

OBAYASHI CORPORATION

Announcement of Revisions for the Financial Forecasts

Tokyo, April 15, 2014 — In the light of its recent business performance, Obayashi Corporation (hereinafter referred to as the “Company”) hereby announces that it has revised its consolidated and non-consolidated financial forecasts for the fiscal year ended March 31, 2014 which were announced on February 12, 2014. The revisions are as follows;

Revised forecasts

Consolidated forecasts for the fiscal year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

(Unit: million yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share
Forecasts to be revised (A) (Announced on February 12, 2014)	1,600,000	24,000	29,000	14,000	19.49 yen
Revised Forecasts (B)	1,610,000	32,000	40,000	21,000	29.24 yen
Variance (B) - (A)	10,000	8,000	11,000	7,000	
Variance Rate (%)	0.6	33.3	37.9	50.0	
(For reference) Results for the previous fiscal year ended March 2013	1,448,305	35,153	44,690	13,195	18.37 yen

Non-consolidated forecasts for the fiscal year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

(Unit: million yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share
Forecasts to be revised (A) (Announced on February 12, 2014)	1,193,000	2,000	8,000	4,500	6.27 yen
Revised Forecasts (B)	1,208,000	2,700	11,300	7,600	10.58 yen
Variance (B) - (A)	15,000	700	3,300	3,100	
Variance Rate (%)	1.3	35.0	41.3	68.9	
(For reference) Results for the previous fiscal year ended March 2013	1,085,125	14,204	24,563	6,032	8.40 yen

Reasons for the revisions

1 Consolidated forecasts

(1) Operating income

Consolidated operating income will increase by 8.0 billion yen from the previous forecast mainly due to an increase in gross profit consequent to an improvement in gross margin in construction and real estate business subsidiaries.

(2) Ordinary income and net income

Consolidated ordinary income will increase by 11.0 billion yen and consolidated net income will

increase by 7.0 billion yen from the previous forecast, primarily due to an increase in operating income as well as an increase in foreign exchange gains of the Company consequent to the fact that foreign exchange rate at the end of March 2014 was weaker than the rate at the end of September 2013 which was applied for the previous forecast.

2 Non-consolidated forecasts

(1) Operating income

Operating income will increase by 0.7 billion yen from the previous forecast mainly due to an increase in gross profit on completed construction contracts as a result of an increase in net sales of completed construction contracts.

Gross margin on completed construction contracts is expected to be 4.7% (4.3% for building construction and 6.2% for civil engineering). (Gross margin of the previous forecast was 4.7% (4.2% for building construction and 6.4% for civil engineering)).

(2) Ordinary income and net income

Ordinary income will increase by 3.3 billion yen and net income will increase by 3.1 billion yen from the previous forecast primarily due to an increase in operating income as well as an increase in foreign exchange gains.

Other issues for investors to properly understand and evaluate company information

- 1 The year-end dividends will be 4 yen per share as scheduled (Dividends on an annual basis will be 8 yen per share, including the interim dividends) .
- 2 The consolidated and non-consolidated forecasts for the fiscal year ending March 2015 will be announced in coming May, when the financial results for the fiscal year ended March 2014 are disclosed.

(For reference) Non-consolidated orders received for the fiscal year ended March 2014 (Unit: billion yen)

	Forecasts announced on February 12	Results for the fiscal year ended March 2014	Variance	(For reference) Results for the previous fiscal year ended March 2013
Building Construction (of which overseas)	910.0 (80.0)	935.0 (85.1)	25.0 (5.1)	853.2 (28.8)
Civil Engineering (of which overseas)	240.0 (40.0)	274.4 (21.3)	34.4 (-18.6)	248.4 (50.6)
Construction Total (of which overseas)	1,150.0 (120.0)	1,209.4 (106.4)	59.4 (-13.5)	1,101.6 (79.5)

Disclaimer

This "Revisions for the Financial Forecasts", announced in the Japanese language at the Tokyo Stock Exchange on April 15, 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.

###