

Investor Presentation



Financial Results for FY2011 and Outlook for FY2012

May 11, 2012

OBAYASHI CORPORATION

Disclaimer

This investor presentation, an English translation of the presentation made at the investor meeting at Obayashi Corporation (Tokyo, Japan) on May 11, 2012 as a digest of Obayashi Corporation's "Summary of Financial Results for FY2011 ended March 2012" ("Kessan Tanshin") disclosed in Japanese language at the Tokyo Stock Exchange on May 11, 2012, is presented solely for the convenience of non-Japanese speaking users. If there is any discrepancy between the Japanese original and this presentation, the former will prevail. This investor presentation is not to solicit any individuals or entities to buy or sell stocks of Obayashi Corporation. This investor presentation contains certain forward-looking statements that are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. The unit used is 100 million yen or Japanese "oku-en" unless otherwise specified.

Financial Results for FY2011 and Forecasts for FY2012



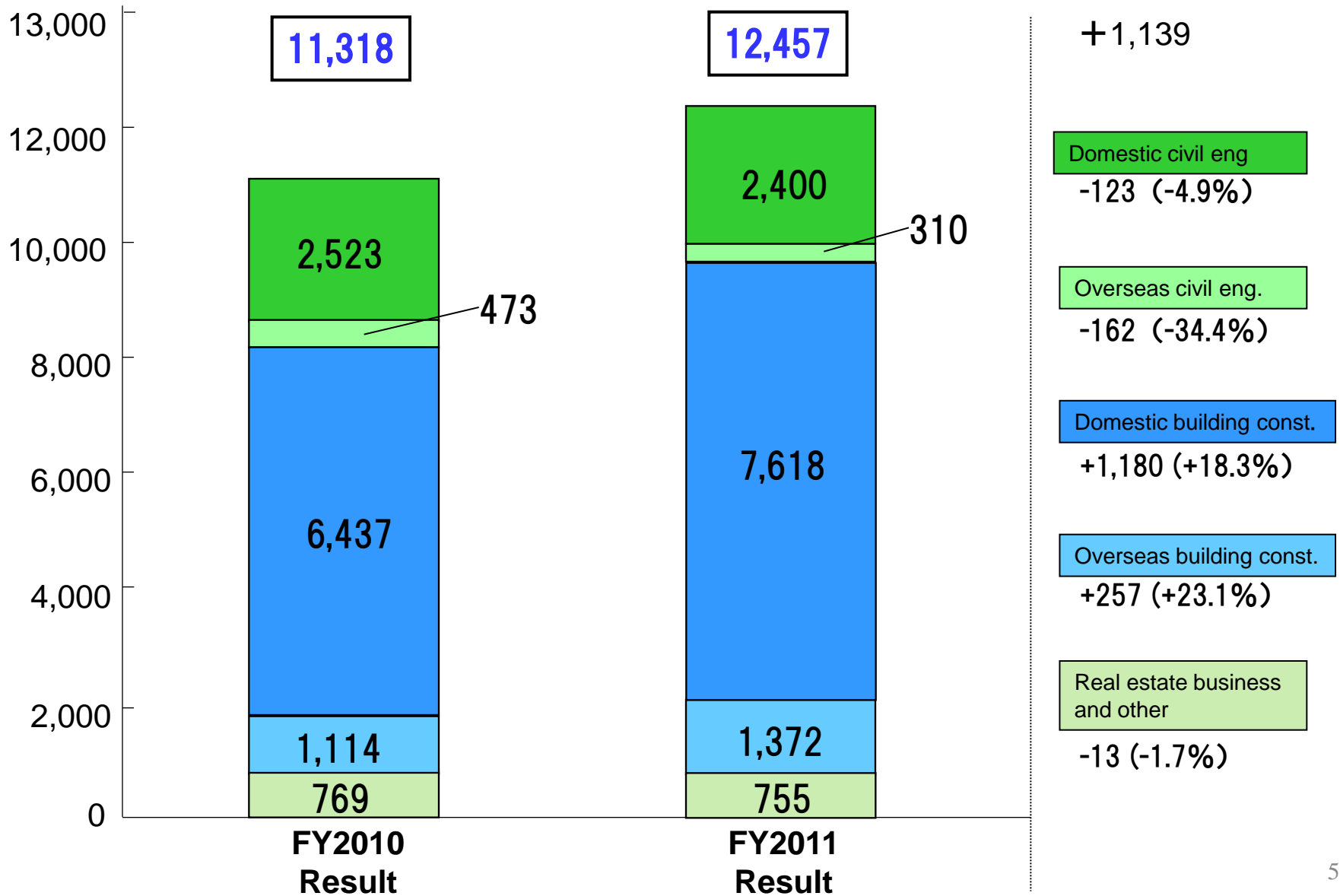
【Consolidated】 Overview of Financial Results

(100 million yen)

	FY2010	FY2011	Increase (Decrease)
Net sales	11,318	12,457	1,139
Gross profit	997	1,106	109
Operating income	231	311	79
Ordinary income	222	352	130
Net income	154	51	(102)

【Consolidated】 Net Sales by Business Segment

(100 million yen)



