

# 3rd Quarter Financial Results

(April 1, 2020 to December 31, 2020)

February 8, 2021

OBAYASHI 

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Disclaimer: This "Financial Results" is the English version of the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryo" released on February 8, 2021. It was translated into English and presented solely for the convenience of users who are not familiar with Japanese. If there is any discrepancy between Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryo" and this document, the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryo" will prevail. This document includes forward-looking statements based on the information available at the time the Japanese "Kessan Tanshin" and "Kessan Setsumei Shiryo" were released. Actual results may vary from the forward-looking statements contained herein due to various factors. Obayashi Corporation (non-consolidated) is called the "Company" in these materials.

# 1 Summary of Financial Results

## (1) Consolidated Financial Results for the Nine Months Ended December 31, 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	%
Nine Months Ended December 31, 2020	1,276,904	(14.8)	86,850	(26.7)	91,082	(27.5)	71,161	(22.5)
Nine Months Ended December 31, 2019	1,498,420	1.1	118,424	11.1	125,663	11.1	91,763	15.9

(Note) Comprehensive income : [Nine Months Ended December 31, 2020] 81,474 million yen, (17.8)% ; [Nine Months Ended December 31, 2019] 99,111 million yen, 73.7%

	Profit attributable to owners of parent per Share (EPS)
	Yen
Nine Months Ended December 31, 2020	99.16
Nine Months Ended December 31, 2019	127.87

### ② Consolidated Financial Position

	Total Assets		Net Assets		Equity Ratio		Net Assets per Share (BPS)	
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen	%
As of December 31, 2020	2,224,276		907,380		39.4		1,221.99	
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 December 31, 2020] 876,988 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 November 9, 2020.

## (3) Non-consolidated Financial Results for the Nine Months Ended December 31, 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	%
Nine Months Ended December 31, 2020	870,784	(16.7)	65,889	(30.1)	74,125	(28.1)	59,084	(22.0)	82.33	
Nine Months Ended December 31, 2019	1,045,480	3.7	94,268	14.1	103,136	10.7	75,788	8.8	105.61	

### ② Non-consolidated Financial Position

	Total Assets		Net Assets		Equity Ratio		Net Assets per Share (BPS)	
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen	%
As of December 31, 2020	1,710,404		706,391		41.3		984.28	
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 December 31, 2020] 706,391 million yen ; [As of March 31, 2020] 656,156 million yen

## (4) Non-consolidated Forecast for 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 November 9, 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	—	Yen 16.00	—	Yen 16.00	Yen 32.00	Yen in millions 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 November 9, 2020.

## 1. Qualitative Information

### (1) Overview of consolidated business results

Consolidated net sales for the nine months of fiscal year ending March 31, 2021 (from April 1 to December 31, 2020) amounted to 1,276.9 billion yen, a decrease of 221.5 billion yen (14.8%) from the same period in the previous fiscal year. This decline was mainly caused by the fact that multiple large projects were completed in the previous consolidated fiscal year and construction had just begun on many of the projects in progress in the domestic building construction business, so sales posted for progress on construction declined. Operating income was 86.8 billion yen, a decrease of 31.5 billion yen (26.7%) from the same period in the previous fiscal year. Ordinary income was 91.0 billion yen, a decrease of 34.5 billion yen (27.5%) year-on-year, and profit attributable to owners of parent was 71.1 billion yen, a decrease of 20.6 billion yen (22.5%) year-on-year.

### (2) Overview of consolidated financial position

Total assets as of December 31, 2020 decreased by 6.0 billion yen (0.3%) compared with the balance at the end of the previous fiscal year (March 31, 2020), to 2,224.2 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, and an increase in "Investment securities" accompanying an increase in the market value of shares held, among other factors.

Total liabilities as of December 31, 2020 decreased by 62.9 billion yen (4.6%) compared with the balance at the end of the previous fiscal year, to 1,316.8 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 "Commercial papers," "Short-term loans payable," "Long-term loans payable," and other interest-bearing debt. The balance of interest-bearing debt as of December 31, 2020 increased by 78.3 billion yen (31.5%) compared with the balance at the end of the previous fiscal year (March 31, 2020), to 326.9 billion yen.

Total net assets as of December 31, 2020 increased by 56.8 billion yen (6.7%) compared with the balance at the end of the previous fiscal year, to 907.3 billion yen. This was mainly due to increases in "Retained earnings" from the recognition of profit attributable to owners of parent, and "Valuation difference on available-for-sale securities."

As a result, the equity ratio as of December 31, 2020 was 39.4%, up 2.7 percentage points from the end of the previous fiscal year.

### (3) 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 2nd quarter were announced on November 9, 2020.

### (4) 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, Guidelines for Actions to Prevent the Spread of the Novel Coronavirus at Construction Sites, was formulated in June 2020.

Based on these plans of action, we are working to maintain business activities and achieve results on par with 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.

We are advocating harder for the telecommuting and staggered working hours implemented at offices and continuing construction after reconfirming the state of infection prevention measures at each construction site and making sure that such measures are being thoroughly implemented in the areas covered in response to the State of Emergency declared in January of this year.

