

Disclaimer: All financial information has been prepared in accordance with generally accepted accounting principles in Japan. This document is a partial English translation of the Japanese Financial Statements which are filed with Stock Exchanges in Japan on May 14, 2020. The Company provides this translation for your reference and convenience only without any warranty as to its accuracy. In case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

May 14, 2020

Consolidated and Nonconsolidated Financial Statements

<under Japanese GAAP>

For the fiscal year ended March 31, 2020 ("FY2019")

Company name : Kajima Corporation

Securities code : 1812

Representative : Yoshikazu Oshimi, President and Representative Director

Inquiries : Hiroshi Unno, General Manager of Accounting Department, Treasury Division

Date of ordinary stockholders' meeting (as planned) : June 25, 2020

Annual securities report filing date (as planned) : June 26, 2020

Supplemental material on financial results : Available

Stock exchange listings : Tokyo 1st section, Nagoya 1st section

URL : <https://www.kajima.co.jp/>

Tel. +81-(0)3-5544-1111

Dividend payable date (as planned) : June 26, 2020

*Amounts less than one million yen have been rounded down.

1. Consolidated Financial Highlights

(1) Financial Results

% : Representing year-on-year change

	Revenues		Operating income		Ordinary income		Net income attributable to owners of the parent	
	JPY mil	%	JPY mil	%	JPY mil	%	JPY mil	%
FY2019	2,010,751	1.8	131,987	(7.5)	146,645	(10.0)	103,242	(6.0)
FY2018	1,974,269	7.8	142,622	(9.9)	162,901	(9.4)	109,839	(13.4)

(Note) Comprehensive income (loss) FY2019 76,187 JPY mil (32.4%) FY2018 112,739 JPY mil (20.1%)

	Basic net income per share	Diluted net income per share	Ratio of net income to owners' equity (ROE)	Ordinary income to total assets ratio	Operating income margin
	JPY	JPY	%	%	%
FY2019	200.99	—	13.4	6.9	6.6
FY2018	211.67	—	15.5	7.9	7.2

(Reference) Equity in earnings of unconsolidated subsidiaries and affiliates FY2019 1,490 JPY mil FY2018 3,179 JPY mil

(Note) The Company consolidated its shares at a rate of one share for every two shares, effective October 1, 2018. Accordingly, the basic net income per share is calculated as if the consolidation of shares had been conducted at the beginning of FY2018.

(2) Financial Positions

	Total assets	Total equity	Owners' equity ratio	Owners' equity per share
	JPY mil	JPY mil	%	JPY
As of March 31, 2020	2,172,108	796,020	36.5	1,544.71
As of March 31, 2019	2,091,175	756,924	36.0	1,451.66

(Reference) Owners' equity (Total equity less noncontrolling interests)

As of March 31, 2020 791,786 JPY mil As of March 31, 2019 753,278 JPY mil

(3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	JPY mil	JPY mil	JPY mil	JPY mil
FY2019	53,061	(101,813)	(10,866)	255,646
FY2018	30,390	(25,346)	(75,007)	315,451

2. Dividends

	Dividends per share					Total dividends paid	Payout ratio	Ratio of total amount of dividends to owners' equity
	End of Q1	End of Q2	End of Q3	Year-end	Total			
	JPY	JPY	JPY	JPY	JPY			
FY2018	—	12.00	—	26.00	—	25,992	23.6	3.7
FY2019	—	25.00	—	25.00	50.00	25,676	24.9	3.3
FY2020 (Forecast)	—	25.00	—	25.00	50.00		32.0	

(Note) The figure of End of Q2 dividend per share for FY2018 above indicates the amount before the consolidation of shares, and the total dividends per share for FY2018 is not presented (indicated by "—"). Taking into account the consolidation, the figure of End of Q2 dividend per share and total dividends per share for FY2018 are JPY 24.00 and JPY 50.00, respectively.

3. Forecast of Consolidated Financial Results for the fiscal year ending March 31, 2021

% : Representing year-on-year change

	Revenues		Operating income		Ordinary income		Net income attributable to owners of the parent		Basic net income per share
	JPY mil	%	JPY mil	%	JPY mil	%	JPY mil	%	JPY
Full-year	1,870,000	(7.0)	111,000	(15.9)	118,000	(19.5)	80,000	(22.5)	156.07

*** Notes**

(1) Significant changes in the scope of consolidated subsidiaries : Applicable
Deconsolidated : 1 company (Kajima Europe B.V.)

(2) Changes in accounting policies and accounting estimates, retrospective restatements
a. Changes in accounting policies based on revisions of accounting standards : None
b. Changes in accounting policies other than "a" above : None
c. Changes in accounting estimates : None
d. Retrospective restatements : None

(3) Number of issued and outstanding shares (common stock)

a. Number of issued and outstanding shares (including treasury stock)

As of March 31, 2020	528,656,011	As of March 31, 2019	528,656,011
----------------------	-------------	----------------------	-------------

b. Number of treasury stock

As of March 31, 2020	16,077,858	As of March 31, 2019	9,748,800
----------------------	------------	----------------------	-----------

c. Average number of shares

FY2019	513,668,363	FY2018	518,924,844
--------	-------------	--------	-------------

(Note) Average number of shares is calculated as if the consolidation of shares had been conducted at the beginning of FY2018.

(Reference) Summary of Nonconsolidated Financial Statements

1. Nonconsolidated Financial Highlights

(1) Financial Results

% : Representing year-on-year change

	Revenues		Operating income		Ordinary income		Net income	
	JPY mil	%	JPY mil	%	JPY mil	%	JPY mil	%
FY2019	1,305,057	1.9	111,044	(7.7)	120,593	(9.0)	80,136	(17.5)
FY2018	1,280,366	9.9	120,291	(11.0)	132,504	(9.4)	97,078	(3.2)

	Basic net income per share	Diluted net income per share
	JPY	JPY
FY2019	155.72	—
FY2018	186.74	—

(Note) The Company consolidated its shares at a rate of one share for every two shares, effective October 1, 2018. Accordingly, the basic net income per share is calculated as if the consolidation of shares had been conducted at the beginning of FY2018.