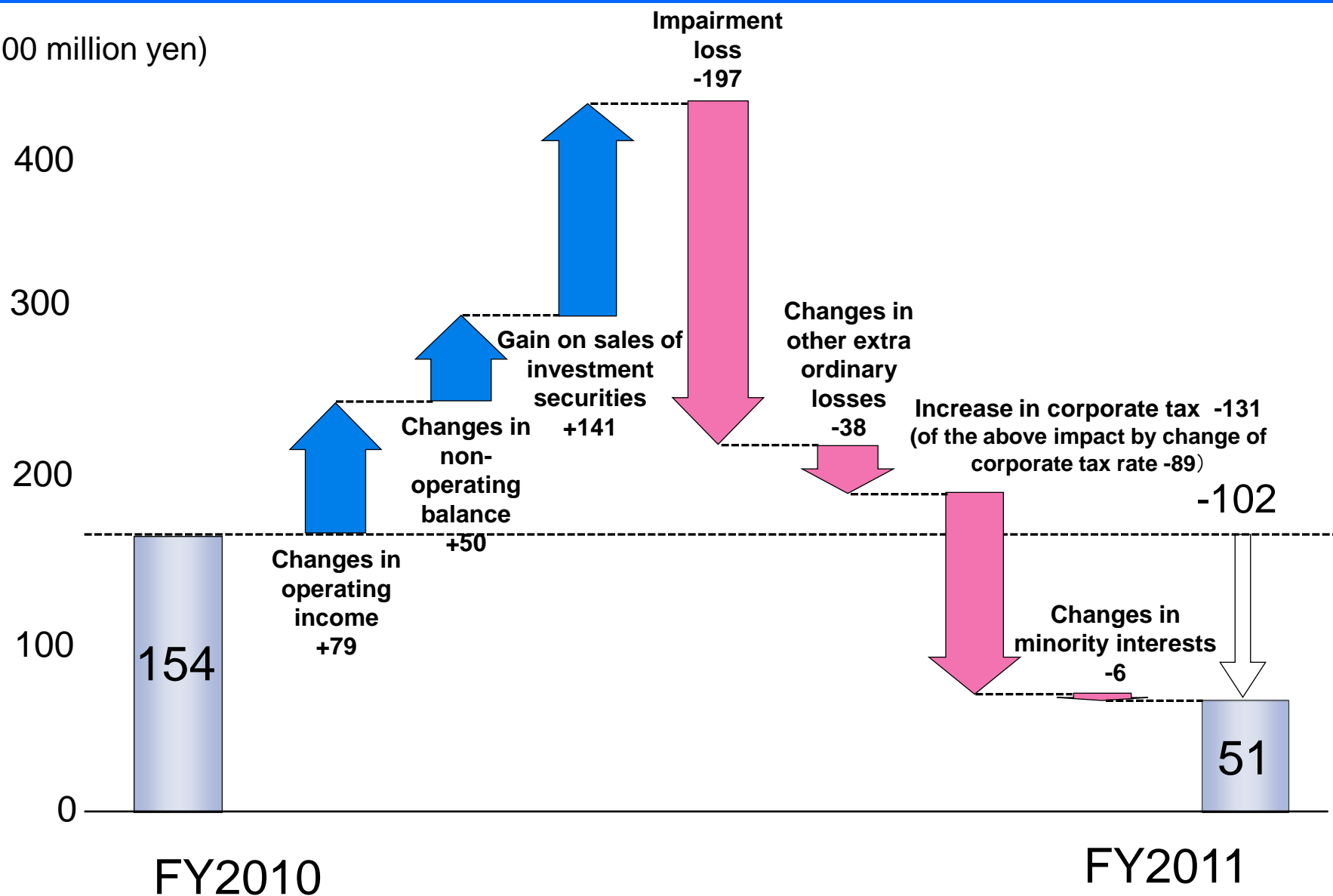
【Consolidated】 Operating Income by Business Segment

(100 million yen)

		FY2010		FY2011		Increase (Decrease)
		Operating margin		Operating margin		
	Domestic civil engineering	2.7%	67	1.2%	29	(37)
	Overseas civil engineering	9.2%	43	29.5%	91	48
	Domestic building construction	0.4%	26	1.9%	142	116
	Overseas building construction	0.9%	9	0.8%	11	1
Construction total		1.4%	146	2.4%	275	128
Real estate business and other		11.1%	85	4.8%	36	(49)
Total		2.0%	231	2.5%	311	79

【Consolidated】Breakdown of Increase / Decrease in Net Income

(100 million yen)