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 Nine Months Ended December 31, 2020 (YoY Comparison)

(Yen in 100 millions)

	Consolidated				Non-consolidated							
	Results April 1, 2019 December 31, 2019	Results April 1, 2020 December 31, 2020	Change	% Change	Results April 1, 2019 December 31, 2019	Results April 1, 2020 December 31, 2020	Change	% Change				
Net sales of completed construction contracts	14,333	12,144	(2,189)	(15.3)	10,314	8,564	(1,750)	(17.0)				
Building Construction	—	—	—	—	8,224	6,521	(1,702)	(20.7)				
Civil Engineering	—	—	—	—	2,090	2,042	(47)	(2.3)				
Gross profit on completed construction contracts	12.3	1,763	11.9	1,449	(314)	(17.8)	13.8	1,425	13.4	1,144	(280)	(19.7)
Building Construction	—	—	—	—	12.3	1,009	11.0	717	(292)	(28.9)		
Civil Engineering	—	—	—	—	19.9	416	20.9	427	11	2.7		
Net sales of real estate business and other	651	624	(26)	(4.0)	140	143	3	2.2				
Gross profit on real estate business and other	25.4	165	26.6	166	0	0.5	28.6	40	26.6	38	(1)	(4.7)
<b>Net sales</b>	<b>14,984</b>	<b>12,769</b>	<b>(2,215)</b>	<b>(14.8)</b>	<b>10,454</b>	<b>8,707</b>	<b>(1,746)</b>	<b>(16.7)</b>				
Gross profit	12.9	1,929	12.7	1,615	(313)	(16.3)	14.0	1,465	13.6	1,183	(282)	(19.3)
Selling, general and administrative expenses	5.0	744	5.9	747	2	0.3	5.0	523	6.0	524	0	0.2
(Personnel expenses)	424	419	(5)		280		(7)					
(Others)	320	327	7		242		8					
<b>Operating Income</b>	<b>7.9</b>	<b>1,184</b>	<b>6.8</b>	<b>868</b>	<b>(315)</b>	<b>(26.7)</b>	<b>9.0</b>	<b>942</b>	<b>7.6</b>	<b>658</b>	<b>(283)</b>	<b>(30.1)</b>
Non-operating income		92		68	(23)	(25.3)		101		100	(1)	(1.8)
Non-operating expenses		19		26	6	33.6		13		17	4	34.0
(interests received/paid and dividend income - net)		64		46	(17)			88		91	2	
<b>Ordinary income</b>	<b>8.4</b>	<b>1,256</b>	<b>7.1</b>	<b>910</b>	<b>(345)</b>	<b>(27.5)</b>	<b>9.9</b>	<b>1,031</b>	<b>8.5</b>	<b>741</b>	<b>(290)</b>	<b>(28.1)</b>
Extraordinary income		59		60	0	1.5		36		58	22	60.5
Extraordinary loss		14		26	11	79.4		13		57	44	335.1
Income before income taxes	8.7	1,301	7.4	944	(356)	(27.4)	10.1	1,054	8.5	742	(312)	(29.6)
Total income taxes		353		218	(135)	(38.3)		297		152	(145)	(48.8)
Profit		947		726	(221)	(23.3)		—		—	—	—
Profit attributable to non-controlling interests (deduction)		30		15	(15)	(49.9)		—		—	—	—
<b>Profit attributable to owners of parent (Non-consolidated: Profit)</b>	<b>6.1</b>	<b>917</b>	<b>5.6</b>	<b>711</b>	<b>(206)</b>	<b>(22.5)</b>	<b>7.2</b>	<b>757</b>	<b>6.8</b>	<b>590</b>	<b>(167)</b>	<b>(22.0)</b>

#### Orders Received

(Yen in 100 millions)

	Consolidated				Non-consolidated			
	Results April 1, 2019 December 31, 2019	Results April 1, 2020 December 31, 2020	Change	% Change	Results April 1, 2019 December 31, 2019	Results April 1, 2020 December 31, 2020	Change	% Change
Building Construction	10,967	7,355	(3,611)	(32.9)	7,931	4,848	(3,082)	(38.9)
Domestic	8,191	5,203	(2,987)	(36.5)	7,808	4,830	(2,978)	(38.1)
Overseas	2,775	2,152	(623)	(22.5)	122	17	(104)	(85.4)
Civil Engineering	2,562	2,519	(42)	(1.7)	1,539	1,699	159	10.4
Domestic	1,803	2,256	452	25.1	1,239	1,692	453	36.6
Overseas	758	263	(494)	(65.3)	300	6	(293)	(97.7)
Construction Total	13,529	9,875	(3,653)	(27.0)	9,470	6,547	(2,922)	(30.9)
Domestic	9,995	7,459	(2,535)	(25.4)	9,048	6,523	(2,524)	(27.9)
Overseas	3,534	2,415	(1,118)	(31.6)	422	24	(397)	(94.2)
Real Estate Business and Other	664	650	(14)	(2.2)	139	143	3	2.6
<b>Total Orders received</b>	<b>14,194</b>	<b>10,525</b>	<b>(3,668)</b>	<b>(25.8)</b>	<b>9,610</b>	<b>6,691</b>	<b>(2,919)</b>	<b>(30.4)</b>

#### Interest-bearing Debt Balances

(Yen in 100 millions)

	Consolidated				Non-consolidated			
	March 31, 2020	December 31, 2020	Change	% Change	March 31, 2020	December 31, 2020	Change	% Change
Interest-bearing debt (except nonrecourse loans)	1,729	2,567	838	48.5	1,491	2,213	722	48.4
Nonrecourse loans	756	701	(54)	(7.3)	—	—	—	—
<b>Total Interest-bearing debt</b>	<b>2,485</b>	<b>3,269</b>	<b>783</b>	<b>31.5</b>	<b>1,491</b>	<b>2,213</b>	<b>722</b>	<b>48.4</b>

## (2) Financial Results for the Nine Months Ended December 31, 2020 (Progress toward Full-Year Forecasts)

(Yen in 100 millions)

