

OBAYASHI CORPORATION

Summary of the 1st Quarter Financial Results for FY2010 ending March 2011

Disclaimer: This financial information, a digest of Obayashi Corporation's news release "Summary of the 1st Quarter Financial Results for FY2010 ending March 2011" ("Kessan Tanshin") announced at the Tokyo Stock Exchange on August 5, 2010, was translated into English and presented solely for the convenience of non-Japanese speaking users. If there is any discrepancy between Japanese "Kessan Tanshin" and this document, Japanese "Kessan Tanshin" will prevail. The numbers shown as "Forecast", "Plan" or any other words and phrases relating to any future events provided in this document are forward-looking statements based on the information available at the time of the release of this document. Due to various factors, the actual results may vary from the forecast data. Obayashi Corporation (non-consolidated) is called the "Company" hereinafter.

(Rounded down to the nearest million yen)

1. Summary of the 1st Quarter Results for FY2010 ending March 2011 (April 1, 2010 - June 30, 2010)

(1) Consolidated Business Results

(% shows the increase (decrease) from the results of the same quarter of the previous FY.)

	Net Sales		Operating Income (Loss)		Ordinary Income (Loss)		Net Income (Loss)	
	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: million yen)	%
1st Quarter of FY2010	237,804	(32.2)	(787)	-	(798)	-	846	109.3
1st Quarter of FY2009	350,600	3.1	1,879	-	3,683	30.1	404	(67.3)

	Net Earnings per Share	Net Earnings per Share Adjusted for Latent Shares
	(Unit: yen)	(Unit: yen)
1st Quarter of FY2010	1.18	—
1st Quarter of FY2009	0.56	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	(Unit: million yen)	(Unit: million yen)	%	(Unit: yen)
At June 30, 2010	1,502,463	342,365	21.1	441.81
At March 31, 2010	1,590,667	367,618	21.5	476.12

(For reference) Shareholders' Equity: [At 6/2010] 317,550 million yen; [At 3/2010] 342,227 million yen

2. Dividends

	Dividend per share (Unit: yen)				
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Total
FY2009 ended Mar. 2010	—	4.00	—	4.00	8.00
FY2010 ending Mar. 2011	—	—	—	—	—
FY2010 ending Mar. 2011 (Forecast)	—	4.00	—	4.00	8.00

* The dividend payout forecast was not revised in this 1st quarter

* The forecasts above was prepared on the basis of information available at the time of the release of this document.

Due to various factors, the actual result may vary from the forecast data.

3. Consolidated Forecasts for FY2010 ending March 2011 (April 1, 2010 - March 31, 2011)

(% shows the changes from the previous FY results for "Full Year" and from the previous 2Q results (cumulative) for "Half Year" respectively.)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Earnings per Share
	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: yen)
Half Year	590,000	(15.8)	6,000	2.9	7,000	(8.9)	3,000	83.7	4.17
Full Year	1,310,000	(2.3)	26,500	-	28,000	-	19,000	-	26.43

* The consolidated forecast was not revised in this 1st quarter.

* The forecasts above were prepared on the basis of information available at the time of the release of this document.

Due to various factors, the actual result may vary from the forecast data.

Reference: Non-consolidated Forecasts for FY2010 ending March 2011 (April 1, 2010 - March 31, 2011)

(% shows the changes from the previous FY results for "Full Year" and from the previous 2Q results (cumulative) for "Half Year" respectively.)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Earnings per Share
	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: million yen)	%	(Unit: yen)
Half Year	470,000	(16.3)	4,000	122.2	7,000	113.4	4,500	98.0	6.26
Full Year	1,045,000	(1.2)	20,000	-	23,500	-	14,000	-	19.48

* The non-consolidated forecast was not revised in this 1st quarter.

* The forecasts above were prepared on the basis of information available at the time of the release of this document.

Due to various factors, the actual results may vary from the forecast data.

Qualitative Information

Consolidated performance

Net sales for the 1st quarter (from April 1, 2010 to June 30, 2010) for this fiscal year amounted to JPY 237.8 billion, down 32.2% from the same quarter of the previous fiscal year mainly owing to the decrease in net sales of completed construction contracts. Operating income turned to a loss of JPY 0.7 billion, down by JPY 2.6 billion and ordinary income turned to a loss of JPY 0.7 billion, down by JPY 4.4 billion. Net income was JPY 0.8 billion, up 109.3% from the same quarter of the previous fiscal year mainly as a result of a decrease in tax expenses.

Net sales of completed construction contracts of Obayashi Corporation (consolidated), which comprise the most of net sales, tend to be booked more in the 4th quarter than in any other quarter of a fiscal year.

Therefore, net sales tend to be relatively small in the first half of a fiscal year, especially in the 1st quarter.

On the other hand, selling, general and administrative expenses are incurred constantly throughout a year.