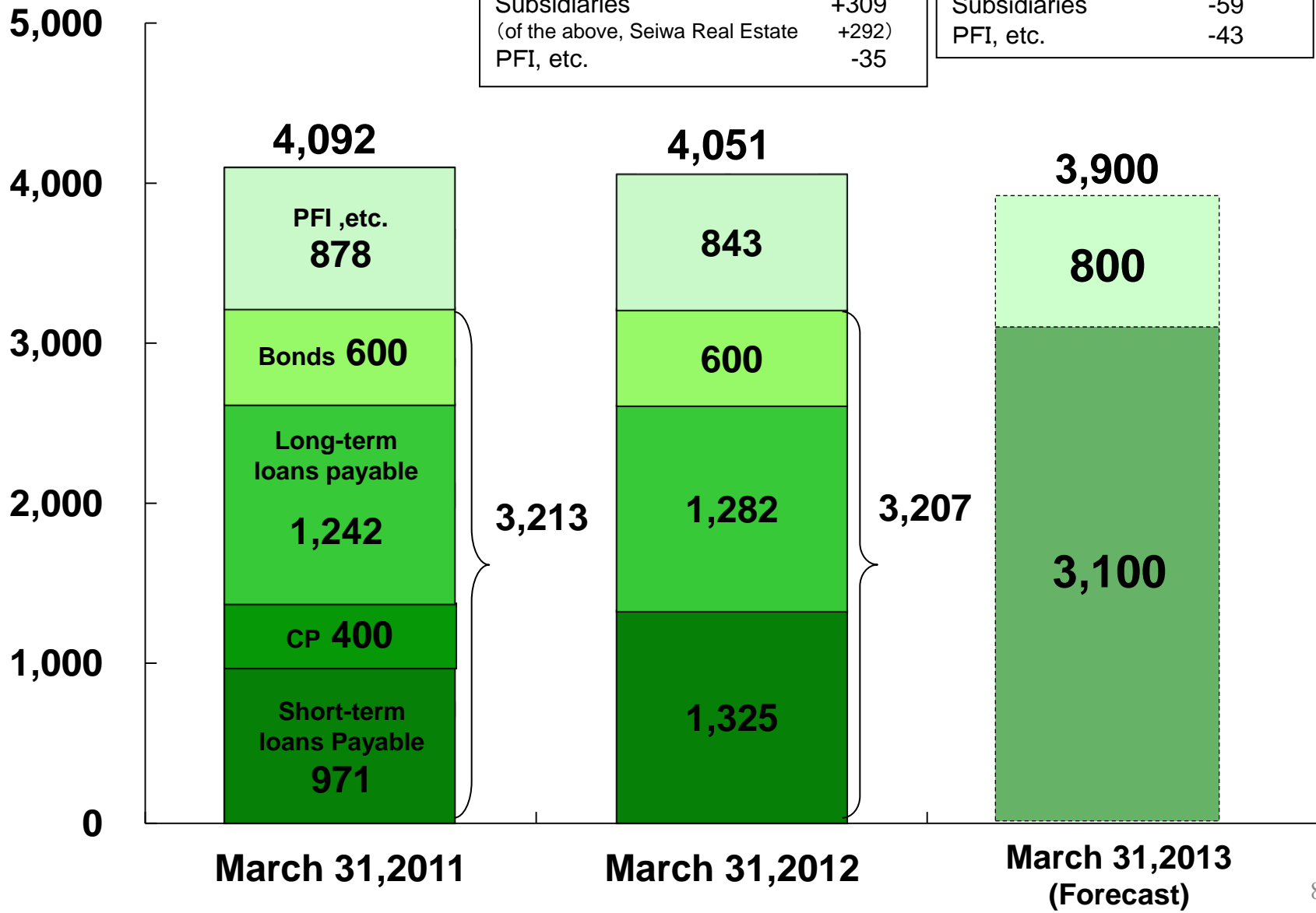


【Consolidated】 Transition of Interest-bearing Liabilities

(100 million yen)

YoY	-41
Non-consolidated	-315
Subsidiaries	+309
(of the above, Seiwa Real Estate	+292)
PFI, etc.	-35

YoY	-151
Non-consolidated	-48
Subsidiaries	-59
PFI, etc.	-43



【Consolidated】 Cash Flows

(100 million yen)

	FY2010	FY2011	Increase (Decrease)
Operating activities	10	657	646
Investing activities	(331)	(19)	312
Financing activities	106	(489)	(595)
Net increase(decrease) in cash and cash equivalents	(234)	126	361
Cash and cash equivalents at the end of period	1,089	1,216	126

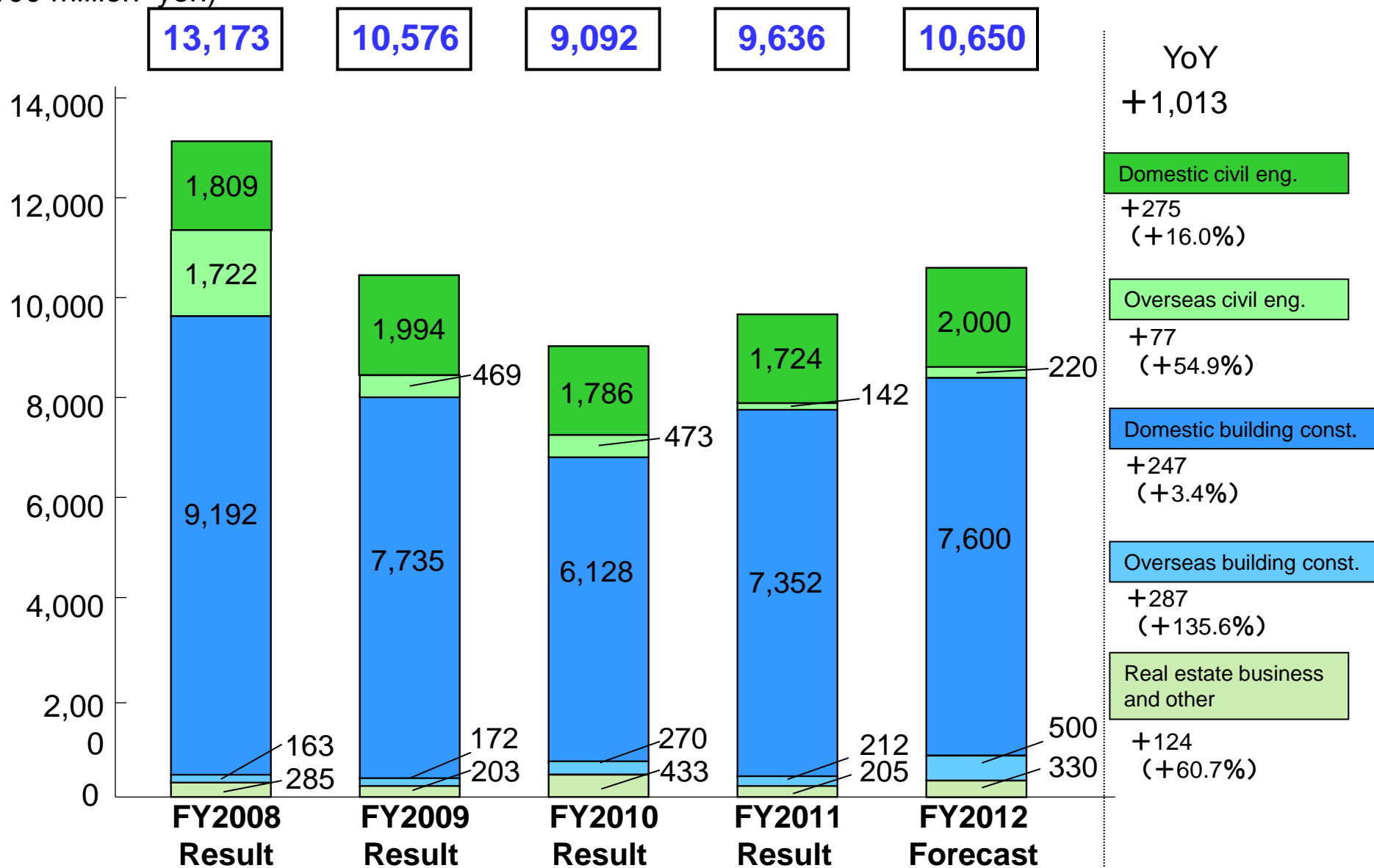
【Consolidated】 Forecast for FY2012

(100 million yen)

