

# KAJIMA CORPORATION

## Consolidated and Non-Consolidated Financial Statements (For the Period from 1 April 2008 to 30 September 2008)

### 1. Summary of Operating Results (consolidated) 1<sup>st</sup> Half / FY2008 (1 April - 30 September 2008)

#### (1) Financial Results (consolidated)

	Revenues		Operating Income		Recurring Profit		Net Income	
	¥ Mil	%	¥ Mil	%	¥ Mil	%	¥ Mil	%
1 <sup>st</sup> Half / FY'08	940,491	15.4	11,502	112.5	11,800	(23.3)	6,670	(72.9)
1 <sup>st</sup> Half / FY'07	815,054	1.3	5,413	(66.5)	15,386	(13.4)	24,635	33.2
Full-Year / FY'07	1,894,044		18,096		29,468		40,709	

?: Representing increase (decrease) from the same period of the previous year

	Basic Net Income per Share
	¥
1 <sup>st</sup> Half / FY'08	6.57
1 <sup>st</sup> Half / FY'07	23.44
Full-Year / FY'07	39.13

#### (2) Assets and Equity (consolidated)

As at	Assets	Equity	Equity/Assets Ratio	Equity per Share
	¥ Mil	¥ Mil	%	¥
30 September '08	1,942,088	296,832	14.9	284.79
30 September '07	1,998,601	354,439	17.3	328.33
31 March '08	1,918,395	305,449	15.5	292.63

#### (3) Cash Flows (consolidated)

	Operating Activities	Investing Activities	Financing Activities	Cash and Cash Equivalents at the end of the Period
	¥ Mil	¥ Mil	¥ Mil	¥ Mil
1 <sup>st</sup> Half / FY'08	33,798	(13,925)	10,679	127,575
1 <sup>st</sup> Half / FY'07	(17,881)	(1,303)	5,311	145,112
Full-Year / FY'07	(52,541)	3,020	(7,678)	100,290

**2. Summary of Operating Results (non-consolidated)**  
**1<sup>st</sup> Half / FY2008 (1 April - 30 September 2008)**

(1) Financial Results (non-consolidated)

	Revenues		Operating Income		Recurring Profit		Net Income	
	¥ Mil	%	¥ Mil	%	¥ Mil	%	¥ Mil	%
1 <sup>st</sup> Half / FY'08	716,372	19.8	5,583	262.7	8,434	24.6	3,763	83.8
1 <sup>st</sup> Half / FY'07	598,130	(2.6)	1,539	(91.1)	6,770	(64.3)	2,048	(83.9)
Full-Year / FY'07	1,423,143		4,642		5,163		5,870	

?: Representing increase (decrease) from the same period of the previous year

	Basic Net Income per Share
	¥
1 <sup>st</sup> Half / FY'08	3.69
1 <sup>st</sup> Half / FY'07	1.94
Full-Year / FY'07	5.62

(2) Assets and Equity (non-consolidated)

As at	Assets	Equity	Equity/Assets Ratio	Equity per Share
	¥ Mil	¥ Mil	%	¥
30 September '08	1,536,002	259,905	16.9	254.87
30 September '07	1,594,004	324,327	20.3	307.42
31 March '08	1,534,353	265,026	17.3	259.85

**3. Forecasts of Operating Results (consolidated / non-consolidated)**  
**Full-year FY2008 (1 April 2008 – 31 March 2009)**

	Revenues		Operating Income		Recurring Profit		Net Income	
	¥ Mil	%	¥ Mil	%	¥ Mil	%	¥ Mil	%
Consolidated	1,940,000	2.4	18,500	2.2	20,000	(32.1)	12,000	(70.5)
Non-consolidated	1,460,000	2.6	8,000	72.3	10,000	93.7	1,000	(83.0)

?: Representing increase (decrease) from the same period of FY2007

	Basic Net Income per Share
	¥
Consolidated	11.81
Non-consolidated	0.98

**Disclaimer**

Projections contained herein are based on information available as at the date of this announcement, and are subject to risks and uncertainties that may cause the actual results to vary.

**Revisions on Financial Statements**

Except for revenues on a consolidated basis, no revisions have been made to our forecasts of full-year operating results which we announced on 21 October 2008.