	Consolidated				Non-consolidated					
	Results April 1, 2020 December 31, 2020		Forecasts April 1, 2020 - March 31, 2021		Results April 1, 2020 December 31, 2020		Forecasts April 1, 2020 - March 31, 2021		% Progress	
Net sales of completed construction contracts	%	12,144	%	17,620		8,564	%	12,630		67.8
[ Building Construction		—		—		6,521		9,750		66.9
Civil Engineering		—		—		2,042		2,880		70.9
Gross profit on completed construction contracts	11.9	1,449	11.4	2,005	13.4	1,144	12.6	1,590		72.0
[ Building Construction		—		—	11.0	717	11.1	1,080		66.4
Civil Engineering		—		—	20.9	427	17.7	510		83.9
Net sales of real estate business and other		624		980		143		210		68.2
Gross profit on real estate business and other	26.6	166	24.0	235	26.6	38	23.8	50		76.3
<b>Net sales</b>		<b>12,769</b>		<b>18,600</b>		<b>8,707</b>		<b>12,840</b>		<b>67.8</b>
Gross profit	12.7	1,615	12.0	2,240	13.6	1,183	12.8	1,640		72.1
Selling, general and administrative expenses	5.9	747	5.6	1,050	6.0	524	5.8	740		70.8
(Personnel expenses)		419		580		273		378		
(Others)		327		470		251		362		
<b>Operating Income</b>	<b>6.8</b>	<b>868</b>	<b>6.4</b>	<b>1,190</b>	<b>7.6</b>	<b>658</b>	<b>7.0</b>	<b>900</b>		<b>73.2</b>
Non-operating income		68		95		100		130		77.0
Non-operating expenses		26		25		17		20		88.9
(interests received/paid and dividend income - net)		46		60		91		115		
<b>Ordinary income</b>	<b>7.1</b>	<b>910</b>	<b>6.8</b>	<b>1,260</b>	<b>8.5</b>	<b>741</b>	<b>7.9</b>	<b>1,010</b>		<b>73.4</b>
Extraordinary income		60		65 *		58		65 *		90.7
Extraordinary loss		26		35 *		57		60 *		95.7
Income before income taxes	7.4	944	6.9	1,290	8.5	742	7.9	1,015		73.2
Total income taxes		218		330		152		235		64.7
Profit		726		960		—		—		—
Profit attributable to non-controlling interests (deduction)		15		20		—		—		—
<b>Profit attributable to owners of parent (Non-consolidated: Profit)</b>	<b>5.6</b>	<b>711</b>	<b>5.1</b>	<b>940</b>	<b>6.8</b>	<b>590</b>	<b>6.1</b>	<b>780</b>		<b>75.7</b>

※The forecasts for fiscal year ending March 31, 2021 marked with an asterisk (\*) have changed. Other forecasts are the same as those announced on November 9, 2020. (Forecasts announced on November 9, 2020: [Consolidated] Extraordinary income/loss: ¥4,000/1,000 million Yen; [Non-consolidated] Extraordinary income/loss: ¥4,000/3,500 million Yen)

## Orders Received

(Yen in 100 millions)

	Consolidated			Non-consolidated						
	Results April 1, 2020 December 31, 2020		Forecasts April 1, 2020 - March 31, 2021		Results April 1, 2020 December 31, 2020		Forecasts April 1, 2020 - March 31, 2021		% Progress	
Building Construction		7,355		15,350		4,848		11,550		42.0
Domestic		5,203		12,150		4,830		11,500		42.0
Overseas		2,152		3,200		17		50		35.7
Civil Engineering		2,519		4,600		1,699		3,300		51.5
Domestic		2,256		3,850		1,692		2,980		56.8
Overseas		263		750		6		320		2.1
Construction Total		9,875		19,950		6,547		14,850		44.1
Domestic		7,459		16,000		6,523		14,480		45.1
Overseas		2,415		3,950		24		370		6.7
Real Estate Business and Other		650		850		143		210		68.2
<b>Total Orders received</b>		<b>10,525</b>		<b>20,800</b>		<b>6,691</b>		<b>15,060</b>		<b>44.4</b>

※ There have been no revisions to the forecasts previously announced on November 9, 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	2,316	2,005	(311)	(13.4)		1,793	1,590	(203)	(11.4)	
Building Construction	—	—	—	—		1,240	1,080	(160)	(13.0)	
Civil Engineering	—	—	—	—		552	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	238	235	(3)	(1.7)		47	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	2,555	2,240	(315)	(12.3)		1,841	1,640	(201)	(10.9)	
Selling, general and administrative expenses	1,026	1,050	23	2.3		710	740	29	4.1	
(Personnel expenses)	577	580	2			374	378	3		
(Others)	449	470	20			336	362	25		
<b>Operating Income</b>	<b>1,528</b>	<b>1,190</b>	<b>(338)</b>	<b>(22.2)</b>		<b>1,130</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>1,590</b>	<b>1,260</b>	<b>(330)</b>	<b>(20.8)</b>		<b>1,216</b>	<b>1,010</b>	<b>(206)</b>	<b>(17.0)</b>	
Extraordinary income	79	65*	(14)	(17.8)		56	65*	8	14.9	
Extraordinary loss	44	35*	(9)	(20.6)		38	60*	21	55.9	
Income before income taxes	1,625	1,290	(335)	(20.6)		1,234	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>1,130</b>	<b>940</b>	<b>(190)</b>	<b>(16.9)</b>		<b>884</b>	<b>780</b>	<b>(104)</b>	<b>(11.8)</b>	

\*The forecasts for fiscal year ending March 31, 2021 marked with an asterisk (\*) have changed. Other forecasts are the same as those announced on November 9, 2020. (Forecasts announced on November 9, 2020: [Consolidated] Extraordinary income/loss: 4,000/1,000 million Yen; [Non-consolidated] Extraordinary income/loss: 4,000/3,500 million Yen)

### 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 November 9, 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 November 9, 2020.