	FY2011 Result	FY2012 Forecast	Increase (Decrease)
Net sales	12,457	14,000	1,542
Gross profit	1,106	1,130	23
Operating income	311	340	28
Ordinary income	352	370	17
Net income	51	110	58

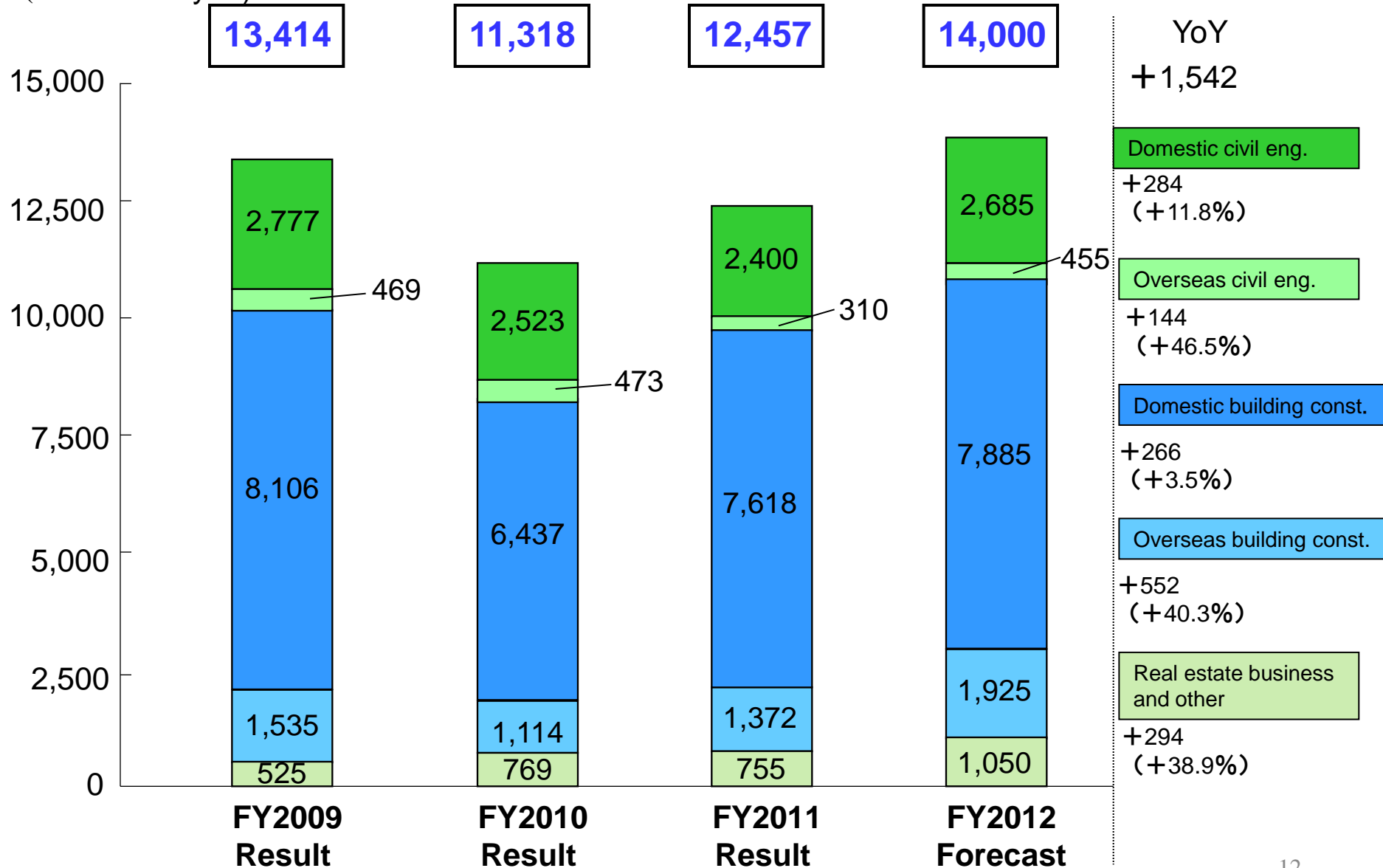
【Non-consolidated】 Forecast for Net Sales

(100 million yen)



【Consolidated】 Forecast for Net Sales

(100 million yen)



