

FY2022 1st Quarter Financial Results

August 8, 2022





1

Financial Highlights 3

2

1st Quarter Topics 4

3

Segment Performance 5

1 Financial Highlights

Steady progress against full-year forecast, mainly in the non-consolidated construction business

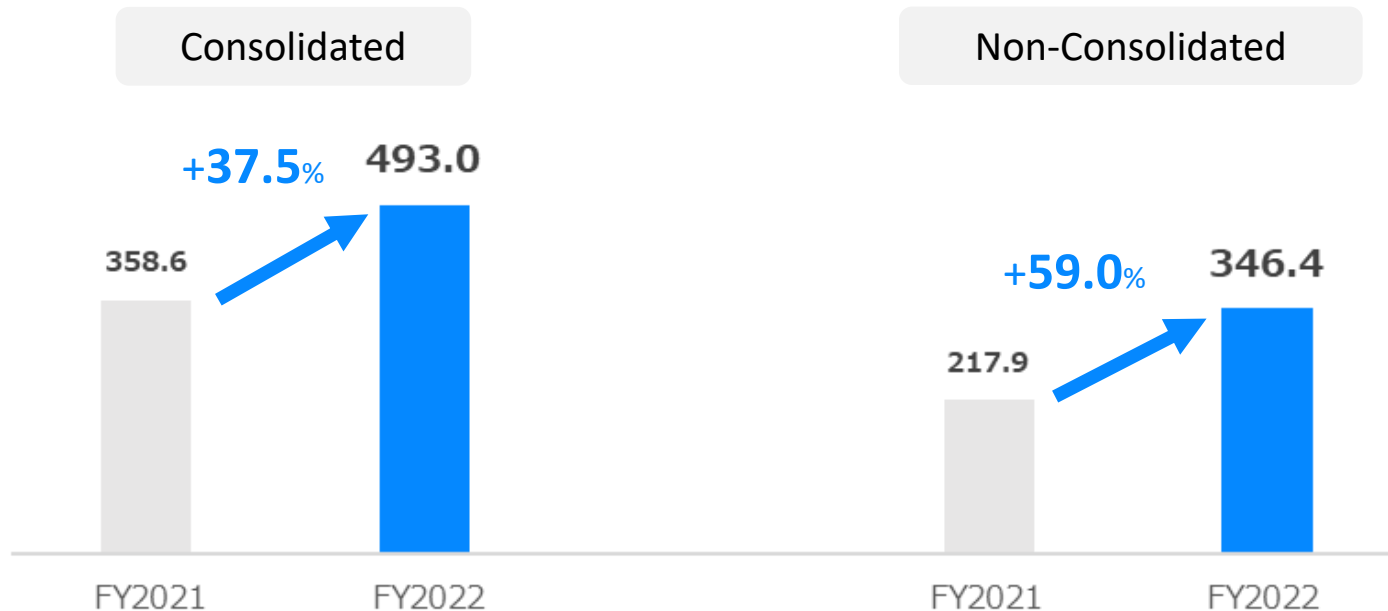
Billions of yen	Consolidated					Non-Consolidated				
	FY2021 Q1 Result	FY2022 Q1 Result	YoY Change	FY2022 Forecast	Progress	FY2021 Q1 Result	FY2022 Q1 Result	YoY Change	FY2022 Forecast	Progress
Revenues	453.8	499.6	45.8	2,270.0	22.0%	257.4	317.0	59.5	1,320.0	24.0%
Operating Income	26.6	18.8	(7.7)	108.0	17.5%	14.1	15.0	0.8	69.0	21.8%
Ordinary Income	30.8	27.6	(3.1)	122.0	22.7%	19.7	21.7	1.9	82.0	26.5%
Net Income	22.0	19.6	(2.4)	85.0	23.1%	14.5	16.1	1.6	60.0	26.9%
Construction Contract Awards	358.6	493.0	134.3	2,070.0	23.8%	217.9	346.4	128.5	1,320.0	26.2%
	As of Mar 31, 2022	Change from Mar 31, 2022				As of Mar 31, 2022	Change from Mar 31, 2022			
Interest-bearing Debt	359.9	383.7	23.8	500.0	—	199.3	159.3	(40.0)	230.0	—