## 4 Operating Results and Forecasts for Reportable Segments

### (1) Operating Results for the Nine Months Ended December 31, 2020 (YoY Comparison)

#### 【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Results		Change	% Change	Results		Change	% Change	% Profit	
	April 1, 2019 - December 31, 2019	April 1, 2020 - December 31, 2020			April 1, 2019 - December 31, 2019	April 1, 2020 - December 31, 2020			% Profit	% Profit
<b>Building Construction</b>										
Domestic	836,185	677,749	(158,436)	(18.9)	8.0	66,640	5.9	39,699	(26,941)	(40.4)
Overseas	290,221	236,194	(54,027)	(18.6)	2.8	8,239	1.3	2,980	(5,259)	(63.8)
Subtotal	1,126,407	913,943	(212,463)	(18.9)	6.6	74,880	4.7	42,679	(32,201)	(43.0)
<b>Civil Engineering</b>										
Domestic	253,195	248,188	(5,006)	(2.0)	11.5	29,037	13.4	33,175	4,138	14.3
Overseas	53,709	52,275	(1,433)	(2.7)	6.9	3,730	0.3	167	(3,563)	(95.5)
Subtotal	306,904	300,464	(6,440)	(2.1)	10.7	32,767	11.1	33,343	575	1.8
<b>Construction Total</b>										
Domestic	1,089,381	925,937	(163,443)	(15.0)	8.8	95,678	7.9	72,875	(22,803)	(23.8)
Overseas	343,930	288,470	(55,460)	(16.1)	3.5	11,970	1.1	3,147	(8,822)	(73.7)
Subtotal	1,433,311	1,214,408	(218,903)	(15.3)	7.5	107,648	6.3	76,022	(31,625)	(29.4)
<b>Real Estate Business and Other</b>										
Real Estate Business	30,965	31,900	935	3.0	26.8	8,311	27.3	8,711	399	4.8
Other	34,143	30,595	(3,547)	(10.4)	7.2	2,464	6.9	2,115	(348)	(14.1)
Subtotal	65,108	62,496	(2,612)	(4.0)	16.6	10,776	17.3	10,827	51	0.5
<b>Total</b>	<b>1,498,420</b>	<b>1,276,904</b>	<b>(221,515)</b>	<b>(14.8)</b>	<b>7.9</b>	<b>118,424</b>	<b>6.8</b>	<b>86,850</b>	<b>(31,574)</b>	<b>(26.7)</b>

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

#### 【Non-consolidated】

(Yen in millions)

	Net Sales				Gross Profit					
	Results		Change	% Change	Results		Change	% Change	% Gross Profit	
	April 1, 2019 - December 31, 2019	April 1, 2020 - December 31, 2020			April 1, 2019 - December 31, 2019	April 1, 2020 - December 31, 2020			% Gross Profit	% Gross Profit
<b>Building Construction</b>										
Domestic	811,691	647,425	(164,266)	(20.2)	12.4	100,305	11.1	71,636	(28,668)	(28.6)
Overseas	10,742	4,751	(5,991)	(55.8)	5.8	619	1.8	85	(533)	(86.1)
Subtotal	822,433	652,176	(170,257)	(20.7)	12.3	100,924	11.0	71,722	(29,202)	(28.9)
<b>Civil Engineering</b>										
Domestic	193,950	191,251	(2,699)	(1.4)	19.1	37,125	22.0	42,008	4,883	13.2
Overseas	15,082	13,030	(2,052)	(13.6)	30.1	4,544	5.9	765	(3,779)	(83.2)
Subtotal	209,033	204,281	(4,752)	(2.3)	19.9	41,669	20.9	42,774	1,104	2.7
<b>Construction Total</b>										
Domestic	1,005,642	838,676	(166,966)	(16.6)	13.7	137,430	13.6	113,645	(23,785)	(17.3)
Overseas	25,825	17,781	(8,043)	(31.1)	20.0	5,164	4.8	851	(4,312)	(83.5)
Subtotal	1,031,467	856,457	(175,009)	(17.0)	13.8	142,594	13.4	114,496	(28,098)	(19.7)
<b>Real Estate Business and Other</b>										
Real Estate Business	14,013	14,326	313	2.2	28.6	4,001	26.6	3,815	(186)	(4.7)
Other										
<b>Total</b>	<b>1,045,480</b>	<b>870,784</b>	<b>(174,696)</b>	<b>(16.7)</b>	<b>14.0</b>	<b>146,596</b>	<b>13.6</b>	<b>118,311</b>	<b>(28,284)</b>	<b>(19.3)</b>

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

### 【Consolidated】

(Yen in millions)

	Consolidated Net Sales				Consolidated Operating Income					
	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
<b>Building Construction</b>					% Profit		% Profit			
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 November 9, 2020.

### 【Non-consolidated】

(Yen in millions)

	Net Sales				Gross Profit					
	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
<b>Building Construction</b>					% Gross Profit		% Gross Profit			
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)	(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)	13.0	184,101	12.8	164,000	(20,101)	(10.9)
<b>Total</b>	<b>1,416,361</b>	<b>1,284,000</b>	<b>(132,361)</b>	<b>(9.3)</b>						

※ There have been no revisions to the forecasts previously announced on November 9, 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 - December 31, 2019		April 1, 2020 - December 31, 2020		Change		Previous FY Results April 1, 2019 - March 31, 2020	
		% of Total		% of Total		% Change		% of Total
<b>Building Construction</b>								
Domestic Public	46,717	4.8	26,780	4.0	(19,936)	(42.7)	141,590	9.1
Domestic Private	734,145	76.4	456,279	68.2	(277,865)	(37.8)	1,051,865	67.6
Domestic total	780,862	81.2	483,060	72.2	(297,802)	(38.1)	1,193,456	76.7
Overseas total	12,257	1.3	1,785	0.3	(10,471)	(85.4)	12,151	0.8
Subtotal	793,119	82.5	484,845	72.5	(308,273)	(38.9)	1,205,607	77.5
<b>Civil Engineering</b>								
Domestic Public	52,861	5.5	99,312	14.8	46,450	87.9	110,135	7.1
Domestic Private	71,079	7.4	69,952	10.5	(1,127)	(1.6)	137,178	8.8
Domestic total	123,941	12.9	169,265	25.3	45,323	36.6	247,314	15.9
Overseas total	30,009	3.1	681	0.1	(29,327)	(97.7)	79,513	5.1
Subtotal	153,950	16.0	169,947	25.4	15,996	10.4	326,827	21.0
<b>Construction Total</b>								
Domestic Public	99,578	10.3	126,093	18.8	26,514	26.6	251,726	16.2
Domestic Private	805,225	83.8	526,232	78.7	(278,993)	(34.6)	1,189,044	76.4
Domestic total	904,804	94.1	652,325	97.5	(252,478)	(27.9)	1,440,770	92.6
Overseas total	42,266	4.4	2,467	0.4	(39,798)	(94.2)	91,664	5.9
Subtotal	947,070	98.5	654,793	97.9	(292,277)	(30.9)	1,532,434	98.5
Real Estate Business and Other	13,968	1.5	14,326	2.1	357	2.6	23,491	1.5
Total	961,039	100	669,119	100	(291,919)	(30.4)	1,555,926	100

