided by (used in) investing activities</b>	<b>(16,609)</b>	<b>(57,240)</b>	<b>(40,630)</b>
<b>Net cash provided by (used in) financing activities</b>			
Net increase (decrease) in short-term loans payable	(9,222)	<b>1,616</b>	10,838
Repayments of lease obligations	(58)	<b>(445)</b>	(387)
Proceeds from long-term loans payable	1,010	<b>32,716</b>	31,705
Repayment of long-term loans payable	(9,054)	<b>(6,290)</b>	2,763
Proceeds from nonrecourse loans payable	3,287	<b>90</b>	(3,197)
Payment of nonrecourse loans payable	(6,731)	<b>(4,127)</b>	2,603
Proceeds from issuance of bonds	10,000	—	(10,000)
Redemption of bonds	(10,000)	—	10,000
Cash dividends paid	(12,925)	<b>(11,488)</b>	1,436
Cash dividends paid to non-controlling interests	(233)	<b>(1,197)</b>	(964)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(364)	<b>(195)</b>	168
Other, net	(1)	<b>(1)</b>	(0)
<b>Net cash provided by (used in) financing activities</b>	<b>(34,293)</b>	<b>10,674</b>	<b>44,967</b>
Effect of exchange rate change on cash and cash equivalents	(755)	<b>(1,875)</b>	(1,120)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>14,393</b>	<b>(79,735)</b>	<b>(94,128)</b>
Cash and cash equivalents at beginning of period	157,699	<b>298,945</b>	141,245
<b>Cash and cash equivalents at end of period</b>	<b>172,093</b>	<b>219,209</b>	<b>47,116</b>

## 8 Non-consolidated Financial Statements

### (1) Non-consolidated Balance Sheets

(Yen in millions)

	March 31, 2020	September 30, 2020	Change
<b>Assets</b>			
Current assets			
Cash and deposits	183,648	<b>105,256</b>	(78,392)
Notes receivable—trade	1,609	<b>3,342</b>	1,733
Electronically recorded monetary claims	10,324	<b>13,500</b>	3,176
Accounts receivable from completed construction contracts	604,250	<b>554,495</b>	(49,755)
Accounts receivable—real estate business and other	8,349	<b>2,619</b>	(5,729)
Short-term investment securities	154	<b>136</b>	(18)
Real estate for sale	3,512	<b>3,919</b>	406
Costs on uncompleted construction contracts	33,765	<b>46,415</b>	12,649
Costs on real estate business and other	4,144	<b>3,789</b>	(355)
Short-term loans receivable	79,583	<b>55,147</b>	(24,435)
Accounts receivable—other	71,619	<b>69,457</b>	(2,162)
Other	21,587	<b>34,509</b>	12,922
Allowance for doubtful accounts	(76)	<b>(69)</b>	7
Total current assets	1,022,474	<b>892,519</b>	(129,954)
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	61,546	<b>49,504</b>	(12,042)
Machinery, equipment and vehicles	10,131	<b>9,136</b>	(994)
Tools, furniture and fixtures	2,688	<b>3,115</b>	426
Land	198,186	<b>172,056</b>	(26,129)
Leased assets	7	<b>3</b>	(3)
Construction in progress	8,960	<b>15,567</b>	6,607
Total property, plant and equipment	281,520	<b>249,384</b>	(32,136)
Intangible assets	3,551	<b>3,579</b>	28
Investments and other assets			
Investment securities	278,000	<b>280,582</b>	2,582
Shares and investments in capital of subsidiaries and affiliates	60,544	<b>122,304</b>	61,760
Long-term loans receivable	48,628	<b>75,741</b>	27,112
Claims provable in bankruptcy, claims provable in rehabilitation and other	1,865	<b>2,001</b>	136
Other	9,031	<b>9,633</b>	602
Allowance for doubtful accounts	(945)	<b>(1,019)</b>	(73)
Total investments and other assets	397,124	<b>489,244</b>	92,120
Total noncurrent assets	682,195	<b>742,208</b>	60,013
Total assets	1,704,670	<b>1,634,728</b>	(69,941)

## (1) Non-consolidated Balance Sheets

(Yen in millions)