- Consolidated revenues increased mainly due to steady progress in the non-consolidated construction business. On the other hand, consolidated net income decreased mainly due to a decline in overseas development business.
- Non-consolidated revenues and non-consolidated net income increased mainly due to the start of full-scale construction of large-scale building projects.
- Construction contract awards increased YoY due to multiple orders for large-scale construction projects both in Japan and overseas.
- Progress against the full-year consolidated net income forecast is about 25%, which aligns with the rate of elapsed time.

2^{1st} Quarter Topics

Contract awards increased significantly YoY on both consolidated and non-consolidated basis

Q1 Construction Contract Awards (billion yen)



- In the domestic construction market, construction demand is solid, driven by increasing private capital investment in both the manufacturing and non-manufacturing sectors, while public investment remains firm.
- In overseas construction market, construction demand in the U.S. and Europe remains strong, and in Southeast Asia, there is a recovery in construction investment in data centers and production facilities as economic activity continues to normalize.

3 Segment Performance | Civil Engineering (Kajima Corp)

Contracts

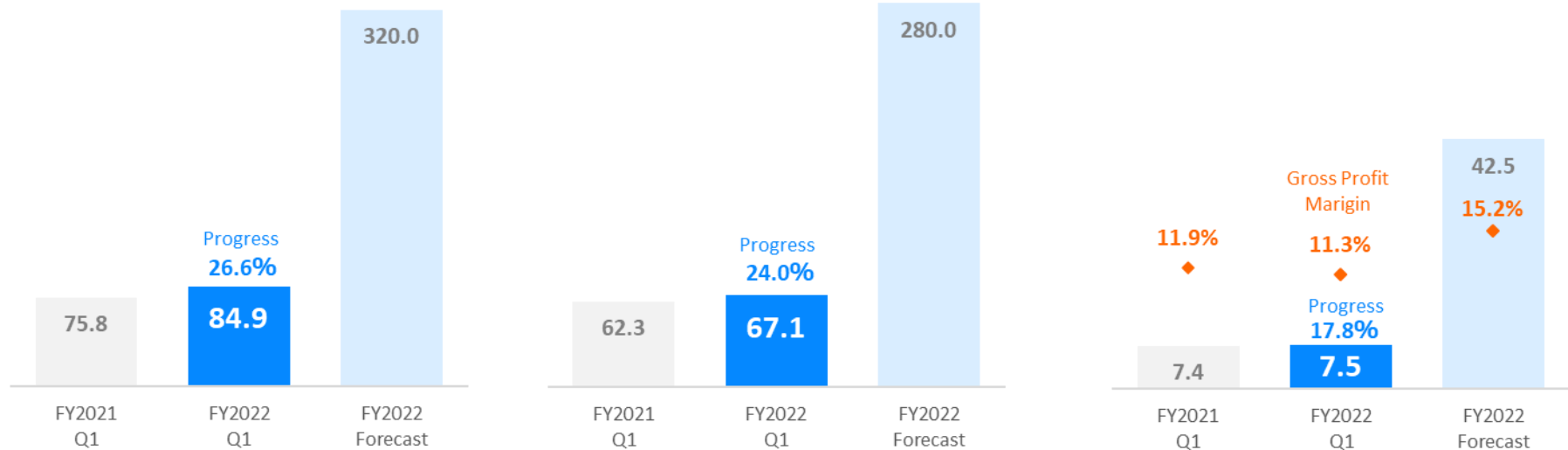
JPY bil.

Revenues

JPY bil.

Gross Profit

JPY bil.