(2) Financial Positions

	Total assets	Total equity	Owners' equity ratio	Owners' equity per share
	JPY mil	JPY mil	%	JPY
As of March 31, 2020	1,593,643	563,176	35.3	1,096.69
As of March 31, 2019	1,546,981	545,421	35.3	1,049.18

(Reference) Owners' equity As of March 31, 2020 563,176 JPY mil As of March 31, 2019 545,421 JPY mil

2. Forecast of Nonconsolidated Financial Results for the fiscal year ending March 31, 2021

% : Representing year-on-year change

	Revenues		Operating income		Ordinary income		Net income		Basic net income per share
	JPY mil	%	JPY mil	%	JPY mil	%	JPY mil	%	JPY
Full-year	1,170,000	(10.3)	97,000	(12.6)	105,000	(12.9)	74,000	(7.7)	144.10

*** These financial statements are outside the scope of audit procedures by certified public accountant or audit corporation.**

*** Explanation regarding appropriate use of forecasts, and other notes**

The forecasts contained herein are based on information available as of the date of this announcement, and the actual results may differ materially from forecasts due to various factors.

Consolidated Financial Statements

(1) Consolidated Balance Sheet

(JPY mil)

	As of March 31, 2019	As of March 31, 2020
Assets		
Current assets		
Cash and deposits	322,658	262,963
Notes and accounts receivable - trade	701,965	734,159
Marketable securities	422	110
Operational investments in securities	12,383	12,355
Inventories - real estate for sale	68,136	62,817
Inventories - construction projects in progress	52,050	63,540
Inventories - development projects in progress	46,940	74,692
Inventories - other	21,523	18,180
Other	97,158	121,300
Allowance for doubtful accounts	(841)	(855)
Total current assets	1,322,397	1,349,264
Noncurrent assets		
Property and equipment		
Buildings and structures - net	122,349	117,412
Machinery, vehicles, tools, furniture and fixtures - net	16,943	17,526
Land	178,077	223,651
Construction in progress	11,753	26,165
Other - net	2,575	6,292
Total property and equipment	331,699	391,049
Intangible assets	11,661	11,548
Investments and other assets		
Investments in securities	326,255	309,623
Long-term loans receivable	48,938	50,012
Asset for retirement benefits	667	642
Deferred tax assets	4,022	18,635
Other	49,239	44,836
Allowance for doubtful accounts	(3,705)	(3,503)
Total investments and other assets	425,416	420,246
Total noncurrent assets	768,778	822,843
Total assets	2,091,175	2,172,108

(JPY mil)

	As of March 31, 2019	As of March 31, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	530,420	520,653
Short-term loans payable	104,913	151,459
Commercial paper	35,000	45,000
Income taxes payable	17,665	30,597
Advances received on construction projects in progress	146,075	162,087
Advances received on development projects in progress, real estate for sale and other	13,833	13,553
Provision for warranties for completed construction projects	12,680	12,824
Provision for loss on construction projects in progress	12,852	12,515
Provision for directors' bonuses	111	153
Provision for loss on Anti-Monopoly Act	8,702	—
Other	180,068	176,565
Total current liabilities	1,062,323	1,125,410
Long-term liabilities		
Bonds payable	40,000	50,000
Long-term loans payable	118,789	80,425
Deferred tax liabilities	1,963	605
Deferred tax liabilities on revaluation surplus of land	20,694	19,859
Liability for retirement benefits	60,191	62,100
Equity loss in excess of investments in and loans to unconsolidated subsidiaries and affiliates	1,205	1,205
Other	29,085	36,482
Total long-term liabilities	271,928	250,678
Total liabilities	1,334,251	1,376,088
Equity		
Shareholders' equity		
Common stock	81,447	81,447
Capital surplus	43,267	43,367
Retained earnings	507,094	583,303
Treasury stock	(6,641)	(16,420)
Total shareholders' equity	625,167	691,697
Accumulated other comprehensive income (loss)		
Unrealized gain (loss) on available-for-sale securities	111,417	84,212
Deferred gain (loss) on derivatives under hedge accounting	(371)	(239)
Revaluation surplus of land	18,618	19,435
Foreign currency translation adjustments	249	(1,400)
Defined retirement benefit plans	(1,802)	(1,918)
Total accumulated other comprehensive income (loss)	128,110	100,089
Noncontrolling interests	3,646	4,233
Total equity	756,924	796,020
Total liabilities and equity	2,091,175	2,172,108

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
Consolidated Statement of Income

(JPY mil)

	FY2018 (Apr 1, 2018 - Mar 31, 2019)	FY2019 (Apr 1, 2019 - Mar 31, 2020)
Revenues		
Construction projects	1,776,346	1,791,118
Real estate and other	197,923	219,633
Total revenues	1,974,269	2,010,751
Cost of revenues		
Construction projects	1,559,913	1,584,538
Real estate and other	163,184	178,091
Total cost of revenues	1,723,098	1,762,630
Gross profit		
Construction projects	216,432	206,579
Real estate and other	34,738	41,541
Total gross profit	251,171	248,121
Selling, general and administrative expenses	108,548	116,134
Operating income	142,622	131,987
Nonoperating income		
Interest income	3,627	4,312
Dividends income	6,328	7,122
Equity in earnings of partnership	6,920	5,038
Other	9,675	5,296
Total nonoperating income	26,552	21,769
Nonoperating expenses		
Interest expense	3,432	3,502
Loss on investments in silent partnership	767	911
Other	2,073	2,696
Total nonoperating expenses	6,273	7,110
Ordinary income	162,901	146,645
Extraordinary income		
Gain on sales of noncurrent assets	4,437	640
Gain on sales of investment securities	191	855
Valuation gain on investment securities	—	321
Reversal of provision for loss on Anti-Monopoly Act	—	2,900
Reversal of foreign currency translation adjustments	—	1,135
Total extraordinary income	4,628	5,854
Extraordinary losses		
Loss on sales of noncurrent assets	240	3
Loss on disposals of noncurrent assets	371	1,073
Loss on reduction of noncurrent assets	—	12
Loss on sales of investment securities	5	59
Valuation loss on investment securities	630	1,674
Loss on impairment of long-lived assets	66	14
Litigation settlement	38	28
Provision for loss on Anti-Monopoly Act	8,702	—
Total extraordinary losses	10,055	2,866
Income before income taxes	157,474	149,634
Income taxes - current	39,412	49,669
Income taxes - deferred	7,883	(3,821)
Total income taxes	47,296	45,847
Net income	110,178	103,786
Net income attributable to noncontrolling interests	339	544
Net income attributable to owners of the parent	109,839	103,242