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

(Yen in millions)

	April 1, 2019 - December 31, 2019		April 1, 2020 - December 31, 2020		Change		Previous FY Results April 1, 2019 - March 31, 2020	
		% of Total		% of Total		% Change		% of Total
<b>Building Construction</b>								
Domestic Public	63,145	6.0	43,389	5.0	(19,755)	(31.3)	76,180	5.4
Domestic Private	748,546	71.6	604,035	69.4	(144,510)	(19.3)	1,023,334	72.2
Domestic total	811,691	77.6	647,425	74.4	(164,266)	(20.2)	1,099,515	77.6
Overseas total	10,742	1.1	4,751	0.5	(5,991)	(55.8)	12,329	0.9
Subtotal	822,433	78.7	652,176	74.9	(170,257)	(20.7)	1,111,845	78.5
<b>Civil Engineering</b>								
Domestic Public	117,092	11.2	115,495	13.3	(1,597)	(1.4)	160,570	11.3
Domestic Private	76,857	7.4	75,755	8.7	(1,102)	(1.4)	101,599	7.2
Domestic total	193,950	18.6	191,251	22.0	(2,699)	(1.4)	262,169	18.5
Overseas total	15,082	1.4	13,030	1.5	(2,052)	(13.6)	18,810	1.3
Subtotal	209,033	20.0	204,281	23.5	(4,752)	(2.3)	280,979	19.8
<b>Construction Total</b>								
Domestic Public	180,237	17.2	158,884	18.3	(21,353)	(11.8)	236,751	16.7
Domestic Private	825,404	79.0	679,791	78.1	(145,612)	(17.6)	1,124,934	79.4
Domestic total	1,005,642	96.2	838,676	96.4	(166,966)	(16.6)	1,361,685	96.1
Overseas total	25,825	2.5	17,781	2.0	(8,043)	(31.1)	31,139	2.2
Subtotal	1,031,467	98.7	856,457	98.4	(175,009)	(17.0)	1,392,825	98.3
Real Estate Business and Other	14,013	1.3	14,326	1.6	313	2.2	23,536	1.7
Total	1,045,480	100	870,784	100	(174,696)	(16.7)	1,416,361	100

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

(Yen in millions)

	December 31, 2019		December 31, 2020		Change		March 31, 2020	
		% of Total		% of Total		% Change		% of Total
<b>Building Construction</b>								
Domestic Public	77,888	4.9	143,117	8.9	65,229	83.7	159,725	8.8
Domestic Private	1,099,058	69.3	994,234	61.8	(104,824)	(9.5)	1,141,990	63.1
Domestic total	1,176,946	74.2	1,137,351	70.7	(39,595)	(3.4)	1,301,716	71.9
Overseas total	12,788	0.8	8,129	0.5	(4,659)	(36.4)	11,094	0.6
Subtotal	1,189,735	75.0	1,145,480	71.2	(44,254)	(3.7)	1,312,811	72.5
<b>Civil Engineering</b>								
Domestic Public	209,850	13.3	207,464	12.9	(2,385)	(1.1)	223,647	12.4
Domestic Private	141,579	8.9	177,133	11.0	35,553	25.1	182,936	10.1
Domestic total	351,430	22.2	384,598	23.9	33,167	9.4	406,584	22.5
Overseas total	44,486	2.8	77,914	4.9	33,428	75.1	90,263	5.0
Subtotal	395,917	25.0	462,513	28.8	66,595	16.8	496,847	27.5
<b>Construction Total</b>								
Domestic Public	287,738	18.2	350,582	21.8	62,843	21.8	383,373	21.2
Domestic Private	1,240,638	78.2	1,171,368	72.8	(69,270)	(5.6)	1,324,927	73.2
Domestic total	1,528,377	96.4	1,521,950	94.6	(6,427)	(0.4)	1,708,300	94.4
Overseas total	57,274	3.6	86,043	5.4	28,769	50.2	101,357	5.6
Subtotal	1,585,652	100.0	1,607,994	100.0	22,341	1.4	1,809,658	100.0
Real Estate Business and Other	—	—	—	—	—	—	—	—
<b>Total</b>	<b>1,585,652</b>	<b>100</b>	<b>1,607,994</b>	<b>100</b>	<b>22,341</b>	<b>1.4</b>	<b>1,809,658</b>	<b>100</b>