FY2022 Q1 Results

- Contract awards increased YoY mainly due to orders for large-scale construction projects.
- Revenues increased due to steady progress in construction work on hand.
- Gross profit was at the same level as the same period of the previous year due to the increase in sales, despite a decline in the gross profit margin.
- No change to the full-year gross profit margin forecast of 15.2% due to an increase in the number of projects to be completed toward the end of the fiscal year.

Contracts

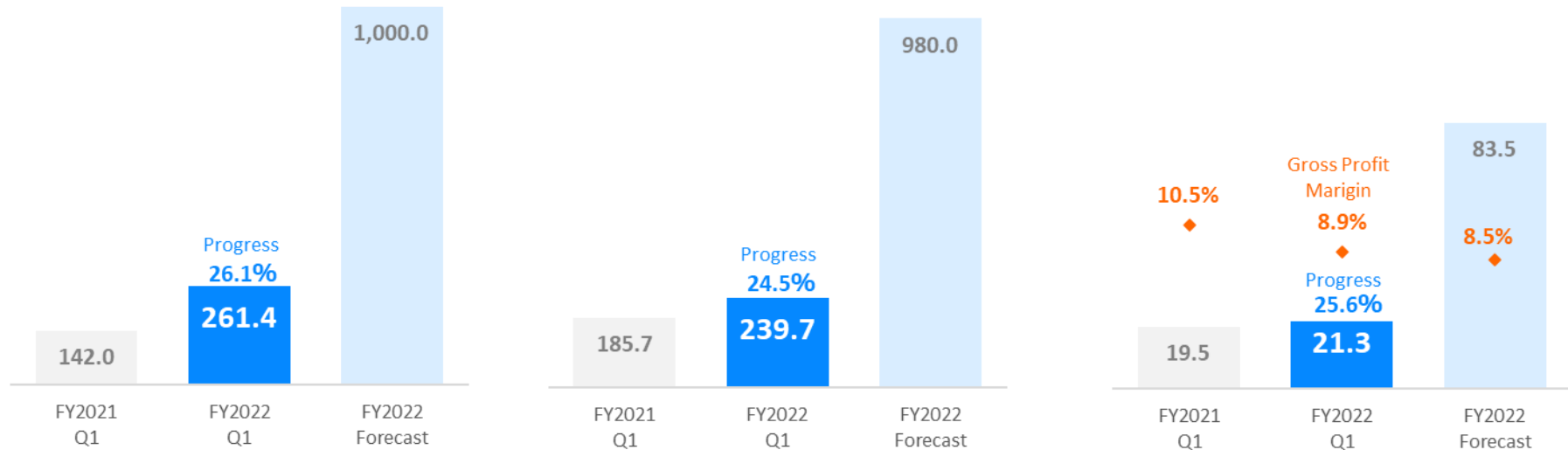
JPY bil.

Revenues

JPY bil.

Gross Profit

JPY bil.

**FY2022 Q1 Results**

- Contract awards increased significantly YoY due to multiple orders for large-scale construction projects, such as large offices.
- Revenues increased mainly due to the start of full-scale construction of large-scale projects on hand.
- Gross profit increased due to higher revenues, although the gross profit margin declined due to fewer completed construction projects.
- Gross profit margin for the full year is expected to be 8.5%, factoring in risks such as rising materials and equipment prices.