Consolidated Statement of Comprehensive Income

(JPY mil)

	FY2018 (Apr 1, 2018 - Mar 31, 2019)	FY2019 (Apr 1, 2019 - Mar 31, 2020)
Net income	110,178	103,786
Other comprehensive income (loss)		
Unrealized gain (loss) on available-for-sale securities	10,093	(26,766)
Deferred gain (loss) on derivatives under hedge accounting	(90)	124
Revaluation surplus of land	—	830
Foreign currency translation adjustments	(7,744)	(1,485)
Defined retirement benefit plans	(315)	(111)
Share of other comprehensive income (loss) in unconsolidated subsidiaries and affiliates	617	(190)
Total other comprehensive income (loss)	2,561	(27,599)
Comprehensive income (loss)	112,739	76,187
Total comprehensive income (loss) attributable to:		
Owners of the parent	112,453	75,672
Noncontrolling interests	285	515

(3) Consolidated Statement of Changes in Equity
FY2018 (April 1, 2018 - March 31, 2019)

(JPY mil)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance, April 1, 2018	81,447	45,304	424,194	(6,567)	544,378
Cumulative effects due to revision of accounting standards for foreign subsidiaries and affiliates					—
Restated balance	81,447	45,304	424,194	(6,567)	544,378
Changes of items during the period					
Change in ownership interest of the parent due to transactions with non-controlling interests		(2,036)			(2,036)
Cash dividends paid			(26,984)		(26,984)
Net income attributable to owners of the parent			109,839		109,839
Purchase of treasury stock				(30)	(30)
Change in treasury stock arising from change in equity in entities accounted for using equity method				(43)	(43)
Disposition of treasury stock as restricted stock remuneration					—
Reversal of revaluation surplus of land			45		45
Net changes of items other than shareholders' equity					
Net change in the year	—	(2,036)	82,899	(74)	80,788
Balance, March 31, 2019	81,447	43,267	507,094	(6,641)	625,167

	Accumulated other comprehensive income (loss)						Noncontrolling interests	Total equity
	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Revaluation surplus of land	Foreign currency translation adjustments	Defined retirement benefit plans	Total accumulated other comprehensive income (loss)		
Balance, April 1, 2018	97,468	(223)	18,663	7,224	(1,491)	121,642	3,774	669,795
Cumulative effects due to revision of accounting standards for foreign subsidiaries and affiliates	3,859					3,859		3,859
Restated balance	101,327	(223)	18,663	7,224	(1,491)	125,501	3,774	673,654
Changes of items during the period								
Change in ownership interest of the parent due to transactions with non-controlling interests								(2,036)
Cash dividends paid								(26,984)
Net income attributable to owners of the parent								109,839
Purchase of treasury stock								(30)
Change in treasury stock arising from change in equity in entities accounted for using equity method								(43)
Disposition of treasury stock as restricted stock remuneration								—
Reversal of revaluation surplus of land			(45)			(45)		—
Net changes of items other than shareholders' equity	10,089	(148)		(6,975)	(311)	2,653	(128)	2,525
Net change in the year	10,089	(148)	(45)	(6,975)	(311)	2,608	(128)	83,269
Balance, March 31, 2019	111,417	(371)	18,618	249	(1,802)	128,110	3,646	756,924

FY2019 (April 1, 2019 - March 31, 2020)

(JPY mil)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance, April 1, 2019	81,447	43,267	507,094	(6,641)	625,167
Cumulative effects due to revision of accounting standards for foreign subsidiaries and affiliates			(739)		(739)
Restated balance	81,447	43,267	506,354	(6,641)	624,427
Changes of items during the period					
Change in ownership interest of the parent due to transactions with non-controlling interests					—
Cash dividends paid			(26,306)		(26,306)
Net income attributable to owners of the parent			103,242		103,242
Purchase of treasury stock				(10,007)	(10,007)
Change in treasury stock arising from change in equity in entities accounted for using equity method					—
Disposition of treasury stock as restricted stock remuneration		100		228	328
Reversal of revaluation surplus of land			12		12
Net changes of items other than shareholders' equity					
Net change in the year	—	100	76,948	(9,779)	67,269
Balance, March 31, 2020	81,447	43,367	583,303	(16,420)	691,697

	Accumulated other comprehensive income (loss)						Noncontrolling interests	Total equity
	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Revaluation surplus of land	Foreign currency translation adjustments	Defined retirement benefit plans	Total accumulated other comprehensive income (loss)		
Balance, April 1, 2019	111,417	(371)	18,618	249	(1,802)	128,110	3,646	756,924
Cumulative effects due to revision of accounting standards for foreign subsidiaries and affiliates	(438)					(438)	(5)	(1,183)
Restated balance	110,978	(371)	18,618	249	(1,802)	127,671	3,640	755,740
Changes of items during the period								
Change in ownership interest of the parent due to transactions with non-controlling interests								—
Cash dividends paid								(26,306)
Net income attributable to owners of the parent								103,242
Purchase of treasury stock								(10,007)
Change in treasury stock arising from change in equity in entities accounted for using equity method								—
Disposition of treasury stock as restricted stock remuneration								328
Reversal of revaluation surplus of land			817			817		830
Net changes of items other than shareholders' equity	(26,766)	131		(1,649)	(115)	(28,400)	592	(27,807)
Net change in the year	(26,766)	131	817	(1,649)	(115)	(27,582)	592	40,279
Balance, March 31, 2020	84,212	(239)	19,435	(1,400)	(1,918)	100,089	4,233	796,020