Due to this seasonal effect, selling, general and administrative expenses tend to be large relative to net sale in the 1st quarter of a fiscal year.

Consolidated financial position

Despite the improved cash flows from domestic construction business, advance payments for overseas construction contracts, among other factors, brought net cash provided by (used in) operating activities to negative JPY 2.8 billion. Net cash provided by (used in) investing activities was negative JPY 28.3 billion, mainly due to the purchase of investment real estate properties. Net cash provided by (used in) financing activities was negative JPY 0.07 billion. As a result, the balance of cash and cash equivalents at the end of the 1st quarter of this fiscal year amounted to JPY 100.5 billion, down by JPY 31.8 billion from the balance at the end of the previous fiscal year.

The balance of interest-bearing liabilities at the end of this 1st quarter was JPY 394.4 billion, increased by JPY 3.3 billion or 0.9% from the balance at the end of the previous fiscal year.

Consolidated forecasts

After reviewing currently available information, the company made no change in consolidated forecasts, both half year and full year, from the ones announced on May 13, 2010 when Obayashi Corporation announced its previous fiscal year results.

Consolidated quarterly balance sheets

(Unit : million yen)

	June 30, 2010	March 31, 2010
Assets		
Current assets		
Cash and deposits	106,485	136,969
Notes receivable, accounts receivable from completed construction contracts and other	379,434	433,512
Short-term investment securities	1,783	1,676
Real estate for sale	45,948	54,912
Costs on uncompleted construction contracts	86,790	82,844
Inventories for PFI and other projects	56,296	59,613
Other inventories	12,360	11,432
Deferred tax assets	26,534	25,736
Accounts receivable-other	80,360	89,368
Other	14,059	12,493
Allowance for doubtful accounts	(909)	(1,020)
Total current assets	809,145	907,540
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	75,915	66,209
Machinery, vehicles, tools, furniture and fixtures, net	9,105	9,383
Land	262,076	240,765
Lease assets, net	1,233	1,261
Construction in progress	2,464	1,753
Total property, plant and equipment	350,795	319,373
Intangible assets	6,261	5,999
Investments and other assets		
Investment securities	255,407	296,589
Long-term loans receivable	1,177	1,194
Deferred tax assets	58,125	36,994
Other	25,647	27,028
Allowance for doubtful accounts	(4,132)	(4,096)
Total investments and other assets	336,224	357,711
Total noncurrent assets	693,281	683,083
Deferred assets	36	44
Total assets	1,502,463	1,590,667

(Unit : million yen)

	June 30, 2010	March 31, 2010
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	388,295	453,076
Short-term loans payable	71,686	70,012
Current portion of PFI and other project finance loans	11,647	10,698
Commercial papers	60,000	50,000
Current portion of bonds	10,000	10,000
Lease obligations	602	626
Income taxes payable	597	2,293
Advances received on uncompleted construction contracts	97,409	94,722
Deposits received	71,157	72,308
Provision for warranties for completed construction	1,527	1,657
Provision for loss on construction contracts	21,386	25,723
Other	55,255	54,065
Total current liabilities	789,565	845,184
Noncurrent liabilities		
Bonds payable	20,000	20,000
Long-term loans payable	154,924	159,694
PFI and other project finance loans	66,148	70,645
Lease obligations	680	705
Deferred tax liabilities for land revaluation	33,654	33,810
Provision for retirement benefits	66,959	66,132
Provision for environmental measures	1,451	1,451
Other	26,713	25,425
Total noncurrent liabilities	370,532	377,865
Total liabilities	1,160,098	1,223,049
Net assets		
Shareholders' equity		
Capital stock	57,752	57,752
Capital surplus	41,750	41,750
Retained earnings	137,376	139,176
Treasury stock	(1,352)	(1,340)
Total shareholders' equity	235,526	237,339
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	58,933	81,844
Deferred gains or losses on hedges	(44)	(59)
Revaluation reserve for land	26,004	26,233
Foreign currency translation adjustment	(2,869)	(3,130)
Total valuation and translation adjustments	82,023	104,887
Minority interests	24,815	25,390
Total net assets	342,365	367,618
Total liabilities and net assets	1,502,463	1,590,667

Consolidated quarterly statements of income

(Unit : million yen)