Contracts

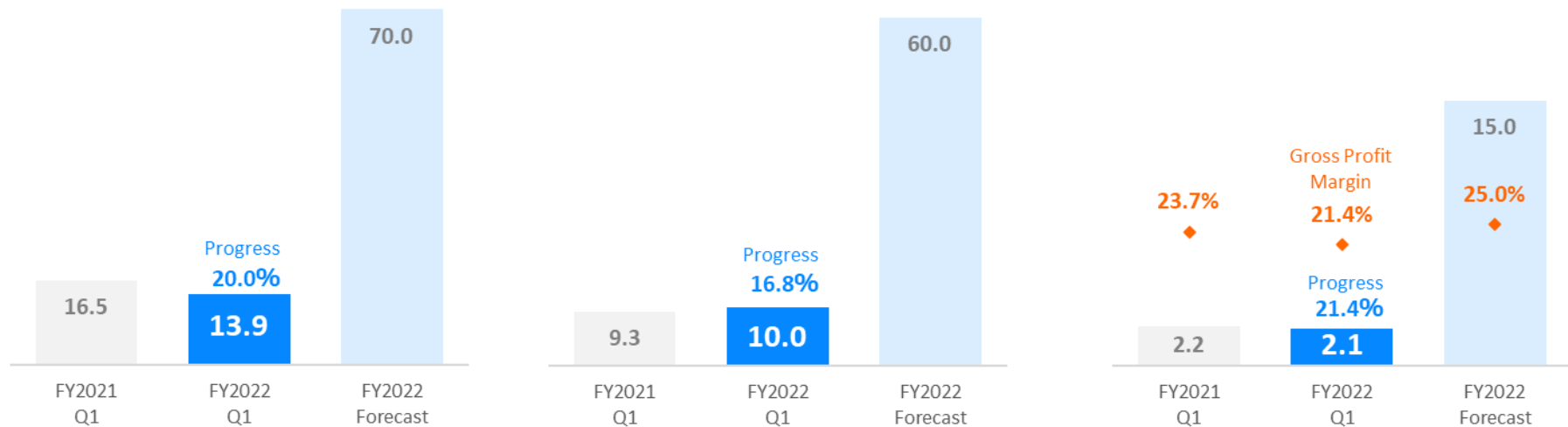
JPY bil.

Revenues

JPY bil.

Gross Profit

JPY bil.

**FY2022 Q1 Results**

- While there were few sold projects in the sales business, the leasing business, design business, and engineering business remained stable, and both revenues and gross profit were at the same level as in the same period of the previous year.
- With development projects scheduled for sale during the current fiscal year, gross profit for the full year is expected to be 15 billion yen.

Contracts

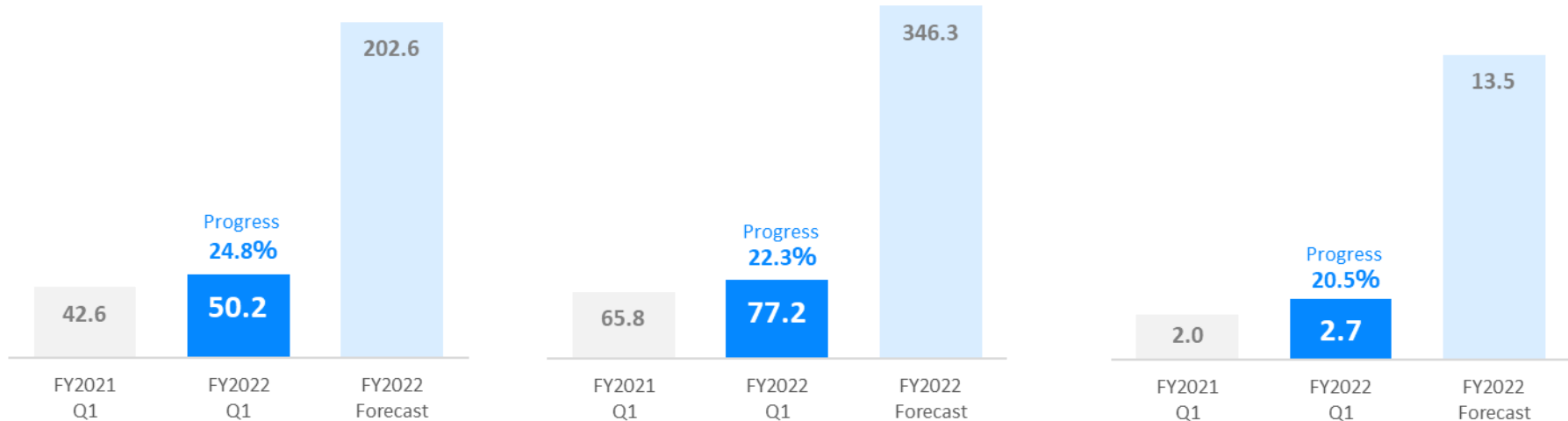
JPY bil.