(4) Consolidated Statement of Cash Flows

(JPY mil)

	FY2018 (Apr 1, 2018 - Mar 31, 2019)	FY2019 (Apr 1, 2019 - Mar 31, 2020)
Operating activities		
Income before income taxes	157,474	149,634
Depreciation and amortization	19,166	19,962
Loss on impairment of long-lived assets	66	14
Increase (decrease) in allowance for doubtful accounts	(2,956)	112
Increase (decrease) in provision for warranties for completed construction projects	7,596	122
Increase (decrease) in provision for loss on construction projects in progress	(1,915)	(336)
Increase (decrease) in provision for loss on Anti-Monopoly Act	8,702	(8,702)
Increase (decrease) in liability for retirement benefits	2,025	1,769
Decrease (increase) in asset for retirement benefits	258	24
Interest and dividends income	(9,955)	(11,434)
Interest expense	3,432	3,502
Loss (gain) on sales or disposals of noncurrent assets - net	(3,824)	435
Loss (gain) on sales of investment securities - net	(185)	(796)
Valuation loss (gain) on investment securities	630	1,353
Reversal of foreign currency translation adjustments	—	(1,135)
Decrease (increase) in receivables	(79,360)	(33,297)
Decrease (increase) in inventories - real estate for sale	(103)	19,481
Decrease (increase) in inventories - construction projects in progress	1,559	(11,784)
Decrease (increase) in inventories - development projects in progress	(11,297)	(41,996)
Decrease (increase) in inventories - other	(3,653)	3,255
Increase (decrease) in payables	25,373	(8,691)
Increase (decrease) in advances received	(39,991)	15,263
Other - net	2,506	(13,863)
Sub-total	75,546	82,893
Interest and dividends income - received	9,199	10,307
Interest expense - paid	(3,477)	(3,452)
Income taxes - paid	(50,878)	(36,687)
Net cash provided by (used in) operating activities	30,390	53,061
Investing activities		
Payment for purchases of property and equipment	(23,406)	(81,159)
Proceeds from sales of property and equipment	22,544	5,522
Payment for purchases of intangible assets	(2,770)	(2,698)
Payment for purchases of investment securities	(15,600)	(14,595)
Proceeds from sales and redemption of investment securities	295	799
Payment for purchases of shares of subsidiaries resulting in change in scope of consolidation	(2,485)	(376)
Proceeds from purchases of shares of subsidiaries resulting in change in scope of consolidation	51	—
Disbursements for loans	(12,003)	(16,617)
Proceeds from collection of loans	9,213	4,074
Other - net	(1,184)	3,237
Net cash provided by (used in) investing activities	(25,346)	(101,813)
Financing activities		
Increase (decrease) in short-term loans - net	18,698	14,950
Issuance (repayment) of commercial paper - net	(26,000)	10,000
Proceeds from long-term loans	15,363	24,760
Repayment of long-term loans	(22,719)	(30,833)
Proceeds from issuance of bonds	—	10,000
Redemption of bonds	(30,000)	—
Repayment of lease obligations	(972)	(3,369)
Payment for purchases of treasury stock	(30)	(10,007)
Cash dividends paid	(26,984)	(26,306)
Payment for purchases of shares of subsidiaries not resulting in change in scope of consolidation	(1,715)	—
Other - net	(647)	(61)
Net cash provided by (used in) financing activities	(75,007)	(10,866)
Foreign currency translation adjustments on cash and cash equivalents	(3,933)	(186)
Net increase (decrease) in cash and cash equivalents	(73,897)	(59,805)
Cash and cash equivalents, beginning of year	389,348	315,451
Cash and cash equivalents, end of year	315,451	255,646

Segment Information

Information about Revenues, Profit (Loss) and Other Items

FY2019 (April 1, 2019 - March 31, 2020)

(JPY mil)

	Civil Engineering	Building Construction	Real Estate Development and Other	Domestic Subsidiaries and Affiliates	Overseas Subsidiaries and Affiliates	Total	Reconciliations	Consolidated
Revenues:								
Sales to external customers	288,098	955,279	55,713	243,206	468,453	2,010,751	—	2,010,751
Intersegment sales or transfers	—	2,277	3,688	149,965	624	156,555	(156,555)	—
Total	288,098	957,556	59,401	393,171	469,078	2,167,307	(156,555)	2,010,751
Segment profit	17,195	85,321	8,528	17,750	4,539	133,334	(1,347)	131,987
Other :								
Depreciation	874	2,907	3,337	6,294	6,644	20,058	(96)	19,962
Amortization of goodwill	—	—	—	—	962	962	—	962

Nonconsolidated Financial Statements
(1) Nonconsolidated Balance Sheet

(JPY mil)

	As of March 31, 2019	As of March 31, 2020
Assets		
Current assets		
Cash and deposits	187,540	140,593
Notes receivable - trade	22,912	3,267
Electronically recorded monetary claims	11,223	4,615
Accounts receivable - trade	503,690	558,202
Marketable securities	289	61
Operational investments in securities	12,383	12,355
Inventories - real estate for sale	27,400	31,073
Inventories - construction projects in progress	26,754	39,000
Inventories - development projects in progress	46,833	46,982
Inventories - materials and supplies	94	199
Prepaid expenses	617	924
Other	73,071	96,234
Allowance for doubtful accounts	(67)	(103)
Total current assets	912,745	933,408
Noncurrent assets		
Property and equipment		
Buildings	214,946	218,425
Accumulated depreciation	(158,666)	(161,181)
Buildings - net	56,279	57,244
Structures	13,898	13,879
Accumulated depreciation	(12,266)	(12,299)
Structures - net	1,631	1,580
Machinery and equipment	15,759	16,074
Accumulated depreciation	(14,629)	(14,689)
Machinery and equipment - net	1,130	1,384
Vehicles	749	760
Accumulated depreciation	(708)	(721)
Vehicles - net	41	39
Tools, furniture and fixtures	12,006	12,178
Accumulated depreciation	(10,641)	(10,572)
Tools, furniture and fixtures - net	1,365	1,605
Land	138,134	176,245
Leased assets	2,236	2,429
Accumulated depreciation	(836)	(1,029)
Leased assets - net	1,399	1,400
Construction in progress	4,668	12,041
Other	406	407
Total property and equipment	205,056	251,950

