



OBAYASHI CORPORATION

Announcement of Revisions for the Financial Forecasts

Tokyo, October 21, 2014 — In the light of its recent business performance, Obayashi Corporation hereby announces that it has revised its consolidated and non-consolidated financial forecasts for the first half (cumulative first and second quarters) of the fiscal year ending March 31, 2015 which were announced on August 5, 2014. The revisions are as follows:

Revised forecasts

Consolidated forecasts for the first half of the fiscal year ending March 31, 2015 (from April 1, 2014 to September 30, 2014)

(Unit: million yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share
Forecasts to be revised (A) (Announced on August 5, 2014)	830,000	12,000	14,000	9,000	12.53 yen
Revised Forecasts (B)	811,000	16,800	22,200	14,100	19.63 yen
Variance (B) - (A)	(19,000)	4,800	8,200	5,100	
Variance Rate (%)	(2.3)	40.0	58.6	56.7	
(For reference) Results for the first half of the fiscal year ended March 2014	723,602	8,411	12,007	6,310	8.79 yen

Non-consolidated forecasts for the first half of the fiscal year ending March 31, 2015 (from April 1, 2014 to September 30, 2014)

(Unit: million yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share
Forecasts to be revised (A) (Announced on August 5, 2014)	600,000	2,500	6,000	5,000	6.96 yen
Revised Forecasts (B)	599,000	6,400	12,500	10,400	14.48 yen
Variance (B) - (A)	(1,000)	3,900	6,500	5,400	
Variance Rate (%)	(0.2)	156.0	108.3	108.0	
(For reference) Results for the first half of the fiscal year ended March 2014	544,098	(5,061)	(899)	39	0.05 yen

Reasons for the revisions

1 Non-consolidated forecasts

(1) Operating income

Operating income will increase by 3.9 billion yen from the previous forecast mainly due to an increase in gross profit on completed construction contracts as well as a decrease in selling, general

and administrative expenses.

Gross margin on completed construction contracts is expected to be 5.3% (4.2% for building construction and 9.8% for civil engineering). (Gross margin of the previous forecast was 4.9% (4.1% for building construction and 8.2% for civil engineering)).

(2) Ordinary income and net income

Ordinary income will increase by 6.5 billion yen and net income will increase by 5.4 billion yen from the previous forecasts mainly due to an increase in operating income as well as recognition of foreign exchange gains of 1.9 billion yen consequent to the fact that foreign exchange rate applied at the end of September 2014 was weaker than what was applied for the previous forecast (foreign exchange rate at the end of March 2014).

2 Consolidated forecasts

Consolidated forecasts have been revised primarily according to the revisions for the non-consolidated forecasts.

Other issues for investors to properly understand and evaluate company information

1 The interim dividends will be 4 yen per share as scheduled.

2 The consolidated and non-consolidated forecasts for the fiscal year ending March 2015 will be announced in coming November, when the financial results for the first half of the fiscal year are disclosed.

Disclaimer

This "Revision for the Financial Forecasts" announced in the Japanese language at the Tokyo Stock Exchange on October 21, 2014 was translated into English and presented solely for the convenience of non-Japanese speaking users. If there is any discrepancy between the Japanese announcement and this English translation, the former will prevail. The numbers shown in any such words or phrases relating to any future events as, among other expressions, "forecast", "expected" or "projected" provided in this document are forward-looking statements based on the information available at the time of the release of the Japanese original. Due to various factors, the actual result may vary from the forecast data.

If you have any questions, please contact Obayashi investor relations at irk@ml.obayashi.co.jp.

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