## Balance Sheets (Consolidated)

as at 31 September 2008

As at	30 September '08		31 March '08		Change
	¥ Mil	%	¥ Mil	%	¥ Mil
<b>(ASSETS)</b>					
<b>Current Assets</b>	<b>1,269,679</b>	<b>65.4%</b>	<b>1,220,169</b>	<b>63.6%</b>	<b>49,510</b>
Cash and Deposits	129,318		102,020		27,298
Notes Receivable, Accounts Receivable from Completed Construction Contracts and Other	537,360		586,069		(48,709)
Costs on Uncompleted Construction Contracts	158,145		111,578		46,566
Costs on Development Projects in Progress	118,268		120,253		(1,985)
Real Estate for Sale	89,714		100,612		(10,898)
Other Inventories	12,223		8,939		3,284
Other	229,086		195,702		33,384
Allowance for Doubtful Accounts	(4,439)		(5,009)		569
<b>Noncurrent Assets</b>	<b>672,409</b>	<b>34.6%</b>	<b>698,226</b>	<b>36.4%</b>	<b>(25,817)</b>
<b>Property, Plant and Equipment</b>	<b>345,108</b>		<b>347,761</b>		<b>(2,652)</b>
<b>Intangible Assets</b>	<b>12,105</b>		<b>13,351</b>		<b>(1,246)</b>
<b>Investments and Other Assets</b>	<b>315,196</b>		<b>337,113</b>		<b>(21,917)</b>
Investment Securities	243,543		269,264		(25,720)
Other	85,161		81,419		3,742
Allowance for Doubtful Accounts	(13,508)		(13,569)		60
<b>Total Assets</b>	<b>1,942,088</b>	<b>100.0%</b>	<b>1,918,395</b>	<b>100.0%</b>	<b>23,692</b>

As at	30 September '08		31 March '08		Change
	¥ Mil	%	¥ Mil	%	¥ Mil
<b>(LIABILITIES)</b>					
<b>Current Liabilities</b>	<b>1,252,380</b>	<b>64.5%</b>	<b>1,211,959</b>	<b>63.2%</b>	<b>40,421</b>
Notes Payable, Accounts Payable for Construction Contracts and Other	572,818		562,720		10,097
Short-term Loans Payable	145,677		137,808		7,868
Commercial Papers	97,000		77,000		20,000
Current Portion of Bonds	13,037		24,711		(11,673)
Advances Received on Uncompleted Construction Contracts	201,490		170,936		30,553
Provision	20,538		22,429		(1,890)
Other	201,817		216,352		(14,534)
<b>Noncurrent Liabilities</b>	<b>392,875</b>	<b>20.2%</b>	<b>400,987</b>	<b>20.9%</b>	<b>(8,111)</b>
Bonds Payable	60,200		61,379		(1,179)
Long-term Loans Payable	168,512		172,900		(4,387)
Provision for Retirement Benefits	63,516		64,021		(505)
Allowance for Loss on Development Projects	5,904		5,904		-
Other	94,742		96,781		(2,039)
<b>Total Liabilities</b>	<b>1,645,256</b>	<b>84.7%</b>	<b>1,612,946</b>	<b>84.1%</b>	<b>32,309</b>
<b>(NET ASSETS)</b>					
<b>Shareholders' Equity</b>	<b>221,921</b>	<b>11.4%</b>	<b>222,721</b>	<b>11.6%</b>	<b>(799)</b>
Capital Stock	81,447		81,447		-
Capital Surplus	49,485		49,485		-
Retained Earnings	105,359		106,103		(744)
Treasury Stock	(14,369)		(14,314)		(55)
<b>Valuation and Translation Adjustments</b>	<b>67,344</b>	<b>3.5%</b>	<b>74,558</b>	<b>3.9%</b>	<b>(7,214)</b>
Valuation Difference on Available-for-sale Securities	43,971		49,492		(5,521)
Deferred Gains or Losses on Hedges	(468)		(768)		300
Revaluation Reserve for Land	25,904		26,161		(256)
Foreign Currency Translation Adjustment	(2,063)		(326)		(1,736)
<b>Minority Interests</b>	<b>7,566</b>	<b>0.4%</b>	<b>8,169</b>	<b>0.4%</b>	<b>(603)</b>
<b>Total Net Assets</b>	<b>296,832</b>	<b>15.3%</b>	<b>305,449</b>	<b>15.9%</b>	<b>(8,617)</b>
<b>Total Liabilities and Net Assets</b>	<b>1,942,088</b>	<b>100.0%</b>	<b>1,918,395</b>	<b>100.0%</b>	<b>23,692</b>