Revenues

JPY bil.

Net Income

JPY bil.

**FY2022 Q1 Results**

- Construction contract awards increased YoY mainly due to orders for large-scale piling work for construction projects.
- Revenues increased due to steady progress in construction work on hand.
- Net income increased mainly due to an improved profit from large construction projects on hand and the sale of leased properties.
- Progress against the full-year forecast is similar to that of previous year, and we expect gradual improvement in profits.

3 Segment Performance | Overseas Subsidiaries and Affiliates

Contracts

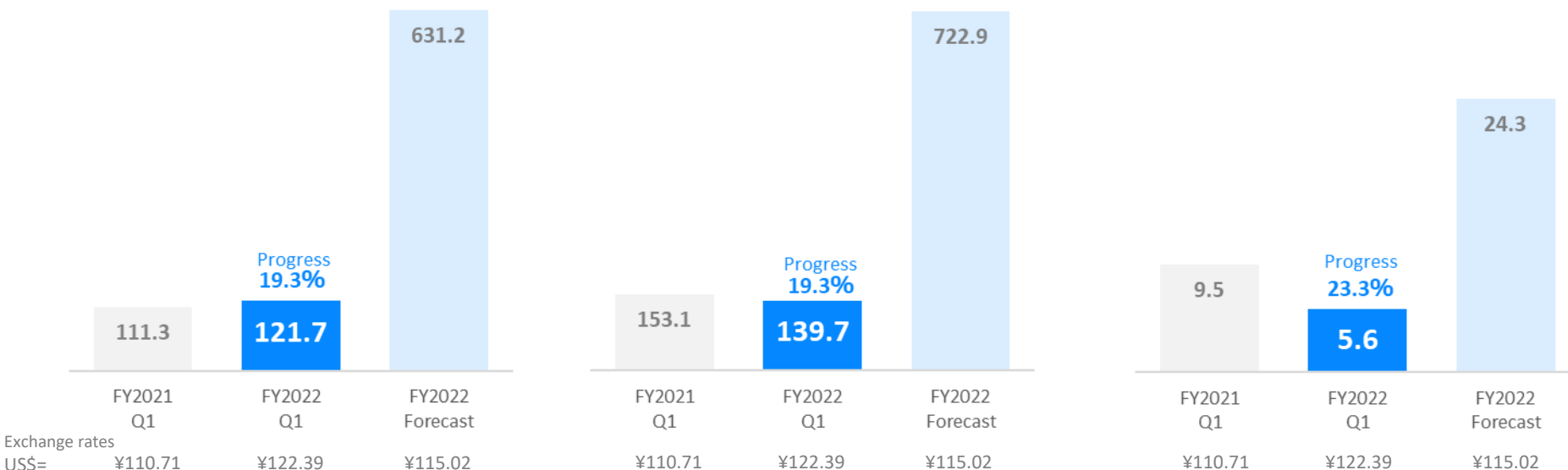
JPY bil.

Revenues

JPY bil.

Net Income

JPY bil.