(JPY mil)

	As of March 31, 2019	As of March 31, 2020
Intangible assets		
Leasehold right	1,385	1,385
Software	3,983	4,881
Leased assets	3	2
Other	119	108
Total intangible assets	5,491	6,377
Investments and other assets		
Investments in securities	273,149	234,884
Shares of subsidiaries and affiliates	111,742	113,329
Investments in other securities of subsidiaries and affiliates	9,318	22,651
Investments in capital	115	115
Investments in capital of subsidiaries and affiliates	900	1,346
Long-term loans receivable	11	811
Long-term loans receivable from employees	2	1
Long-term loans receivable from subsidiaries and affiliates	18,020	10,814
Claims provable in bankruptcy, claims provable in rehabilitation and other	168	66
Long-term prepaid expenses	2,176	2,042
Deferred tax assets	—	7,699
Other	14,302	14,190
Allowance for doubtful accounts	(6,221)	(6,045)
Total investments and other assets	423,687	401,907
Total noncurrent assets	634,235	660,235
Total assets	1,546,981	1,593,643

(JPY mil)

	As of March 31, 2019	As of March 31, 2020
Liabilities		
Current liabilities		
Notes payable - trade	728	1,101
Accounts payable - trade	369,264	369,803
Short-term loans payable	45,444	74,897
Commercial paper	35,000	45,000
Lease obligations	431	485
Accounts payable - other	9,415	7,996
Accrued expenses	17,260	17,606
Income taxes payable	13,649	27,098
Advances received on construction projects in progress	113,223	121,020
Advances received on development projects in progress, real estate for sale and other	11,419	10,198
Deposits received	104,888	99,378
Unearned revenue	3,216	3,539
Provision for warranties for completed construction projects	11,199	10,619
Provision for loss on construction projects in progress	12,820	12,250
Other	25,948	27,367
Total current liabilities	773,910	828,364
Long-term liabilities		
Bonds payable	40,000	50,000
Long-term loans payable	82,658	52,896
Lease obligations	1,071	1,011
Deferred tax liabilities	6,437	—
Deferred tax liabilities on revaluation surplus of land	19,815	18,985
Liability for retirement benefits	51,579	53,005
Allowance for loss on investments in subsidiaries and affiliates	213	213
Asset retirement obligations	277	279
Other	25,597	25,710
Total long-term liabilities	227,650	202,102
Total liabilities	1,001,560	1,030,466

(JPY mil)

	As of March 31, 2019	As of March 31, 2020
Equity		
Shareholders' equity		
Common stock	81,447	81,447
Capital surplus		
Additional paid-in capital	20,485	20,485
Other capital surplus	24,893	24,993
Total capital surplus	45,378	45,478
Retained earnings		
Other retained earnings		
Reserve for special depreciation	198	117
Reserve for advanced depreciation of noncurrent assets	8,609	8,489
General reserve	179,997	251,997
Retained earnings brought forward	112,431	94,415
Total retained earnings	301,236	355,018
Treasury stock	(6,066)	(15,845)
Total shareholders' equity	421,995	466,098
Valuation and translation adjustments		
Unrealized gain (loss) on available-for-sale securities	106,330	79,101
Deferred gain (loss) on derivatives under hedge accounting	(95)	(43)
Revaluation surplus of land	17,190	18,020
Total valuation and translation adjustments	123,425	97,078
Total equity	545,421	563,176
Total liabilities and equity	1,546,981	1,593,643

(2) Nonconsolidated Statement of Income

(JPY mil)

	FY2018 (Apr 1, 2018 - Mar 31, 2019)	FY2019 (Apr 1, 2019 - Mar 31, 2020)
Revenues		
Construction projects	1,229,158	1,245,655
Real estate and other	51,207	59,401
Total revenues	1,280,366	1,305,057
Cost of revenues		
Construction projects	1,055,563	1,078,906
Real estate and other	43,518	48,700
Total cost of revenues	1,099,081	1,127,606
Gross profit		
Construction projects	173,595	166,749
Real estate and other	7,689	10,701
Total gross profit	181,284	177,450
Selling, general and administrative expenses		
Directors' compensations	876	883
Executive officers' compensations	2,023	2,476
Employees' salaries and allowances	19,595	19,946
Provision for retirement benefits	891	886
Retirement pension plan	417	415
Legal welfare expenses	3,116	3,174
Welfare expenses	1,226	1,410
Repair and maintenance	690	631
Stationery expenses	355	373
Correspondence and transportation expenses	2,470	2,546
Power utilities expenses	280	277
Research study expenses	12,916	15,408
Advertising expenses	722	903
Provision for doubtful accounts	—	37
Entertainment expenses	1,584	1,593
Contribution	235	150
Rents	1,166	1,207
Depreciation and amortization	1,129	1,116
Taxes and dues	1,725	1,889
Insurance expenses	87	85
Miscellaneous expenses	9,479	10,991
Total selling, general and administrative expenses	60,992	66,406
Operating income	120,291	111,044
Nonoperating income		
Interest income	184	217
Dividends income	10,373	11,458
Other	5,646	2,235
Total nonoperating income	16,205	13,912
Nonoperating expenses		
Interest expense	1,625	1,597
Interest on bonds	210	103
Loss on investments in silent partnership	767	911
Other	1,389	1,750
Total nonoperating expenses	3,992	4,363
Ordinary income	132,504	120,593

(JPY mil)

	FY2018 (Apr 1, 2018 - Mar 31, 2019)	FY2019 (Apr 1, 2019 - Mar 31, 2020)
Extraordinary income		
Gain on sales of noncurrent assets	3,911	1
Gain on sales of investment securities	22	59
Total extraordinary income	3,934	60
Extraordinary losses		
Loss on sales of noncurrent assets	177	0
Loss on disposals of noncurrent assets	308	979
Loss on sales of investment securities	1	13
Valuation loss on investment securities	630	1,669
Valuation loss on investments in capital of subsidiaries and affiliates	—	1,999
Loss on impairment of long-lived assets	—	14
Litigation settlement	38	28
Total extraordinary losses	1,156	4,704
Income before income taxes	135,282	115,949
Income taxes - current	28,533	38,024
Income taxes - deferred	9,670	(2,210)
Total income taxes	38,203	35,813
Net income	97,078	80,136