	March 31, 2020	September 30, 2020	Change
<b>Liabilities</b>			
Current liabilities			
Notes payable—trade	10,327	<b>10,240</b>	(86)
Electronically recorded obligations	119,469	<b>96,792</b>	(22,677)
Accounts payable for construction contracts	388,886	<b>310,808</b>	(78,077)
Accounts payable—real estate and other	1,149	<b>698</b>	(450)
Short-term loans payable	39,729	<b>40,884</b>	1,155
Lease obligations	4	<b>2</b>	(2)
Accounts payable	18,854	<b>2,602</b>	(16,251)
Accrued expenses	17,880	<b>17,365</b>	(515)
Income taxes payable	24,588	<b>8,375</b>	(16,213)
Advances received on uncompleted construction contracts	72,956	<b>105,998</b>	33,042
Deposit received—real estate and other	1,276	<b>3,635</b>	2,358
Deposits received	115,711	<b>98,830</b>	(16,880)
Provision for warranties for completed construction	3,867	<b>3,577</b>	(290)
Provision for loss on construction contracts	11,881	<b>11,308</b>	(573)
Provision for loss on Antimonopoly Act	4,145	<b>4,145</b>	—
Deposits received from employees	26,439	<b>26,998</b>	559
Other	1,195	<b>1,136</b>	(58)
<b>Total current liabilities</b>	<b>858,362</b>	<b>743,400</b>	<b>(114,961)</b>
Noncurrent liabilities			
Bonds payable	40,000	<b>40,000</b>	—
Long-term loans payable	69,443	<b>83,146</b>	13,703
Lease obligations	3	<b>1</b>	(1)
Deferred tax liabilities	12,000	<b>14,035</b>	2,035
Deferred tax liabilities for land revaluation	15,555	<b>15,555</b>	—
Provision for retirement benefits	45,293	<b>45,543</b>	249
Provision for stock payments for directors	433	<b>408</b>	(25)
Provision for loss on business of subsidiaries and affiliates	2,068	<b>2,419</b>	351
Provision for environmental measures	213	<b>—</b>	(213)
Other	5,140	<b>4,986</b>	(154)
<b>Total noncurrent liabilities</b>	<b>190,152</b>	<b>206,096</b>	<b>15,944</b>
<b>Total liabilities</b>	<b>1,048,514</b>	<b>949,496</b>	<b>(99,017)</b>
<b>Net assets</b>			
Shareholders' equity			
Capital stock	57,752	<b>57,752</b>	—
Capital surplus			
Legal capital surplus	41,694	<b>41,694</b>	—
Total capital surpluses	41,694	<b>41,694</b>	—
Retained earnings			
Legal retained earnings	14,438	<b>14,438</b>	—
Other retained earnings			
Reserve for advanced depreciation of noncurrent assets	2,463	<b>2,439</b>	(24)
General reserve	315,000	<b>315,000</b>	—
Retained earnings brought forward	105,861	<b>132,357</b>	26,496
Total retained earnings	437,763	<b>464,235</b>	26,471
Treasury stock	(2,121)	<b>(2,095)</b>	25
<b>Total shareholders' equity</b>	<b>535,088</b>	<b>561,586</b>	<b>26,497</b>
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	104,712	<b>105,622</b>	909
Deferred gains (losses) on hedges	(16)	<b>2</b>	18
Revaluation reserve for land	16,370	<b>18,020</b>	1,649
<b>Total valuation and translation adjustments</b>	<b>121,067</b>	<b>123,645</b>	<b>2,578</b>
<b>Total net assets</b>	<b>656,156</b>	<b>685,231</b>	<b>29,075</b>
<b>Total liabilities and net assets</b>	<b>1,704,670</b>	<b>1,634,728</b>	<b>(69,941)</b>
<b>(Reference)</b>			
Interest-bearing debt balances	149,172	164,030	14,858

## (2) Non-consolidated Statements of Income

(Yen in millions)

	April 1, 2019 - September 30, 2019	April 1, 2020 - September 30, 2020	Change
<b>Net sales</b>			
Net sales of completed construction contracts	660,802	<b>567,468</b>	(93,334)
Net sales of real estate business and other	8,611	<b>10,341</b>	1,729
<b>Total net sales</b>	<b>669,414</b>	<b>577,809</b>	(91,604)
<b>Cost of sales</b>			
Cost of sales on completed construction contracts	572,833	<b>495,049</b>	(77,784)
Cost of sales on real estate business and other	6,022	<b>7,732</b>	1,710
<b>Total cost of sales</b>	<b>578,855</b>	<b>502,781</b>	(76,074)
<b>Gross profit</b>			
Gross profit on completed construction contracts	87,968	<b>72,419</b>	(15,549)
Gross profit on real estate business and other	2,589	<b>2,608</b>	18
<b>Total gross profit</b>	<b>90,558</b>	<b>75,027</b>	(15,530)
Selling, general and administrative expenses	34,147	<b>34,011</b>	(136)
<b>Operating income</b>	<b>56,411</b>	<b>41,016</b>	(15,394)
<b>Non-operating income</b>			
Interest and dividend income	6,891	<b>7,602</b>	710
Other	370	<b>162</b>	(207)
<b>Total non-operating income</b>	<b>7,262</b>	<b>7,765</b>	503
<b>Non-operating expenses</b>	<b>1,568</b>	<b>1,360</b>	(207)
<b>Ordinary income</b>	<b>62,105</b>	<b>47,421</b>	(14,683)
<b>Extraordinary income</b>			
Gain on sales of investment securities	1,801	<b>1,920</b>	119
Gain on sales of noncurrent assets	103	<b>1,284</b>	1,181
Other	176	<b>215</b>	38
<b>Total extraordinary income</b>	<b>2,080</b>	<b>3,420</b>	1,339
<b>Extraordinary loss</b>			
Loss on sales of noncurrent assets	7	<b>3,254</b>	3,247
Loss on valuation of investment securities	874	—	(874)
Other	577	<b>430</b>	(147)
<b>Total extraordinary losses</b>	<b>1,459</b>	<b>3,685</b>	2,225
<b>Profit before income taxes</b>	<b>62,726</b>	<b>47,156</b>	(15,570)
Income taxes-current	18,309	<b>5,918</b>	(12,391)
Income taxes-deferred	(1,414)	<b>1,627</b>	3,042
<b>Total income taxes</b>	<b>16,894</b>	<b>7,545</b>	(9,348)
<b>Profit</b>	<b>45,831</b>	<b>39,610</b>	(6,221)