	1Q / FY 2009 From April 1, 2009 to June 30, 2009	1Q / FY 2010 From April 1, 2010 to June 30, 2010
Net sales		
Net sales of completed construction contracts	337,046	221,768
Net sales of real estate business and other	13,553	16,036
Total net sales	350,600	237,804
Cost of sales		
Cost of sales of completed construction contracts	317,579	206,583
Cost of sales on real estate business and other	11,016	12,492
Total cost of sales	328,595	219,076
Gross profit		
Gross profit on completed construction contracts	19,466	15,184
Gross profit on real estate business and other	2,537	3,543
Total gross profit	22,004	18,728
Selling, general and administrative expenses	20,125	19,515
Operating income (loss)	1,879	(787)
Non-operating income		
Interest income	511	351
Dividends income	2,061	2,030
Other	430	206
Total non-operating income	3,003	2,589
Non-operating expenses		
Interest expenses	995	1,065
Foreign exchange losses	20	1,276
Other	183	259
Total non-operating expenses	1,199	2,601
Ordinary income (loss)	3,683	(798)
Extraordinary income	97	258
Extraordinary loss		
Loss on valuation of investment securities	876	3,462
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	1,282
Compensation for tenants' removal and relocation costs	505	—
Other	245	155
Total extraordinary losses	1,627	4,900
Income (loss) before income taxes and minority interests	2,153	(5,441)
Income taxes-current	543	480
Income taxes-deferred	900	(6,456)
Total income taxes	1,443	(5,975)
Income before minority interests	—	534
Minority interests in income (loss)	305	(311)
Net income	404	846

Consolidated quarterly statements of cash flows

(Unit : million yen)

	1Q / FY 2009 From April 1, 2009 to June 30, 2009	1Q / FY 2010 From April 1, 2010 to June 30, 2010
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	2,153	(5,441)
Depreciation and amortization	2,573	2,492
Increase (decrease) in allowance for doubtful accounts	368	(75)
Increase (decrease) in provision for loss on construction contracts	(3,672)	(4,337)
Increase (decrease) in provision for retirement benefits	954	827
Loss (gain) on valuation of short-term and long term investment securities	876	3,462
Interest and dividends income	(2,572)	(2,382)
Interest expenses	995	1,065
Decrease (increase) in notes and accounts receivable-trade	18,736	54,512
Decrease (increase) in costs on uncompleted construction contracts	10,738	(3,946)
Decrease (increase) in inventories	(1,197)	31
Decrease (increase) in inventories for PFI and other projects	3,921	3,316
Decrease (increase) in other assets	10,709	8,665
Increase (decrease) in notes and accounts payable-trade	(49,018)	(65,101)
Increase (decrease) in advances received on uncompleted construction contracts	(4,102)	2,601
Increase (decrease) in other liabilities	(322)	1,211
Other, net	417	988
Subtotal	(8,441)	(2,109)
Interest and dividends income received	2,636	2,583
Interest expenses paid	(991)	(858)
Income taxes (paid) refund	(2,456)	(2,430)
Net cash provided by (used in) operating activities	(9,252)	(2,814)
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment and intangible assets	(4,323)	(26,773)
Proceeds from sales of property, plant and equipment and intangible assets	16	390
Purchase of short-term and long term investment securities	(933)	(893)
Proceeds from sales and redemption of short-term and long term investment securities	238	5
Payments of loans receivable	(0)	(1)
Collection of loans receivable	32	35
Other, net	782	(1,144)
Net cash provided by (used in) investing activities	(4,188)	(28,381)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(23,971)	(2,875)
Net increase (decrease) in commercial papers	21,000	10,000
Repayments of lease obligations	(219)	(189)
Proceeds from long-term loans payable	3,000	—
Repayment of long-term loans payable	(139)	(289)
Proceeds from PFI and other project finance loans payable	675	881
Payment of PFI and other project finance loans payable	(4,413)	(4,427)
Redemption of bonds	(10,000)	—
Cash dividends paid	(2,876)	(2,875)
Cash dividends paid to minority shareholders	(378)	(282)
Other, net	(11)	(13)
Net cash provided by (used in) financing activities	(17,333)	(71)
Effect of exchange rate change on cash and cash equivalents	2,057	(560)
Net increase (decrease) in cash and cash equivalents	(28,716)	(31,828)
Cash and cash equivalents at beginning of period	143,821	132,425
Cash and cash equivalents at end of period	115,104	100,596

Segment Information

1. Brief outline of reporting segments

The Company and its subsidiaries (together called the "Group") have reporting segments for which separate financial information is available and which are regularly taken into account in order that the board of directors of the Company decides the allocation of managerial resources and evaluates operating results.

The Group has the Civil Engineering, Building Construction and Real Estate Development Divisions within the Company, which are in charge of strategic planning and business development of civil engineering, building construction and real estate development businesses respectively. The operations of the Company's civil engineering and building construction businesses are evaluated on a geographical basis, with each main office and branch being an operating unit. Likewise, the operations of the Company's subsidiaries are evaluated with each subsidiary being an operating unit. Operating results are eventually grouped into domestic and overseas segments upon which managerial decisions are determined.

The Group therefore has five reporting segments: "domestic civil engineering," "overseas civil engineering," "domestic building construction," "overseas building construction" and "real estate development."