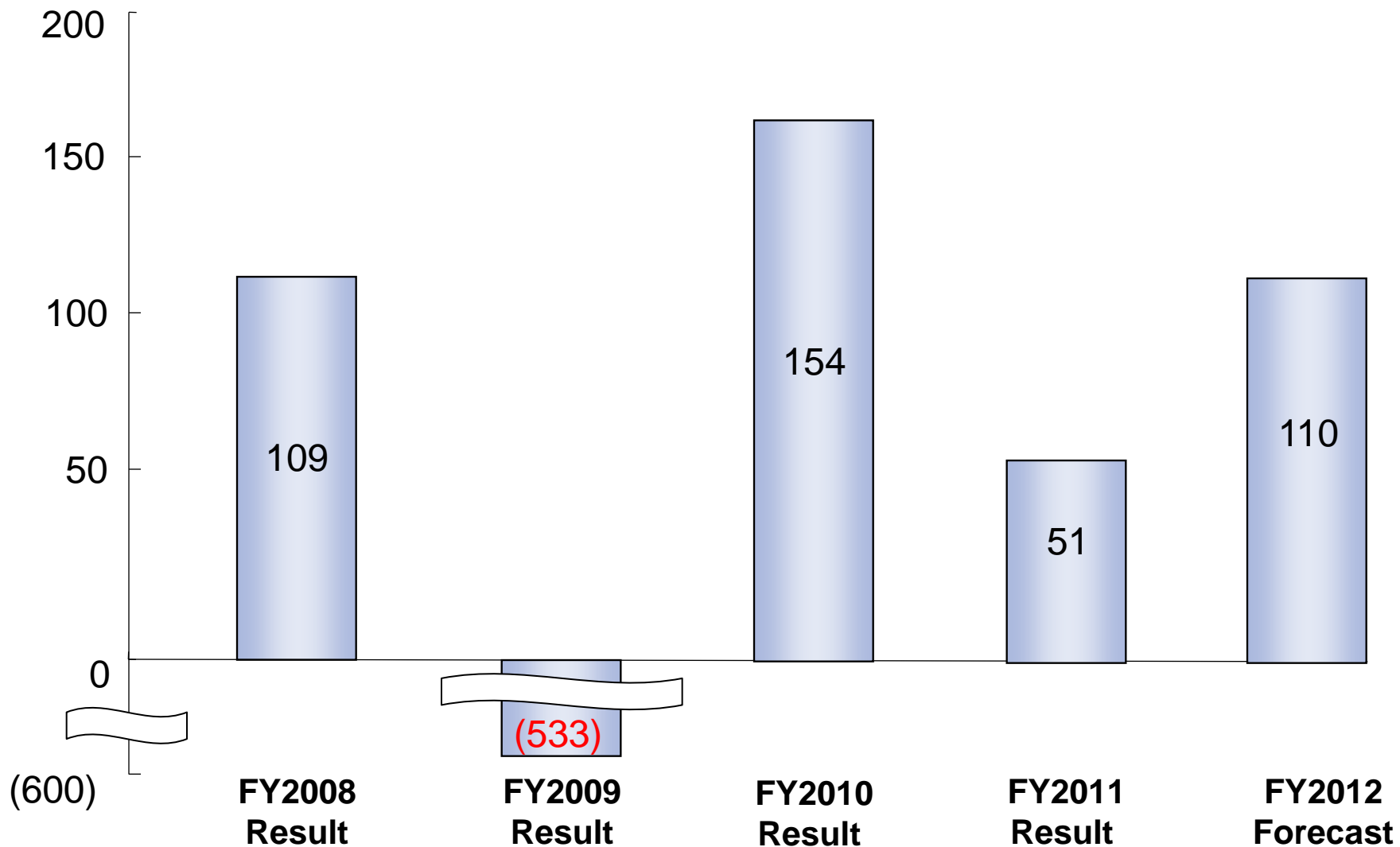
【Consolidated】 Forecast for Operating Income by Business Segment

(100 million yen)

		FY2011		FY2012		Income (Decrease)
		Operating margin		Operating margin		
	Domestic civil engineering	1.2%	29	3.2%	85	55
	Overseas civil engineering	29.5%	91	(2.6%)	(12)	(103)
	Domestic building construction	1.9%	142	1.7%	131	(11)
	Overseas building construction	0.8%	11	1.8%	34	22
Construction total		2.4%	275	1.8%	238	(37)
Real estate business and other		4.8%	36	9.7%	102	65
Total		2.5%	311	2.4%	340	28