(3) Nonconsolidated Statement of Changes in Equity
FY2018 (April 1, 2018 - March 31, 2019)

(JPY mil)

	Shareholders' equity								Total shareholders' equity
	Common stock	Capital surplus		Retained earnings				Treasury stock	
		Additional paid-in capital	Other capital surplus	Other retained earnings					
				Reserve for special depreciation	Reserve for advanced depreciation of noncurrent assets	General reserve	Retained earnings brought forward		
Balance, April 1, 2018	81,447	20,485	24,893	280	10,162	106,997	113,706	(6,036)	351,936
Changes of items during the period									
Cash dividends paid							(27,033)		(27,033)
Provision of general reserve						73,000	(73,000)		—
Reversal of reserve for special depreciation				(81)			81		—
Provision of reserve for advanced depreciation of noncurrent assets					63		(63)		—
Reversal of reserve for advanced depreciation of noncurrent assets					(1,616)		1,616		—
Net income							97,078		97,078
Purchase of treasury stock								(30)	(30)
Disposition of treasury stock as restricted stock remuneration									—
Reversal of revaluation surplus of land							45		45
Net changes of items other than shareholders' equity									
Net change in the year	—	—	—	(81)	(1,552)	73,000	(1,274)	(30)	70,059
Balance, March 31, 2019	81,447	20,485	24,893	198	8,609	179,997	112,431	(6,066)	421,995

	Valuation and translation adjustments				Total equity
	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Revaluation surplus of land	Total valuation and translation adjustments	
Balance, April 1, 2018	96,542	(120)	17,235	113,657	465,593
Changes of items during the period					
Cash dividends paid					(27,033)
Provision of general reserve					—
Reversal of reserve for special depreciation					—
Provision of reserve for advanced depreciation of noncurrent assets					—
Reversal of reserve for advanced depreciation of noncurrent assets					—
Net income					97,078
Purchase of treasury stock					(30)
Disposition of treasury stock as restricted stock remuneration					—
Reversal of revaluation surplus of land			(45)	(45)	—
Net changes of items other than shareholders' equity	9,788	24		9,813	9,813
Net change in the year	9,788	24	(45)	9,767	79,827
Balance, March 31, 2019	106,330	(95)	17,190	123,425	545,421

FY2019 (April 1, 2019 - March 31, 2020)

(JPY mil)

	Shareholders' equity								Treasury stock	Total shareholders' equity
	Common stock	Capital surplus		Retained earnings						
		Additional paid-in capital	Other capital surplus	Other retained earnings						
				Reserve for special depreciation	Reserve for advanced depreciation of noncurrent assets	General reserve	Retained earnings brought forward			
Balance, April 1, 2019	81,447	20,485	24,893	198	8,609	179,997	112,431	(6,066)	421,995	
Changes of items during the period										
Cash dividends paid							(26,354)		(26,354)	
Provision of general reserve						72,000	(72,000)		—	
Reversal of reserve for special depreciation				(81)			81		—	
Provision of reserve for advanced depreciation of noncurrent assets									—	
Reversal of reserve for advanced depreciation of noncurrent assets					(120)		120		—	
Net income							80,136		80,136	
Purchase of treasury stock								(10,007)	(10,007)	
Disposition of treasury stock as restricted stock remuneration			100					228	328	
Reversal of revaluation surplus of land									—	
Net changes of items other than shareholders' equity										
Net change in the year	—	—	100	(81)	(120)	72,000	(18,015)	(9,779)	44,102	
Balance, March 31, 2020	81,447	20,485	24,993	117	8,489	251,997	94,415	(15,845)	466,098	

	Valuation and translation adjustments				Total equity
	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Revaluation surplus of land	Total valuation and translation adjustments	
Balance, April 1, 2019	106,330	(95)	17,190	123,425	545,421
Changes of items during the period					
Cash dividends paid					(26,354)
Provision of general reserve					—
Reversal of reserve for special depreciation					—
Provision of reserve for advanced depreciation of noncurrent assets					—
Reversal of reserve for advanced depreciation of noncurrent assets					—
Net income					80,136
Purchase of treasury stock					(10,007)
Disposition of treasury stock as restricted stock remuneration					328
Reversal of revaluation surplus of land			830	830	830
Net changes of items other than shareholders' equity	(27,229)	52		(27,177)	(27,177)
Net change in the year	(27,229)	52	830	(26,346)	17,755
Balance, March 31, 2020	79,101	(43)	18,020	97,078	563,176

Financial Highlights

Operating Results

Consolidated

	FY2018 (Apr 1, 2018 - Mar 31, 2019)		FY2019 (Apr 1, 2019 - Mar 31, 2020)		Change		FY2019 Forecast (announced on Nov 12, 2019)	
	JPY bil	Ratio	JPY bil	Ratio	JPY bil	%	JPY bil	Ratio
Revenues	1,974.2		2,010.7		36.4	1.8	2,000.0	
Construction	1,776.3		1,791.1		14.7	0.8	1,780.0	
Real estate and other	197.9		219.6		21.7	11.0	220.0	
Gross profit	251.1	12.7%	248.1	12.3%	(3.0)	(1.2)	235.0	11.8%
Construction	216.4	12.2%	206.5	11.5%	(9.8)	(4.6)	197.5	11.1%
Real estate and other	34.7	17.6%	41.5	18.9%	6.8	19.6	37.5	17.0%
Selling, general and administrative expenses	108.5		116.1		7.5	7.0	114.0	
Operating income	142.6	7.2%	131.9	6.6%	(10.6)	(7.5)	121.0	6.1%
Nonoperating income - net	20.2		14.6		(5.6)		9.0	
<i>Financing</i>	6.5		7.9		1.3		6.1	
Ordinary income	162.9	8.3%	146.6	7.3%	(16.2)	(10.0)	130.0	6.5%
Extraordinary income - net	(5.4)		2.9		8.4		5.0	
Net income attributable to owners of the parent	109.8	5.6%	103.2	5.1%	(6.5)	(6.0)	95.0	4.8%
Construction contract awards	2,010.1		1,752.8		(257.3)	(12.8)	1,800.0	
Domestic	1,508.4		1,250.4		(258.0)	(17.1)	1,305.0	
Overseas	501.7		502.3		0.6	0.1	495.0	