The overview of each reporting segment is as follows:

Domestic civil engineering: Execution of civil engineering construction contracts and related businesses within Japan

Overseas civil engineering: Execution of civil engineering construction contracts and related businesses outside Japan

Domestic building construction: Execution of building construction contracts and related businesses within Japan

Overseas building construction: Execution of building construction contracts and related businesses outside Japan

Real estate development: Purchase, sale and rent of real estate properties, development of land parcels, and related businesses

2. Reporting segment information (net sales and income (loss))

1Q/FY2010 (April 1, 2010 - June 30, 2010)

(Unit: million yen)

	Reporting Segment						Others (Note 1)	Total
	Domestic civil engineering	Overseas civil engineering	Domestic building construction	Overseas building construction	Real estate development	Subtotal		
Net sales								
External sales	52,638	10,281	133,819	25,028	5,955	227,723	10,081	237,804
Intersegment sales or transfer	2,020	—	7,708	3	437	10,170	2,037	12,208
Total segment sales	54,658	10,281	141,528	25,031	6,393	237,893	12,119	250,012
Operating Income (loss)								
Operating Income (loss) on external sales (Note 2)	831	(759)	(2,030)	(433)	1,252	(1,138)	351	(787)
Intersegment operating income or transfer	(247)	(0)	287	—	(23)	16	(0)	15
Segment income (loss)	584	(759)	(1,742)	(433)	1,229	(1,122)	351	(771)

Note 1: Businesses that cannot be classified into the company's reporting segments are shown as "Others."

This includes PFI (Private Finance Initiative), finance, operation of golf courses, and other businesses.

Note 2: "Operating income (loss) on external sales" was computed by subtracting "Intersegment operating income or transfer" from "Segment income (loss)."

The total "Operating income (loss) on external sales" equals to "Operating income (loss)" as shown in the quarterly consolidated statements of income.

3. Reconciliation of difference between total reporting segment income (loss) and operating income (loss) as shown in the quarterly consolidated statements of income

(million yen)	
Income (loss)	Amount
Total reporting segment	(1,122)
Income on "Others"	351
Elimination of inter-segment transactions	(15)
Operating income (loss) as shown in the quarterly statements of income	(787)

(Additional information)

Effective this 1st quarter of FY2010 ending March 31, 2011, the Group adopted the "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, issued on March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, issued on March 21, 2008).

(For reference) Non-consolidated quarterly balance sheets

(Unit : million yen)

	June 30, 2010	March 31, 2010
Assets		
Current assets		
Cash and deposits	52,924	84,138
Notes receivable-trade	8,743	5,931
Accounts receivable from completed construction contracts	297,508	336,885
Accounts receivable-real estate business and other	1,515	2,816
Short-term investment securities	6	6
Real estate for sale	44,691	53,053
Costs on uncompleted construction contracts	76,639	75,023
Costs on real estate business and other	8,624	7,768
Raw materials and supplies	1,730	1,628
Deferred tax assets	22,926	22,186
Accounts receivable-other	78,636	86,571
Other	10,692	9,562
Allowance for doubtful accounts	(771)	(863)
Total current assets	603,868	684,708
Noncurrent assets		
Property, plant and equipment		
Land	168,604	147,805
Other	40,813	30,237
Total property, plant and equipment	209,418	178,042
Intangible assets	4,360	3,978
Investments and other assets		
Investment securities	243,946	285,824
Deferred tax assets	53,907	37,470
Other	81,348	81,514
Allowance for doubtful accounts	(3,617)	(3,618)
Total investments and other assets	375,584	401,192
Total noncurrent assets	589,363	583,213
Total assets	1,193,232	1,267,922

Note: This non-consolidated quarterly balance sheet was prepared in accordance with the Japanese accounting standard for quarterly financial statements, although it is not subject to the disclosure legally required by the related authorities.

(Unit : million yen)

	June 30, 2010	March 31, 2010
Liabilities		
Current liabilities		
Notes payable-trade	36,221	36,638
Accounts payable for construction contracts	292,566	345,899
Accounts payable-real estate and other	453	1,005
Short-term loans payable	50,228	46,365
Commercial papers	60,000	50,000
Current portion of bonds	10,000	10,000
Income taxes payable	215	300
Advances received on uncompleted construction contracts	85,589	84,726
Deposit received-real estate and other	2,568	2,415
Deposits received	65,790	66,704
Provision for warranties for completed construction	1,440	1,568
Provision for loss on construction contracts	20,474	24,584
Other	43,014	42,983
Total current liabilities	<u>668,561</u>	<u>713,190</u>
Noncurrent liabilities		
Bonds payable	20,000	20,000
Long-term loans payable	108,865	112,864
Deferred tax liabilities for land revaluation	27,018	27,174
Provision for retirement benefits	60,209	59,413
Provision for loss on real estate business and other	15,958	15,958
Provision for environmental measures	1,030	1,030
Other	7,489	6,156
Total noncurrent liabilities	<u>240,572</u>	<u>242,598</u>
Total liabilities	<u>909,133</u>	<u>955,788</u>
Net assets		
Shareholders' equity		
Capital stock	57,752	57,752
Capital surplus		
Legal capital surplus	41,694	41,694
Total capital surpluses	<u>41,694</u>	<u>41,694</u>
Retained earnings		
Legal retained earnings	14,438	14,438
Other retained earnings		
Reserve for advanced depreciation of noncurrent assets	1,269	1,277
General reserve	70,000	100,000
Retained earnings brought forward	20,876	(4,271)
Total retained earnings	<u>106,583</u>	<u>111,444</u>
Treasury stock	<u>(1,352)</u>	<u>(1,340)</u>
Total shareholders' equity	<u>204,677</u>	<u>209,551</u>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	58,932	81,830
Deferred gains or losses on hedges	(34)	-
Revaluation reserve for land	20,522	20,751
Total valuation and translation adjustments	<u>79,421</u>	<u>102,582</u>
Total net assets	<u>284,098</u>	<u>312,133</u>
Total liabilities and net assets	<u>1,193,232</u>	<u>1,267,922</u>
(For reference) Net asset per share (yen)	395.26	434.25