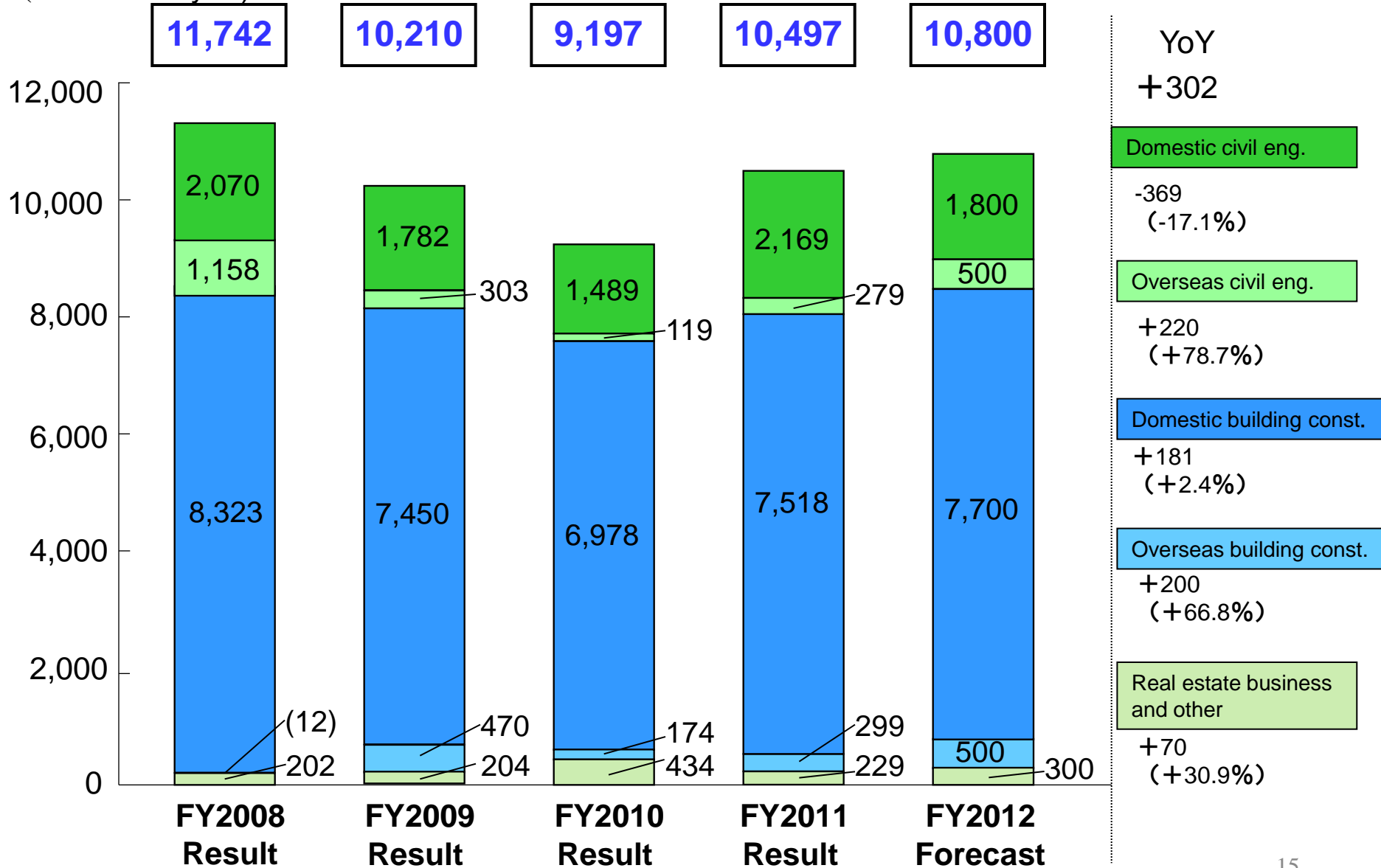
【Consolidated】 Forecast for Net Income

(100 million yen)



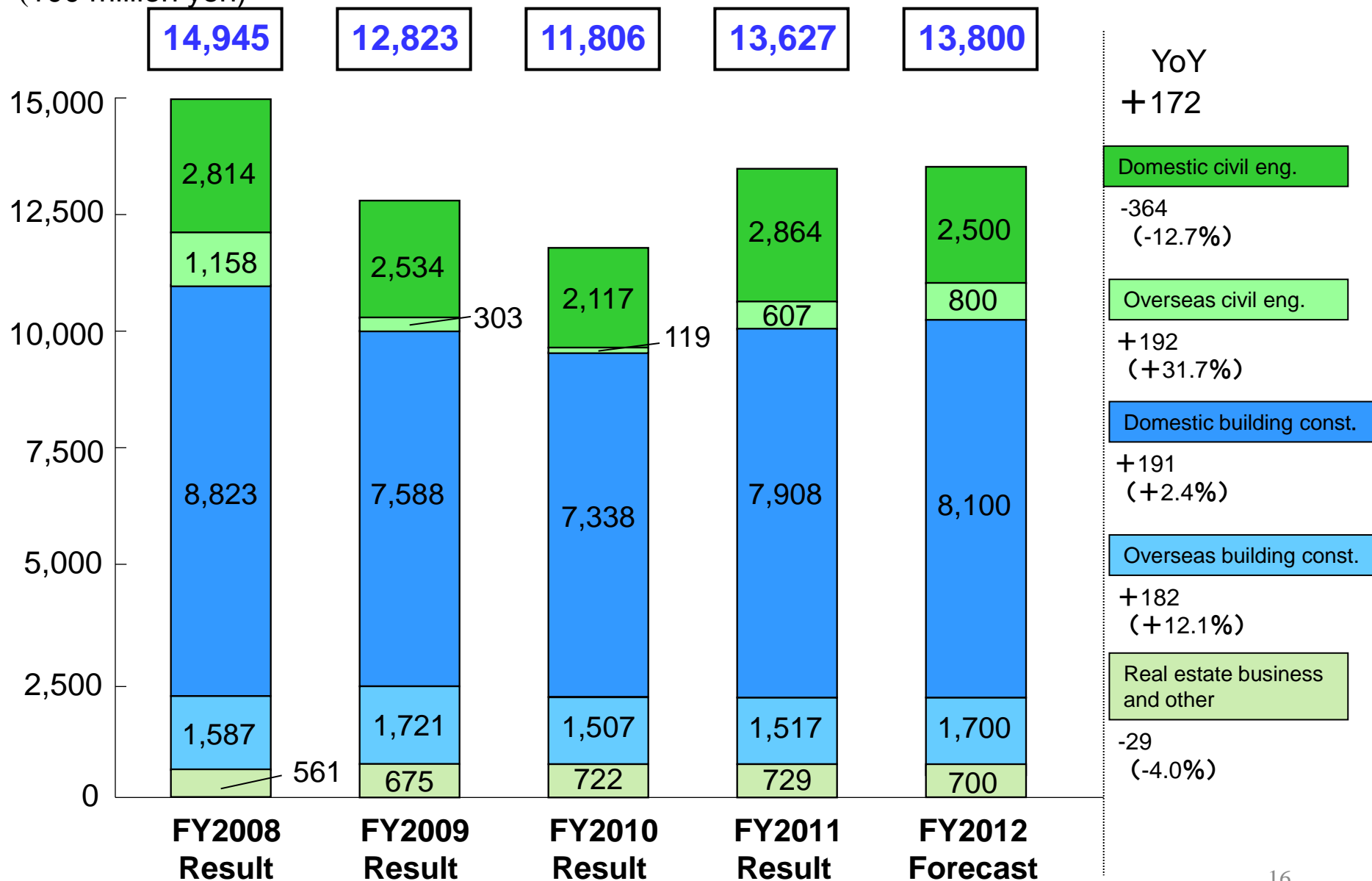
【Non-consolidated】 Forecast for Orders Received

(100 million yen)