Nonconsolidated

	FY2018 (Apr 1, 2018 - Mar 31, 2019)		FY2019 (Apr 1, 2019 - Mar 31, 2020)		Change		FY2019 Forecast (announced on Nov 12, 2019)	
	JPY bil	Ratio	JPY bil	Ratio	JPY bil	%	JPY bil	Ratio
Revenues	1,280.3		1,305.0		24.6	1.9	1,300.0	
Construction	1,229.1		1,245.6		16.4	1.3	1,240.0	
Civil engineering	301.0		288.0		(12.9)	(4.3)	290.0	
Building construction	928.0		957.5		29.4	3.2	950.0	
Real estate and other	51.2		59.4		8.1	16.0	60.0	
Gross profit	181.2	14.2%	177.4	13.6%	(3.8)	(2.1)	168.0	12.9%
Construction	173.5	14.1%	166.7	13.4%	(6.8)	(3.9)	160.0	12.9%
Civil engineering	57.1	19.0%	40.3	14.0%	(16.7)	(29.3)	44.0	15.2%
Building construction	116.4	12.5%	126.3	13.2%	9.9	8.5	116.0	12.2%
Real estate and other	7.6	15.0%	10.7	18.0%	3.0	39.2	8.0	13.3%
Selling, general and administrative expenses	60.9		66.4		5.4	8.9	65.0	
Operating income	120.2	9.4%	111.0	8.5%	(9.2)	(7.7)	103.0	7.9%
Nonoperating income - net	12.2		9.5		(2.6)		7.0	
<i>Financing</i>	8.7		9.9		1.2		8.0	
Ordinary income	132.5	10.3%	120.5	9.2%	(11.9)	(9.0)	110.0	8.5%
Extraordinary income - net	2.7		(4.6)		(7.4)		(3.0)	
Net income	97.0	7.6%	80.1	6.1%	(16.9)	(17.5)	76.0	5.8%
Contract awards	1,444.4		1,182.0		(262.3)	(18.2)	1,250.0	
Construction	1,377.9		1,122.5		(255.3)	(18.5)	1,200.0	
Civil engineering	303.8		327.6		23.7	7.8	300.0	
Building construction	1,074.0		794.9		(279.0)	(26.0)	900.0	
Real estate and other	66.5		59.4		(7.0)	(10.6)	50.0	

Financial Highlights - continued

Forecast of Operating Results

Consolidated

	FY2019 Result (Apr 1, 2019 - Mar 31, 2020)		FY2020 Forecast (Apr 1, 2020 - Mar 31, 2021)		Change	
	JPY bil	Ratio	JPY bil	Ratio	JPY bil	%
Revenues	2,010.7		1,870.0		(140.7)	(7.0)
Construction	1,791.1		1,643.0		(148.1)	(8.3)
Real estate and other	219.6		227.0		7.3	3.4
Gross profit	248.1	12.3%	228.0	12.2%	(20.1)	(8.1)
Construction	206.5	11.5%	184.0	11.2%	(22.5)	(10.9)
Real estate and other	41.5	18.9%	44.0	19.4%	2.4	5.9
Selling, general and administrative expenses	116.1		117.0		0.8	0.7
Operating income	131.9	6.6%	111.0	5.9%	(20.9)	(15.9)
Nonoperating income - net	14.6		7.0		(7.6)	
<i>Financing</i>	7.9		4.8		(3.0)	
Ordinary income	146.6	7.3%	118.0	6.3%	(28.6)	(19.5)
Extraordinary income - net	2.9		0.0		(2.9)	
Net income attributable to owners of the parent	103.2	5.1%	80.0	4.3%	(23.2)	(22.5)
Construction contract awards	1,752.8		1,830.0		77.1	4.4
Domestic	1,250.4		1,410.0		159.5	12.8
Overseas	502.3		420.0		(82.3)	(16.4)

Nonconsolidated

	FY2019 Result (Apr 1, 2019 - Mar 31, 2020)		FY2020 Forecast (Apr 1, 2020 - Mar 31, 2021)		Change	
	JPY bil	Ratio	JPY bil	Ratio	JPY bil	%
Revenues	1,305.0		1,170.0		(135.0)	(10.3)
Construction	1,245.6		1,104.0		(141.6)	(11.4)
Civil engineering	288.0		284.0		(4.0)	(1.4)
Building construction	957.5		820.0		(137.5)	(14.4)
Real estate and other	59.4		66.0		6.5	11.1
Gross profit	177.4	13.6%	161.0	13.8%	(16.4)	(9.3)
Construction	166.7	13.4%	145.0	13.1%	(21.7)	(13.0)
Civil engineering	40.3	14.0%	43.0	15.1%	2.6	6.4
Building construction	126.3	13.2%	102.0	12.4%	(24.3)	(19.3)
Real estate and other	10.7	18.0%	16.0	24.2%	5.2	49.5
Selling, general and administrative expenses	66.4		64.0		(2.4)	(3.6)
Operating income	111.0	8.5%	97.0	8.3%	(14.0)	(12.6)
Nonoperating income - net	9.5		8.0		(1.5)	
<i>Financing</i>	9.9		9.2		(0.7)	
Ordinary income	120.5	9.2%	105.0	9.0%	(15.5)	(12.9)
Extraordinary income - net	(4.6)		0.0		4.6	
Net income	80.1	6.1%	74.0	6.3%	(6.1)	(7.7)
Contract awards	1,182.0		1,360.0		177.9	15.1
Construction	1,122.5		1,310.0		187.4	16.7
Civil engineering	327.6		310.0		(17.6)	(5.4)
Building construction	794.9		1,000.0		205.0	25.8
Real estate and other	59.4		50.0		(9.4)	(15.9)