Note: This non-consolidated quarterly balance sheet was prepared in accordance with the Japanese accounting standard for quarterly financial statements, although it is not subject to the disclosure legally required by the related authorities.

(For reference) Non-consolidated quarterly statements of income

(Unit : million yen)

	1Q/ FY 2009 From April 1, 2009 to June 30, 2009	1Q/ FY 2010 From April 1, 2010 to June 30, 2010
Net sales		
Net sales of completed construction contracts	274,747	183,809
Net sales of real estate business and other	4,111	3,774
Total net sales	278,858	187,584
Cost of sales		
Cost of sales of completed construction contracts	260,278	170,986
Cost of sales on real estate business and other	2,965	2,656
Total cost of sales	263,244	173,643
Gross profit		
Gross profit on completed construction contracts	14,469	12,823
Gross profit on real estate business and other	1,145	1,117
Total gross profit	15,614	13,941
Selling, general and administrative expenses	15,136	15,128
Operating income (loss)	477	(1,187)
Non-operating income		
Interest income	433	325
Dividends income	2,367	4,024
Other	394	177
Total non-operating income	3,195	4,527
Non-operating expenses		
Interest expenses	781	808
Foreign exchange losses	214	1,301
Other	294	415
Total non-operating expenses	1,291	2,524
Ordinary income	2,382	814
Extraordinary income	17	166
Extraordinary loss		
Loss on valuation of investment securities	876	3,462
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	1,254
Other	223	132
Total extraordinary losses	1,099	4,848
Income (loss) before income taxes	1,300	(3,867)
Income taxes-current	75	70
Income taxes-deferred	614	(1,722)
Total income taxes	689	(1,652)
Net income (loss)	611	(2,214)
(For reference) Net income (loss) per share (yen)	0.85	(3.08)

Note: These non-consolidated quarterly statements of income were prepared in accordance with the Japanese accounting standard for quarterly financial statements, although it is not subject to the disclosure legally required by the related authorities.

Quick Review of Consolidated and Non-consolidated Results for Q1 FY2010

(in comparison with the results for Q1 FY2009)

(Unit: 100 million yen)

	Consolidated					Non-consolidated						
	Q1 / FY 2009 April 1, 2009 - June 30, 2009		Q1 / FY 2010 April 1, 2010 - June 30, 2010		Variance	Variance rate (%)	Q1 / FY 2009 April 1, 2009 - June 30, 2009		Q1 / FY 2010 April 1, 2010 - June 30, 2010		Variance	Variance rate (%)
Net sales of completed construction contracts	%	3,370	%	2,217	-1,152	-34.2	%	2,747	%	1,838	-909	-33.1
Civil Engineering		—		—	—	—		802		489	-313	-39.0
Building Construction		—		—	—	—		1,945		1,348	-596	-30.7
Gross profit on completed construction contracts	5.8	194	6.8	151	-42	-22.0	5.3	144	7.0	128	-16	-11.4
Civil Engineering		—		—	—	—	5.3	42	10.2	49	7	17.0
Building Construction		—		—	—	—	5.2	102	5.8	78	-23	-23.2
Net sales of real estate business and other		135		160	24	18.3		41		37	-3	-8.2
Gross profit on real estate business and other	18.7	25	22.1	35	10	39.6	27.9	11	29.6	11	-0	-2.4
Net sales		3,506		2,378	-1,127	-32.2		2,788		1,875	-912	-32.7
Gross profit	6.3	220	7.9	187	-32	-14.9	5.6	156	7.4	139	-16	-10.7
Selling, general and administrative expenses	5.8	201	8.2	195	-6	-3.0	5.4	151	8.0	151	-0	-0.1
(Personnel expenses)		(115)		(117)	(2)			(86)		(91)	(4)	
(Others)		(85)		(77)	(-8)			(64)		(59)	(-4)	
Operating Income	0.5	18	-0.3	-7	-26	—	0.2	4	-0.6	-11	-16	—
Non-operating income		30		25	-4	-13.8		31		45	13	41.7
Non-operating expenses		11		26	14	116.8		12		25	12	95.6
(interests received/paid and dividend income - net)		(15)		(12)	(-2)			(19)		(35)	(15)	
Ordinary income	1.1	36	-0.3	-7	-44	—	0.9	23	0.4	8	-15	-65.8
Extraordinary income		0		2	1	165.1		0		1	1	841.2
Extraordinary loss		16		49	32	201.1		10		48	37	340.9
Income before income taxes and minority interests	0.6	21	-2.3	-54	-75	—	0.5	13	-2.1	-38	-51	—
Total income taxes		14		-59	-74	—		6		-16	-23	—
Income before minority interests		—		5	—	—		—		—	—	—
Minority interests in income (deduction)		3		-3	-6	—		—		—	—	—
Net income	0.1	4	0.4	8	4	109.3	0.2	6	-1.2	-22	-28	—