## 6 Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Yen in millions)

	March 31, 2020	December 31, 2020	Change
<b>Assets</b>			
Current assets			
Cash and deposits	315,027	<b>251,271</b>	(63,756)
Notes and accounts receivable from completed construction contracts and other	773,694	<b>722,642</b>	(51,052)
Electronically recorded monetary claims	12,680	<b>15,151</b>	2,470
Short-term investment securities	7,103	<b>4,172</b>	(2,931)
Real estate for sale	11,937	<b>11,792</b>	(144)
Costs on uncompleted construction contracts	38,141	<b>69,108</b>	30,966
Costs on real estate business	15,171	<b>18,708</b>	3,537
Inventories for PFI and other projects	53,500	<b>37,399</b>	(16,100)
Other inventories	8,744	<b>8,938</b>	194
Accounts receivable	75,125	<b>76,269</b>	1,143
Other	22,749	<b>45,608</b>	22,858
Allowance for doubtful accounts	(118)	<b>(130)</b>	(11)
<b>Total current assets</b>	<b>1,333,757</b>	<b>1,260,932</b>	<b>(72,825)</b>
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	120,866	<b>117,784</b>	(3,082)
Machinery, vehicles, tools, furniture and fixtures	55,274	<b>52,381</b>	(2,892)
Land	367,701	<b>384,170</b>	16,469
Lease assets	236	<b>226</b>	(9)
Construction in progress	28,112	<b>46,041</b>	17,928
<b>Total property, plant and equipment</b>	<b>572,190</b>	<b>600,604</b>	<b>28,413</b>
Intangible assets	6,367	<b>6,609</b>	241
Investments and other assets			
Investment securities	290,719	<b>310,497</b>	19,778
Long-term loans receivable	2,109	<b>1,974</b>	(134)
Deferred tax assets	1,846	<b>1,754</b>	(92)
Other	23,496	<b>42,096</b>	18,600
Allowance for doubtful accounts	(191)	<b>(192)</b>	(0)
<b>Total investments and other assets</b>	<b>317,981</b>	<b>356,131</b>	<b>38,149</b>
<b>Total noncurrent assets</b>	<b>896,539</b>	<b>963,344</b>	<b>66,805</b>
<b>Total assets</b>	<b>2,230,297</b>	<b>2,224,276</b>	<b>(6,020)</b>

## (1) Consolidated Balance Sheets

(Yen in millions)

	March 31, 2020	December 31, 2020	Change
<b>Liabilities</b>			
Current liabilities			
Notes and accounts payable for construction contracts and other	536,863	<b>423,133</b>	(113,729)
Electronically recorded obligations	118,976	<b>112,060</b>	(6,916)
Short-term loans payable	54,823	<b>83,088</b>	28,264
Current portion of nonrecourse loans	7,631	<b>7,484</b>	(146)
Commercial papers	—	<b>30,000</b>	30,000
Lease obligations	839	<b>425</b>	(413)
Income taxes payable	27,209	<b>1,233</b>	(25,975)
Advances received on uncompleted construction contracts	109,216	<b>127,936</b>	18,720
Deposits received	121,611	<b>117,804</b>	(3,806)
Provision for warranties for completed construction	4,313	<b>3,766</b>	(546)
Provision for loss on construction contracts	12,694	<b>11,689</b>	(1,004)
Provision for loss on Antimonopoly Act	4,145	—	(4,145)
Other	91,845	<b>77,249</b>	(14,596)
<b>Total current liabilities</b>	<b>1,090,170</b>	<b>995,873</b>	(94,296)
Noncurrent liabilities			
Bonds payable	40,000	<b>40,000</b>	—
Long-term loans payable	78,104	<b>103,674</b>	25,570
Nonrecourse loans	67,993	<b>62,653</b>	(5,339)
Lease obligations	442	<b>307</b>	(134)
Deferred tax liabilities	5,336	<b>16,374</b>	11,037
Deferred tax liabilities for land revaluation	18,893	<b>18,741</b>	(151)
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>53,631</b>	1,033
Other	25,584	<b>25,204</b>	(380)
<b>Total noncurrent liabilities</b>	<b>289,627</b>	<b>321,022</b>	31,395
<b>Total liabilities</b>	<b>1,379,798</b>	<b>1,316,896</b>	(62,901)
<b>Net assets</b>			
Shareholders' equity			
Capital stock	57,752	<b>57,752</b>	—
Capital surplus	42,825	<b>42,684</b>	(140)
Retained earnings	587,012	<b>633,893</b>	46,880
Treasury stock	(2,121)	<b>(2,096)</b>	24
<b>Total shareholders' equity</b>	<b>685,469</b>	<b>732,234</b>	46,764
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	104,775	<b>118,947</b>	14,171
Deferred gains (losses) on hedges	6,837	<b>5,669</b>	(1,167)
Revaluation reserve for land	19,076	<b>20,379</b>	1,302
Foreign currency translation adjustments	1,306	<b>(439)</b>	(1,746)
Retirement benefit asset and liability adjustments	426	<b>197</b>	(229)
<b>Total accumulated other comprehensive income</b>	<b>132,422</b>	<b>144,754</b>	12,331
Non-controlling interests	32,606	<b>30,391</b>	(2,214)
<b>Total net assets</b>	<b>850,498</b>	<b>907,380</b>	56,881
<b>Total liabilities and net assets</b>	<b>2,230,297</b>	<b>2,224,276</b>	(6,020)
<b>(Reference)</b>			
Interest-bearing debt balances	248,552	<b>326,901</b>	78,348

## (2) Consolidated Statements of Income

(Yen in millions)