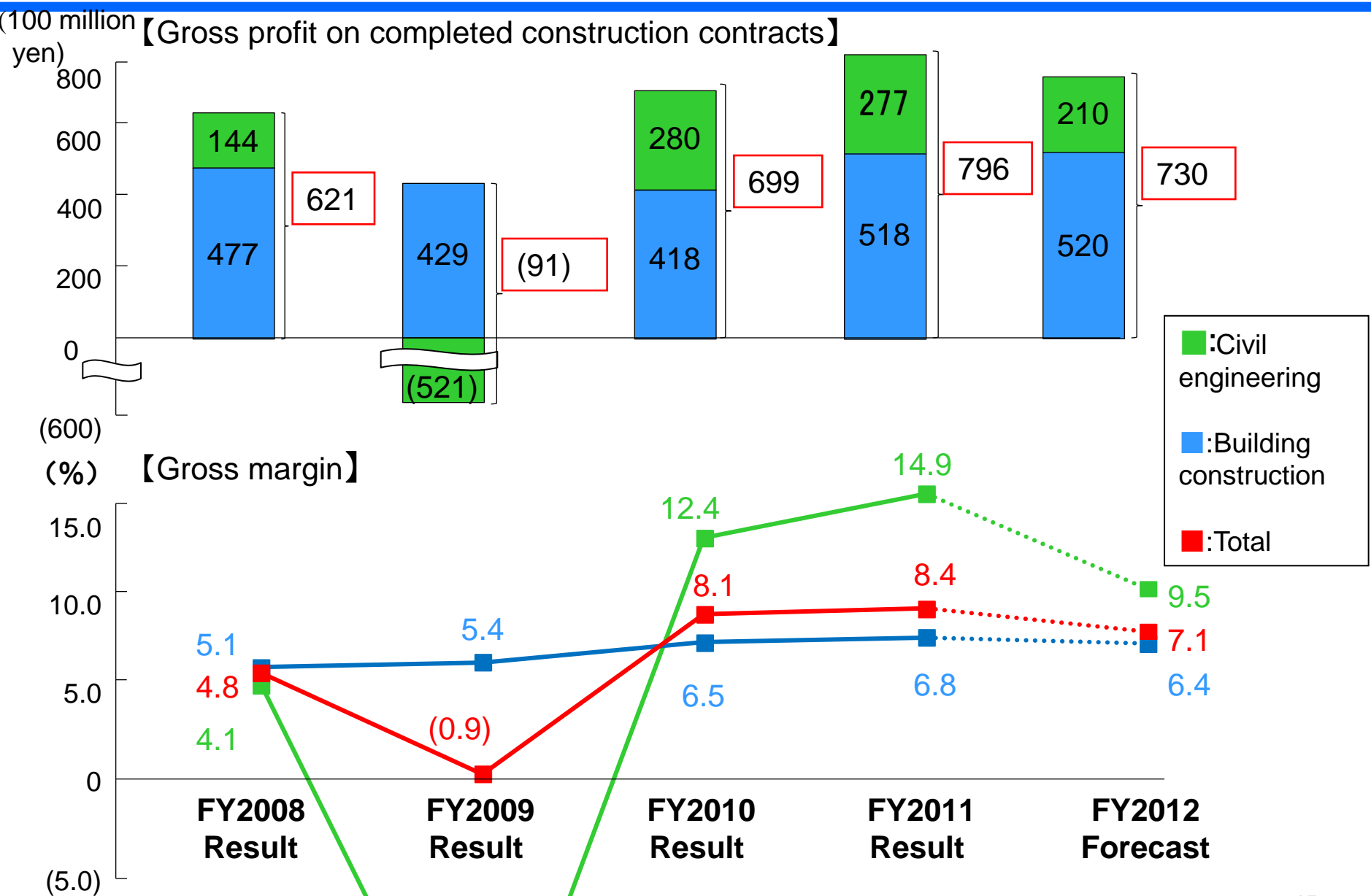


【Consolidated】 Forecast for Orders Received

(100 million yen)



【Non-consolidated】 Transitions of Gross Profit on Completed Construction Contracts



Obayashi Group

Medium Term Business Plan'12

FY2012 - FY2014



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Obayashi Group Medium Term Business Plan '12

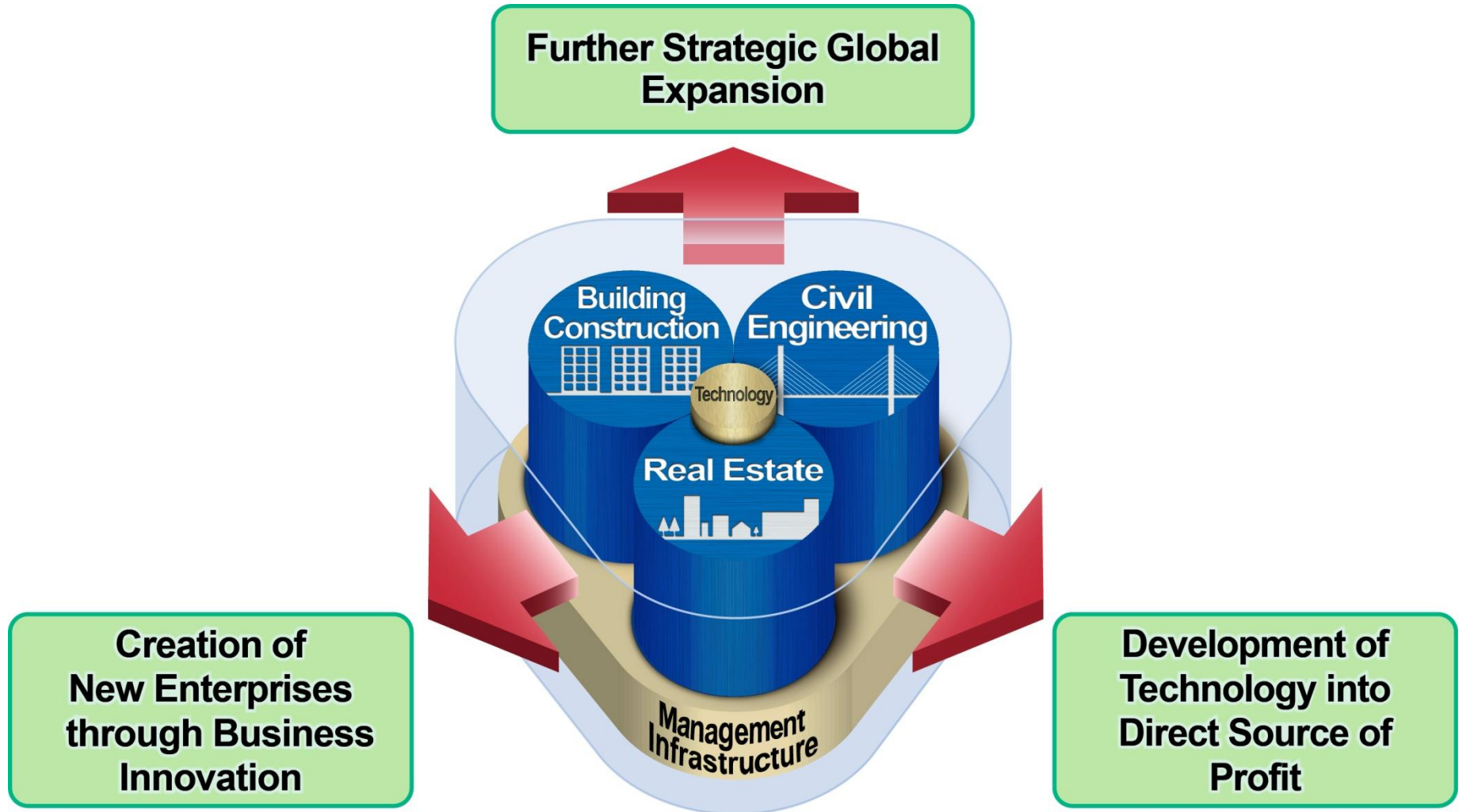
The Japanese economy faces unprecedented difficulties - fiscal reconstruction, spillover from the financial crisis in Europe, design of a new growth strategy, and recovery and reconstruction from the Great East Japan Earthquake.