Orders Received

(Unit: 100 million yen)

	Consolidated					Non-consolidated						
	Q1 / FY 2009 April 1, 2009 - June 30, 2009		Q1 / FY 2010 April 1, 2010 - June 30, 2010		Variance	Variance rate (%)	Q1 / FY 2009 April 1, 2009 - June 30, 2009		Q1 / FY 2010 April 1, 2010 - June 30, 2010		Variance	Variance rate (%)
Civil Engineering		443		347	-95	-21.6		300		228	-71	-23.9
(Domestic)		(420)		(349)	(-71)	(-16.9)		(277)		(230)	(-47)	(-17.1)
(Overseas)		(22)		(-1)	(-24)	(-)		(22)		(-1)	(-24)	(-)
Building Construction		1,626		809	-817	-50.2		1,010		587	-422	-41.9
(Domestic)		(797)		(657)	(-140)	(-17.6)		(773)		(571)	(-201)	(-26.1)
(Overseas)		(828)		(151)	(-676)	(-81.7)		(236)		(15)	(-221)	(-93.4)
Construction Total		2,070		1,157	-913	-44.1		1,311		816	-494	-37.7
(Domestic)		(1,218)		(1,006)	(-211)	(-17.4)		(1,051)		(802)	(-249)	(-23.7)
(Overseas)		(851)		(150)	(-701)	(-82.4)		(259)		(13)	(-245)	(-94.6)
Real Estate and others		92		111	18	20.5		41		38	-3	-9.0
Total orders received		2,162		1,268	-894	-41.3		1,353		854	-498	-36.9

Interest-bearing loan balances

(Unit: 100 million yen)

	Consolidated					Non-consolidated				
	March 31, 2010	June 30, 2010	Variance	Variance rate (%)		March 31, 2010	June 30, 2010	Variance	Variance rate (%)	
Interest-bearing loan (except PFI related)	3,097	3,166	69	2.2		2,392	2,490	98	4.1	
PFI and other project finance loans	813	777	-35	-4.4		—	—	—	—	
Interest-bearing loan total	3,910	3,944	33	0.9		2,392	2,490	98	4.1	

Note: This review of results was prepared in accordance with the Japanese accounting standard for quarterly financial statements, although it is not subject to the disclosure legally required by the related authorities.

Non-Consolidated Orders Received, Net Sales, Carried-forward, and Gross Profit

(For reference purpose only)

1. Breakdown of non-consolidated orders received

(Unit: million yen)

	Q1 / FY2009 (From April 1, 2009 to June 30, 2009)		Q1 / FY2010 (From April 1, 2010 to June 30, 2010)		Variance		Previous FY Results (From April 1, 2009 to March 31, 2010)	
		%		%		% variance		%
Civil Engineering								
Domestic Public	11,697	8.6	8,656	10.1	(3,040)	(26.0)	111,276	10.9
Domestic Private	16,099	11.9	14,398	16.9	(1,701)	(10.6)	66,931	6.5
Domestic total	27,797	20.5	23,055	27.0	(4,742)	(17.1)	178,208	17.4
Overseas total	2,286	1.7	(165)	(0.2)	(2,452)	(107.3)	30,373	3.0
Subtotal	30,083	22.2	22,889	26.8	(7,194)	(23.9)	208,581	20.4
Building Construction								
Domestic Public	14,065	10.4	6,715	7.9	(7,349)	(52.3)	62,294	6.1
Domestic Private	63,298	46.8	50,462	59.0	(12,836)	(20.3)	682,719	66.9
Domestic total	77,363	57.2	57,178	66.9	(20,185)	(26.1)	745,014	73.0
Overseas total	23,666	17.5	1,555	1.8	(22,110)	(93.4)	47,000	4.6
Subtotal	101,030	74.7	58,733	68.7	(42,296)	(41.9)	792,014	77.6
Construction Total								
Domestic Public	25,762	19.0	15,372	18.0	(10,390)	(40.3)	173,571	17.0
Domestic Private	79,398	58.7	64,861	75.9	(14,537)	(18.3)	749,650	73.4
Domestic total	105,161	77.7	80,233	93.9	(24,927)	(23.7)	923,222	90.4
Overseas total	25,952	19.2	1,389	1.6	(24,563)	(94.6)	77,374	7.6
Subtotal	131,114	96.9	81,623	95.5	(49,490)	(37.7)	1,000,596	98.0
Real Estate Business and Other	4,198	3.1	3,821	4.5	(376)	(9.0)	20,490	2.0
Total	135,312	100	85,444	100	(49,867)	(36.9)	1,021,087	100