	April 1, 2019 - December 31, 2019	April 1, 2020 - December 31, 2020	Change
<b>Net sales</b>			
Net sales of completed construction contracts	1,433,311	<b>1,214,408</b>	(218,903)
Net sales of real estate business and other	65,108	<b>62,496</b>	(2,612)
<b>Total net sales</b>	<b>1,498,420</b>	<b>1,276,904</b>	(221,515)
<b>Cost of sales</b>			
Cost of sales on completed construction contracts	1,256,942	<b>1,069,471</b>	(187,471)
Cost of sales on real estate business and other	48,572	<b>45,878</b>	(2,693)
<b>Total cost of sales</b>	<b>1,305,515</b>	<b>1,115,350</b>	(190,164)
<b>Gross profit</b>			
Gross profit on completed construction contracts	176,369	<b>144,936</b>	(31,432)
Gross profit on real estate business and other	16,536	<b>16,617</b>	81
<b>Total gross profit</b>	<b>192,905</b>	<b>161,554</b>	(31,351)
Selling, general and administrative expenses	74,481	<b>74,703</b>	222
<b>Operating income</b>	<b>118,424</b>	<b>86,850</b>	(31,574)
<b>Non-operating income</b>			
Interest income	959	<b>627</b>	(332)
Dividends income	6,811	<b>5,395</b>	(1,415)
Other	1,463	<b>873</b>	(589)
<b>Total non-operating income</b>	<b>9,234</b>	<b>6,896</b>	(2,337)
<b>Non-operating expenses</b>			
Interest expenses	1,345	<b>1,333</b>	(11)
Other	649	<b>1,331</b>	681
<b>Total non-operating expenses</b>	<b>1,995</b>	<b>2,665</b>	669
<b>Ordinary income</b>	<b>125,663</b>	<b>91,082</b>	(34,581)
<b>Extraordinary income</b>			
Gain on sales of investment securities	3,516	<b>3,432</b>	(84)
Gain on sales of noncurrent assets	138	<b>1,348</b>	1,210
Reversal of provision for loss on Antimonopoly Act	2,096	<b>1,026</b>	(1,069)
Other	189	<b>225</b>	35
<b>Total extraordinary income</b>	<b>5,940</b>	<b>6,032</b>	92
<b>Extraordinary loss</b>			
Loss on valuation of investment securities	710	<b>1,308</b>	598
Impairment loss	118	<b>685</b>	567
Other	636	<b>634</b>	(1)
<b>Total extraordinary losses</b>	<b>1,465</b>	<b>2,629</b>	1,163
<b>Profit before income taxes</b>	<b>130,139</b>	<b>94,485</b>	(35,653)
Income taxes-current	33,986	<b>16,926</b>	(17,059)
Income taxes-deferred	1,372	<b>4,887</b>	3,514
<b>Total income taxes</b>	<b>35,359</b>	<b>21,814</b>	(13,545)
<b>Profit</b>	<b>94,780</b>	<b>72,671</b>	(22,108)
Profit attributable to non-controlling interests	3,017	<b>1,510</b>	(1,506)
<b>Profit attributable to owners of parent</b>	<b>91,763</b>	<b>71,161</b>	(20,602)

### (3) Consolidated Statements of Comprehensive Income

(Yen in millions)

	April 1, 2019 - December 31, 2019	April 1, 2020 - December 31, 2020
Profit	94,780	<b>72,671</b>
Other comprehensive income		
Valuation difference on available-for-sale securities	1,413	<b>14,184</b>
Deferred gains (losses) on hedges	2,599	<b>(1,321)</b>
Foreign currency translation adjustment	824	<b>(3,968)</b>
Retirement benefit adjustment	(497)	<b>(228)</b>
Share of other comprehensive income of associates accounted for using equity method	(9)	<b>136</b>
Total other comprehensive income	4,331	<b>8,802</b>
Comprehensive income	99,111	<b>81,474</b>
Comprehensive income attributable to owners of parent	95,442	<b>82,189</b>
Comprehensive income attributable to non-controlling interests	3,669	<b>(715)</b>

## 7 Non-consolidated Financial Statements

### (1) Non-consolidated Balance Sheets

(Yen in millions)

	March 31, 2020	December 31, 2020	Change
<b>Assets</b>			
Current assets			
Cash and deposits	183,648	<b>132,695</b>	(50,953)
Notes receivable—trade	1,609	<b>3,521</b>	1,911
Electronically recorded monetary claims	10,324	<b>12,897</b>	2,573
Accounts receivable from completed construction contracts	604,250	<b>554,255</b>	(49,994)
Accounts receivable—real estate business and other	8,349	<b>2,367</b>	(5,982)
Short-term investment securities	154	<b>7</b>	(146)
Real estate for sale	3,512	<b>3,774</b>	261
Costs on uncompleted construction contracts	33,765	<b>61,866</b>	28,101
Costs on real estate business and other	4,144	<b>4,735</b>	590
Short-term loans receivable	79,583	<b>57,163</b>	(22,420)
Accounts receivable—other	71,619	<b>71,374</b>	(245)
Other	21,587	<b>42,830</b>	21,243
Allowance for doubtful accounts	(76)	<b>(68)</b>	8
<b>Total current assets</b>	<b>1,022,474</b>	<b>947,422</b>	<b>(75,052)</b>
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	61,546	<b>49,224</b>	(12,322)
Machinery, equipment and vehicles	10,131	<b>8,924</b>	(1,206)
Tools, furniture and fixtures	2,688	<b>3,293</b>	605
Land	198,186	<b>173,331</b>	(24,854)
Leased assets	7	<b>25</b>	17
Construction in progress	8,960	<b>17,818</b>	8,858
<b>Total property, plant and equipment</b>	<b>281,520</b>	<b>252,617</b>	<b>(28,902)</b>
Intangible assets	3,551	<b>3,603</b>	52
Investments and other assets			
Investment securities	278,000	<b>297,788</b>	19,788
Shares and investments in capital of subsidiaries and affiliates	60,544	<b>122,534</b>	61,989
Long-term loans receivable	48,628	<b>75,651</b>	27,022
Claims provable in bankruptcy, claims provable in rehabilitation and other	1,865	<b>2,055</b>	190
Other	9,031	<b>9,750</b>	719
Allowance for doubtful accounts	(945)	<b>(1,019)</b>	(73)
<b>Total investments and other assets</b>	<b>397,124</b>	<b>506,760</b>	<b>109,636</b>
<b>Total noncurrent assets</b>	<b>682,195</b>	<b>762,981</b>	<b>80,785</b>
<b>Total assets</b>	<b>1,704,670</b>	<b>1,710,404</b>	<b>5,733</b>

## (1) Non-consolidated Balance Sheets

(Yen in millions)