Looking at the domestic construction market, demand has been sluggish and more and more capital investment by Japanese corporations – especially in the manufacturing sector – has been shifted out of Japan. Obayashi Group recognizes this market trend as one of the most challenging we have ever experienced.

Under these circumstances, Obayashi Group aspires to maintain its leading position in the construction industry. Moving forward, it is critical for Obayashi Group to implement new growth strategies, including advancing into new business areas in a swift and steady manner.

Obayashi Group, in commencing the 121st year from its foundation, launches this new Medium Term Business Plan '12(FY2012-2014).

Obayashi Group Medium Term Business Plan '12



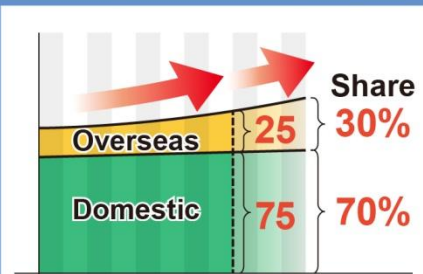
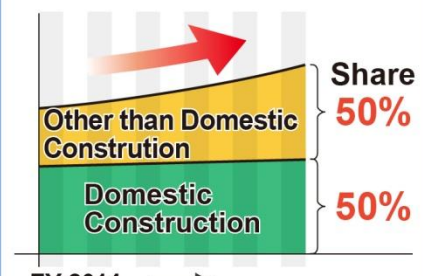
In addition to **further growth** in its core businesses, Obayashi Group pursues **diversification of revenue structure**.

Obayashi Group strives to maintain and strengthen profitability in its core businesses – Building Construction, Civil Engineering and Real Estate – as well as to realize diversification of its revenue structure in the medium to long term.

*Three courses of action for
diversification of revenue structure*

- Further Strategic Global Expansion
- Creation of New Enterprises through Business Innovation
- Development of Technology into Direct Source of Profit

Overview of Consolidated Business Plan

	FY2011	FY2014 Plan (in 3 years)	Beyond FY2014
Net sales	¥ 1,245.7 B	¥ 1,500 B	Construction
Construction	¥ 1,170.1 B	¥ 1,400 B	
Domestic	86%	80%	Share 30%
Overseas	14%	20%	70%
Real estate, etc.	¥ 75 .6B	¥ 90 B	FY 2014 →
New businesses	-	¥ 10 B	¥ 30 B or more
Operating income (Operating Margin)	¥ 31.1 B (2.5%)	¥ 45 B (3.0%)	Operating income
Domestic construction	66 %	60 %	
Other than the above (Overseas construction, real estate, new businesses etc.)	34 %	40 %	Share 50%
	*FY2007 – 2011 Average (excluding FY2009)		50%

Consolidated Target Indices for FY2014

	Target
Net Sales	JPY 1,500 Billion
Operating Income (margin)	JPY 45 Billion (3.0%)
Ordinary Income (margin)	JPY 47 Billion (3.1%)
Interest-bearing loan balance	JPY 360 Billion or less
Debt/Equity ratio	0.9 or less
Return on equity	8.0% or more
Dividend payout ratio	20% to 30%

FY2012~FY2014 Capital Expenditure Plan

		FY2012~2014	Average per year
Construction machinery and business facilities		JPY 15Billion	JPY 5Billion
R&D and ICT		JPY 40Billion	JPY13.3Billion
Real Estate Investment	Property for leasing	JPY 60Billion	JPY 20Billion
	Property for sale	JPY 15Billion	JPY 5Billion
Subtotal		JPY 75Billion	JPY 25Billion
Domestic and overseas new businesses		JPY 20Billion	JPY6.7Billion
Total		JPY 150Billion	JPY 50Billion

Building Construction

- Enhance business system and organization to boost up order share in Tokyo Metropolitan Area where construction investment is concentrated

Civil Engineering

- Actively participate in public infrastructure projects for disaster prevention and mitigation which provide for a safe and secure environment

Real Estate

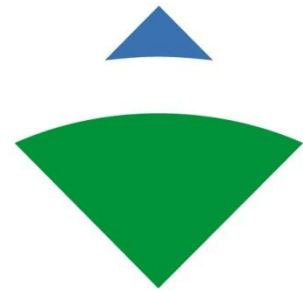
- Bolster real estate leasing business and make it a stable & solid source of revenue

Further Strategic Global Expansion

- Expand global business centering three regional headquarters
 - Asia, North America and Middle East
- Expansion into Oceania market

Business Innovation / Technology that creates profit

- Enter into and enhance business activities in engineering and energy related field
- Leverage technologies and enter into new business opportunities created by deregulation and changes in social systems



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