2. Breakdown of non-consolidated net sales

(Unit: million yen)

	Q1 / FY2009 (From April 1, 2009 to June 30, 2009)		Q1 / FY2010 (From April 1, 2010 to June 30, 2010)		Variance		Previous FY Results (From April 1, 2009 to March 31, 2010)	
		%		%		% variance		%
Civil Engineering								
Domestic Public	25,553	9.2	25,723	13.7	170	0.7	113,100	10.7
Domestic Private	18,605	6.7	12,913	6.9	(5,691)	(30.6)	86,378	8.2
Domestic total	44,159	15.9	38,637	20.6	(5,521)	(12.5)	199,478	18.9
Overseas total	36,071	12.9	10,281	5.5	(25,790)	(71.5)	46,980	4.4
Subtotal	80,231	28.8	48,918	26.1	(31,312)	(39.0)	246,459	23.3
Building Construction								
Domestic Public	18,953	6.8	19,667	10.5	713	3.8	82,582	7.8
Domestic Private	172,997	62.0	110,714	59.0	(62,283)	(36.0)	690,919	65.3
Domestic total	191,951	68.8	130,381	69.5	(61,569)	(32.1)	773,501	73.1
Overseas total	2,564	0.9	4,509	2.4	1,944	75.8	17,272	1.7
Subtotal	194,516	69.7	134,891	71.9	(59,625)	(30.7)	790,774	74.8
Construction Total								
Domestic Public	44,507	16.0	45,390	24.2	883	2.0	195,682	18.5
Domestic Private	191,603	68.7	123,628	65.9	(67,975)	(35.5)	777,297	73.5
Domestic total	236,110	84.7	169,019	90.1	(67,091)	(28.4)	972,979	92.0
Overseas total	38,636	13.8	14,790	7.9	(23,846)	(61.7)	64,253	6.1
Subtotal	274,747	98.5	183,809	98.0	(90,937)	(33.1)	1,037,233	98.1
Real Estate Business and Other	4,111	1.5	3,774	2.0	(336)	(8.2)	20,367	1.9
Total	278,858	100	187,584	100	(91,274)	(32.7)	1,057,601	100

3. Breakdown of non-consolidated amounts carried-forward

(Unit: million yen)

	At June 30, 2009		At June 30, 2010		Variance		At the end of Previous FY (March 31, 2010)	
		%		%		% variance		%
Civil Engineering								
Domestic Public	179,689	15.1	174,654	14.6	(5,034)	(2.8)	191,721	14.8
Domestic Private	107,682	9.1	92,226	7.7	(15,456)	(14.4)	90,741	7.0
Domestic total	287,371	24.2	266,880	22.3	(20,490)	(7.1)	282,463	21.8
Overseas total	51,667	4.3	58,398	4.9	6,731	13.0	68,845	5.3
Subtotal	339,039	28.5	325,279	27.2	(13,759)	(4.1)	351,309	27.1
Building Construction								
Domestic Public	109,131	9.2	80,781	6.8	(28,350)	(26.0)	93,733	7.2
Domestic Private	681,883	57.3	723,130	60.6	41,247	6.0	783,382	60.5
Domestic total	791,015	66.5	803,912	67.4	12,897	1.6	877,115	67.7
Overseas total	57,436	4.9	63,108	5.3	5,672	9.9	66,062	5.1
Subtotal	848,451	71.4	867,021	72.7	18,569	2.2	943,178	72.8
Construction Total								
Domestic Public	288,820	24.3	255,436	21.4	(33,384)	(11.6)	285,454	22.0
Domestic Private	789,566	66.4	815,357	68.3	25,791	3.3	874,124	67.5
Domestic total	1,078,387	90.7	1,070,793	89.7	(7,593)	(0.7)	1,159,579	89.5
Overseas total	109,103	9.2	121,507	10.2	12,403	11.4	134,908	10.4
Subtotal	1,187,491	99.9	1,192,301	99.9	4,810	0.4	1,294,487	99.9
Real Estate Business and Other	902	0.1	985	0.1	82	9.1	938	0.1
Total	1,188,394	100	1,193,286	100	4,892	0.4	1,295,426	100

Note: The numbers above were prepared in accordance with the Japanese accounting standard for quarterly financial statements, although it is not subject to the disclosure legally required by the related authorities.