	March 31, 2020	December 31, 2020	Change
<b>Liabilities</b>			
Current liabilities			
Notes payable—trade	10,327	12,496	2,168
Electronically recorded obligations	119,469	111,252	(8,217)
Accounts payable for construction contracts	388,886	295,338	(93,548)
Accounts payable—real estate and other	1,149	389	(759)
Short-term loans payable	39,729	68,644	28,915
Commercial papers	—	30,000	30,000
Lease obligations	4	8	3
Accounts payable	18,854	5,325	(13,528)
Accrued expenses	17,880	11,530	(6,349)
Income taxes payable	24,588	—	(24,588)
Advances received on uncompleted construction contracts	72,956	95,009	22,053
Deposit received—real estate and other	1,276	3,476	2,199
Deposits received	115,711	113,708	(2,002)
Provision for warranties for completed construction	3,867	3,292	(575)
Provision for loss on construction contracts	11,881	11,296	(585)
Provision for loss on Antimonopoly Act	4,145	—	(4,145)
Deposits received from employees	26,439	27,615	1,175
Other	1,195	1,137	(57)
<b>Total current liabilities</b>	<b>858,362</b>	<b>790,519</b>	<b>(67,842)</b>
Noncurrent liabilities			
Bonds payable	40,000	40,000	—
Long-term loans payable	69,443	82,746	13,303
Lease obligations	3	19	16
Deferred tax liabilities	12,000	21,665	9,665
Deferred tax liabilities for land revaluation	15,555	15,403	(151)
Provision for retirement benefits	45,293	45,847	553
Provision for stock payments for directors	433	408	(25)
Provision for loss on business of subsidiaries and affiliates	2,068	2,419	351
Provision for environmental measures	213	—	(213)
Other	5,140	4,983	(157)
<b>Total noncurrent liabilities</b>	<b>190,152</b>	<b>213,492</b>	<b>23,340</b>
<b>Total liabilities</b>	<b>1,048,514</b>	<b>1,004,012</b>	<b>(44,501)</b>
<b>Net assets</b>			
Shareholders' equity			
Capital stock	57,752	57,752	—
Capital surplus			
Legal capital surplus	41,694	41,694	—
<b>Total capital surpluses</b>	<b>41,694</b>	<b>41,694</b>	<b>—</b>
Retained earnings			
Legal retained earnings	14,438	14,438	—
Other retained earnings			
Reserve for advanced depreciation of noncurrent assets	2,463	2,427	(36)
General reserve	315,000	315,000	—
Retained earnings brought forward	105,861	140,701	34,839
<b>Total retained earnings</b>	<b>437,763</b>	<b>472,566</b>	<b>34,803</b>
Treasury stock	(2,121)	(2,096)	24
<b>Total shareholders' equity</b>	<b>535,088</b>	<b>569,916</b>	<b>34,827</b>
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	104,712	118,790	14,077
Deferred gains (losses) on hedges	(16)	10	26
Revaluation reserve for land	16,370	17,673	1,303
<b>Total valuation and translation adjustments</b>	<b>121,067</b>	<b>136,474</b>	<b>15,407</b>
<b>Total net assets</b>	<b>656,156</b>	<b>706,391</b>	<b>50,235</b>
<b>Total liabilities and net assets</b>	<b>1,704,670</b>	<b>1,710,404</b>	<b>5,733</b>
<b>(Reference)</b>			
Interest-bearing debt balances	149,172	221,390	72,218

## (2) Non-consolidated Statements of Income

(Yen in millions)

	April 1, 2019 - December 31, 2019	April 1, 2020 - December 31, 2020	Change
<b>Net sales</b>			
Net sales of completed construction contracts	1,031,467	<b>856,457</b>	(175,009)
Net sales of real estate business and other	14,013	<b>14,326</b>	313
<b>Total net sales</b>	<b>1,045,480</b>	<b>870,784</b>	(174,696)
<b>Cost of sales</b>			
Cost of sales on completed construction contracts	888,872	<b>741,961</b>	(146,911)
Cost of sales on real estate business and other	10,011	<b>10,511</b>	499
<b>Total cost of sales</b>	<b>898,884</b>	<b>752,472</b>	(146,411)
<b>Gross profit</b>			
Gross profit on completed construction contracts	142,594	<b>114,496</b>	(28,098)
Gross profit on real estate business and other	4,001	<b>3,815</b>	(186)
<b>Total gross profit</b>	<b>146,596</b>	<b>118,311</b>	(28,284)
Selling, general and administrative expenses	52,328	<b>52,422</b>	94
<b>Operating income</b>	<b>94,268</b>	<b>65,889</b>	(28,379)
<b>Non-operating income</b>			
Interest and dividend income	9,463	<b>9,779</b>	316
Other	732	<b>235</b>	(496)
<b>Total non-operating income</b>	<b>10,196</b>	<b>10,015</b>	(180)
<b>Non-operating expenses</b>			
Interest expenses	609	<b>679</b>	70
Provision of allowance for doubtful accounts	30	<b>63</b>	33
Other	688	<b>1,035</b>	346
<b>Total non-operating expenses</b>	<b>1,327</b>	<b>1,778</b>	450
<b>Ordinary income</b>	<b>103,136</b>	<b>74,125</b>	(29,010)
<b>Extraordinary income</b>			
Gain on sales of investment securities	3,381	<b>3,370</b>	(11)
Gain on sales of noncurrent assets	103	<b>1,284</b>	1,181
Reversal of provision for loss on Antimonopoly Act	—	<b>1,026</b>	1,026
Other	188	<b>215</b>	26
<b>Total extraordinary income</b>	<b>3,673</b>	<b>5,897</b>	2,223
<b>Extraordinary loss</b>			
Loss on sales of noncurrent assets	12	<b>3,395</b>	3,383
Loss on valuation of investment securities	710	<b>1,308</b>	598
Other	595	<b>1,034</b>	438
<b>Total extraordinary losses</b>	<b>1,318</b>	<b>5,739</b>	4,420
<b>Profit before income taxes</b>	<b>105,491</b>	<b>74,284</b>	(31,207)
Income taxes-current	28,262	<b>11,877</b>	(16,384)
Income taxes-deferred	1,440	<b>3,323</b>	1,882
<b>Total income taxes</b>	<b>29,702</b>	<b>15,200</b>	(14,502)
<b>Profit</b>	<b>75,788</b>	<b>59,084</b>	(16,704)