FY2022 Q1 Results

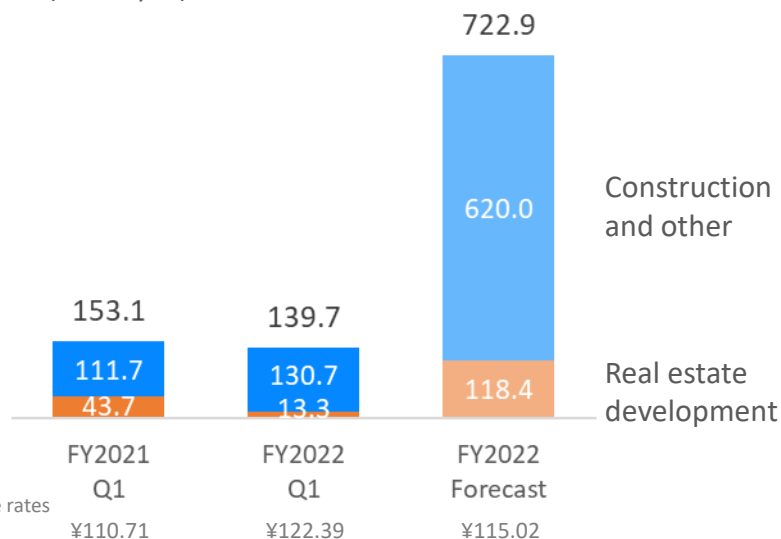
- Construction contract awards increased YoY due to an increase in orders from Taiwan and Southeast Asia.
- Revenues and net income decreased mainly due to a decrease in the number of sold properties in the distribution warehouse development business in the U.S.
- Full-year net income forecast is 24.3 billion yen, the same level as the previous year.

Real estate development business remains strong, especially in the U.S. and Europe

Revenues from overseas subsidiaries

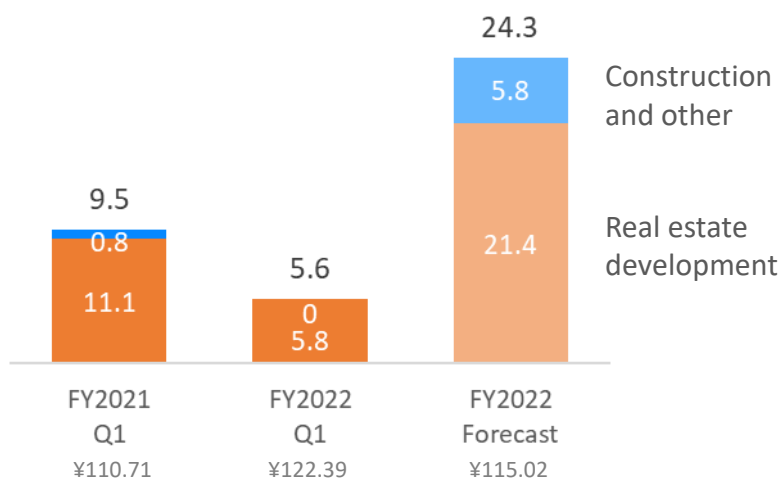
and affiliates

(billion yen)



Net income of overseas subsidiaries and affiliates (billion yen)

* Our real estate development business **measures its performance by net income** because it can be recorded as non-operating income or extraordinary income depending on the project



- In the construction and other businesses, revenues increased due to steady progress in the abundant on-hand construction projects. Net income is expected to improve in stages toward the end of the period.
- In the development business, both revenues and net income declined, mainly due to a decrease in property sales in the U.S. distribution warehouse development business.
- The decline in the U.S. distribution warehouse development business was due to the high level of property sales concentrated in the same period of the previous year, but the impact of higher interest rate was negligible as the Company achieved planned sales in the current period. (number of property sales: 7 in the FY2021 Q1, 2 in the FY2022 Q1)
- Real estate development business of rental housing and offices in the U.S. and distribution warehouse development business in Europe also remained strong.



Inquiries: Corporate Communication Group, Corporate Planning Department

E-Mail : ir@ml.kajima.com

Disclaimer: All financial information has been prepared in accordance with generally accepted accounting principles in Japan. While every attempt has been made to ensure the accuracy of information, forecasts contained in this slides are based on the judgments made with information available as at August 8, 2022, and are subject to risks and uncertainties that may cause the actual results to vary.