4. Non-consolidate gross profit and margin of completed construction contracts

(Unit: million yen)

	Q1 / FY2010 (From April 1, 2010 to June 30, 2010)	
		Gross margin (%)
Civil Engineering		
Domestic	4,985	12.9
Overseas	(3)	(0.0)
Civil Engineering Total	4,982	10.2
Building Construction		
Domestic	7,445	5.7
Overseas	396	8.8
Building Construction Total	7,841	5.8
Construction Total		
Domestic	12,430	7.4
Overseas	393	2.7
Total	12,823	7.0

Forecasts for Orders Received (Non-consolidated and Consolidated)

1. Forecasts for orders received for the first half and full FY2010 ending March 31, 2011 (Non-consolidated)

(Unit: million yen)

	Half Year (A) (From Apr. 1, 2010 to Sep. 30, 2010)		(Reference) As announced on May 13, 2010 in "Kessan tanshin (B)		Full Year (C) (From Apr. 1, 2010 to Mar. 31, 2011)		(Reference) As announced on May 13, 2010 in "Kessan tanshin (D)	
		Compared with 1st half of prev. FY (%)		(A) -(B)		Compared with prev. FY (%)		(C) - (D)
Civil Engineering								
Domestic	70,000	11.2	70,000	—	200,000	12.2	200,000	—
Overseas	20,000	33.8	20,000	—	50,000	64.6	50,000	—
Subtotal	90,000	15.6	90,000	—	250,000	19.9	250,000	—
Building Construction								
Domestic	300,000	3.5	380,000	(80,000)	825,000	10.7	825,000	—
Overseas	15,000	(64.3)	5,000	10,000	20,000	(57.4)	20,000	—
Subtotal	315,000	(5.1)	385,000	(70,000)	845,000	6.7	845,000	—
Construction Total								
Domestic	370,000	4.9	450,000	(80,000)	1,025,000	11.0	1,025,000	—
Overseas	35,000	(38.6)	25,000	10,000	70,000	(9.5)	70,000	—
Subtotal	405,000	(1.2)	475,000	(70,000)	1,095,000	9.4	1,095,000	—
Real Estate Business and Other	30,000	201.0	30,000	—	45,000	119.6	45,000	—
Total	435,000	3.6	505,000	(70,000)	1,140,000	11.6	1,140,000	—

* % in table 1 above shows the changes from the previous 2Q results (cumulative) for "Half Year" and from the previous FY results for "Full Year" respectively.

* The forecast above was prepared on the basis of information available at the time of the release of this document.
Due to various factors, the actual result may vary from the forecast data.

2. Forecasts for orders received for the first half and full FY2010 ending March 31, 2011 (Consolidated)

(Unit: million yen)

	Half Year (A) (From Apr. 1, 2010 to Sep. 30, 2010)		(Reference) As announced on May 13, 2010 in "Kessan tanshin (B)		Full Year (C) (From Apr. 1, 2010 to Mar. 31, 2011)		(Reference) As announced on May 13, 2010 in "Kessan tanshin (D)	
		Compared with 1st half of prev. FY (%)		(A) -(B)		Compared with prev. FY (%)		(C) - (D)
Civil Engineering								
Domestic	100,000	6.1	100,000	—	275,000	8.5	275,000	—
Overseas	20,000	33.8	20,000	—	50,000	64.6	50,000	—
Subtotal	120,000	9.9	120,000	—	325,000	14.5	325,000	—
Building Construction								
Domestic	325,000	7.7	405,000	(80,000)	870,000	14.6	870,000	—
Overseas	65,000	(48.3)	55,000	10,000	125,000	(27.4)	165,000	(40,000)
Subtotal	390,000	(8.8)	460,000	(70,000)	995,000	6.9	1,035,000	(40,000)
Construction Total								
Domestic	425,000	7.3	505,000	(80,000)	1,145,000	13.1	1,145,000	—
Overseas	85,000	(39.6)	75,000	10,000	175,000	(13.6)	215,000	(40,000)
Subtotal	510,000	(5.0)	580,000	(70,000)	1,320,000	8.7	1,360,000	(40,000)
Real Estate Business and Other	45,000	124.5	45,000	—	75,000	11.0	75,000	—
Total	555,000	(0.3)	625,000	(70,000)	1,395,000	8.8	1,435,000	(40,000)

* % in table 2 above shows the changes from the previous 2Q results (cumulative) for "Half Year" and from the previous FY results for "Full Year" respectively.

* The forecast above was prepared on the basis of information available at the time of the release of this document.
Due to various factors, the actual result may vary from the forecast data.

Note: The numbers above were prepared in accordance with the Japanese accounting standard for quarterly financial statements, although it is not subject to the disclosure legally required by the related authorities.