Financial Highlights - continued
Forecast of Contract Awards

Nonconsolidated

	FY2019 Result (Apr 1, 2019 - Mar 31, 2020)		FY2020 Forecast (Apr 1, 2020 - Mar 31, 2021)		Change	
	JPY bil	Proportion	JPY bil	Proportion	JPY bil	%
Civil engineering						
Domestic	327.6	27.7%	300.0	22.1%	(27.6)	(8.4)
Overseas	(0.0)	(0.0%)	10.0	0.7%	10.0	—
Sub-total	327.6	27.7%	310.0	22.8%	(17.6)	(5.4)
Building construction						
Domestic	794.9	67.3%	1,000.0	73.5%	205.0	25.8
Overseas	—	—	—	—	—	—
Sub-total	794.9	67.3%	1,000.0	73.5%	205.0	25.8
Construction total						
Domestic	1,122.6	95.0%	1,300.0	95.6%	177.3	15.8
Overseas	(0.0)	(0.0%)	10.0	0.7%	10.0	—
Sub-total	1,122.5	95.0%	1,310.0	96.3%	187.4	16.7
Real estate and other	59.4	5.0%	50.0	3.7%	(9.4)	(15.9)
Grand total	1,182.0	100%	1,360.0	100%	177.9	15.1

Supplementary Information:

Contract Awards, Revenues and Contract Backlogs (Nonconsolidated)

(1) Breakdown of Contract Awards (Nonconsolidated)

	FY2018 (Apr 1, 2018 - Mar 31, 2019)		FY2019 (Apr 1, 2019 - Mar 31, 2020)		Change	
	JPY mil	Proportion	JPY mil	Proportion	JPY mil	%
Civil engineering						
Domestic - Public	152,208	10.5%	162,122	13.7%	9,913	6.5
Domestic - Private	151,821	10.5%	165,517	14.0%	13,696	9.0
Overseas	(189)	(0.0%)	(18)	(0.0%)	170	—
Sub-total	303,840	21.0%	327,620	27.7%	23,780	7.8
Building construction						
Domestic - Public	53,682	3.7%	50,623	4.3%	(3,059)	(5.7)
Domestic - Private	1,020,377	70.7%	744,343	63.0%	(276,034)	(27.1)
Overseas	—	—	—	—	—	—
Sub-total	1,074,060	74.4%	794,967	67.3%	(279,093)	(26.0)
Construction total						
Domestic - Public	205,891	14.2%	212,745	18.0%	6,854	3.3
Domestic - Private	1,172,198	81.2%	909,860	77.0%	(262,338)	(22.4)
Overseas	(189)	(0.0%)	(18)	(0.0%)	170	—
Sub-total	1,377,900	95.4%	1,122,587	95.0%	(255,312)	(18.5)
Real estate and other	66,522	4.6%	59,477	5.0%	(7,044)	(10.6)
Grand total	1,444,422	100%	1,182,065	100%	(262,357)	(18.2)

(2) Breakdown of Revenues (Nonconsolidated)

	FY2018 (Apr 1, 2018 - Mar 31, 2019)		FY2019 (Apr 1, 2019 - Mar 31, 2020)		Change	
	JPY mil	Proportion	JPY mil	Proportion	JPY mil	%
Civil engineering						
Domestic - Public	188,917	14.7%	148,458	11.4%	(40,459)	(21.4)
Domestic - Private	111,424	8.7%	138,816	10.6%	27,391	24.6
Overseas	721	0.1%	824	0.1%	102	14.2
Sub-total	301,063	23.5%	288,098	22.1%	(12,964)	(4.3)
Building construction						
Domestic - Public	90,324	7.1%	68,265	5.2%	(22,059)	(24.4)
Domestic - Private	837,770	65.4%	889,291	68.1%	51,520	6.1
Overseas	—	—	—	—	—	—
Sub-total	928,095	72.5%	957,556	73.3%	29,461	3.2
Construction total						
Domestic - Public	279,241	21.8%	216,723	16.6%	(62,518)	(22.4)
Domestic - Private	949,194	74.1%	1,028,107	78.7%	78,912	8.3
Overseas	721	0.1%	824	0.1%	102	14.2
Sub-total	1,229,158	96.0%	1,245,655	95.4%	16,496	1.3
Real estate and other	51,207	4.0%	59,401	4.6%	8,193	16.0
Grand total	1,280,366	100%	1,305,057	100%	24,690	1.9

(3) Breakdown of Contract Backlogs (Nonconsolidated)

	March 31, 2019		March 31, 2020		Change	
	JPY mil	Proportion	JPY mil	Proportion	JPY mil	%
Civil engineering						
Domestic - Public	321,280	16.7%	334,944	18.6%	13,664	4.3
Domestic - Private	202,596	10.6%	229,297	12.8%	26,701	13.2
Overseas	3,716	0.2%	2,873	0.2%	(843)	(22.7)
Sub-total	527,593	27.5%	567,115	31.6%	39,521	7.5
Building construction						
Domestic - Public	106,487	5.6%	88,845	5.0%	(17,641)	(16.6)
Domestic - Private	1,228,315	64.1%	1,083,367	60.4%	(144,947)	(11.8)
Overseas	—	—	—	—	—	—
Sub-total	1,334,803	69.7%	1,172,213	65.4%	(162,589)	(12.2)
Construction total						
Domestic - Public	427,768	22.3%	423,790	23.6%	(3,977)	(0.9)
Domestic - Private	1,430,912	74.7%	1,312,665	73.2%	(118,246)	(8.3)
Overseas	3,716	0.2%	2,873	0.2%	(843)	(22.7)
Sub-total	1,862,397	97.2%	1,739,329	97.0%	(123,067)	(6.6)
Real estate and other	54,071	2.8%	54,147	3.0%	75	0.1
Grand total	1,916,468	100%	1,793,476	100%	(122,992)	(6.4)