## Income Statements (Consolidated)

1st Half / FY2008 (1 April - 30 September 2008)

	1st Half / FY2007 (1 Apr - 30 Sep '07)		1st Half / FY2008 (1 Apr - 30 Sep '08)		Change	Full-Year / FY2007 (1 Apr '07 - 31 Mar '08)	
	¥ Mil	%	¥ Mil	%	¥ Mil	¥ Mil	%
<b>Revenues</b>	<b>815,054</b>	<b>100.0%</b>	<b>940,491</b>	<b>100.0%</b>	<b>125,436</b>	<b>1,894,044</b>	<b>100.0%</b>
Construction	732,233	100.0%	812,971	100.0%	80,738	1,599,626	100.0%
Real Estate and Other	82,821	100.0%	127,519	100.0%	44,697	294,417	100.0%
<b>Cost of Revenues</b>	<b>762,050</b>	<b>93.5%</b>	<b>879,060</b>	<b>93.5%</b>	<b>117,010</b>	<b>1,778,354</b>	<b>93.9%</b>
Construction	691,572	94.4%	774,457	95.3%	82,884	1,525,036	95.3%
Real Estate and Other	70,478	85.1%	104,603	82.0%	34,125	253,318	86.0%
<b>Gross Profit</b>	<b>53,004</b>	<b>6.5%</b>	<b>61,430</b>	<b>6.5%</b>	<b>8,426</b>	<b>115,689</b>	<b>6.1%</b>
Construction	40,660	5.6%	38,514	4.7%	(2,146)	74,590	4.7%
Real Estate and Other	12,343	14.9%	22,915	18.0%	10,572	41,099	14.0%
<b>Selling, General and Administrative Expenses</b>	<b>47,590</b>	<b>5.8%</b>	<b>49,927</b>	<b>5.3%</b>	<b>2,337</b>	<b>97,593</b>	<b>5.1%</b>
<b>Operating Income</b>	<b>5,413</b>	<b>0.7%</b>	<b>11,502</b>	<b>1.2%</b>	<b>6,089</b>	<b>18,096</b>	<b>1.0%</b>
<b>Non-Operating Income</b>	<b>16,544</b>	<b>2.0%</b>	<b>9,260</b>	<b>1.0%</b>	<b>(7,284)</b>	<b>31,856</b>	<b>1.7%</b>
Dividends Income	2,697		3,267		569	5,318	
Equity in Earnings of Unconsolidated Subsidiaries and Affiliates	7,738		2,233		(5,504)	10,583	
Other	6,108		3,759		(2,349)	15,953	
<b>Non-Operating Expenses</b>	<b>6,572</b>	<b>0.8%</b>	<b>8,963</b>	<b>0.9%</b>	<b>2,391</b>	<b>20,484</b>	<b>1.1%</b>
Interest Expenses	4,378		3,782		(595)	8,479	
Foreign Exchange Losses	-		2,909		2,909	6,539	
Other	2,194		2,270		76	5,465	
<b>Recurring Profit</b>	<b>15,386</b>	<b>1.9%</b>	<b>11,800</b>	<b>1.3%</b>	<b>(3,585)</b>	<b>29,468</b>	<b>1.6%</b>
<b>Extraordinary Profit</b>	<b>19,375</b>	<b>2.4%</b>	<b>5,624</b>	<b>0.6%</b>	<b>(13,751)</b>	<b>38,472</b>	<b>2.0%</b>
<b>Extraordinary Loss</b>	<b>5,555</b>	<b>0.7%</b>	<b>7,438</b>	<b>0.8%</b>	<b>1,882</b>	<b>18,545</b>	<b>1.0%</b>
<b>Income before Income Taxes and Minority Interests</b>	<b>29,206</b>	<b>3.6%</b>	<b>9,986</b>	<b>1.1%</b>	<b>(19,220)</b>	<b>49,394</b>	<b>2.6%</b>
Income Taxes	4,177	0.5%	4,493	0.5%	315	8,719	0.5%
Minority Interests	393	0.1%	(1,177)	(0.1%)	(1,570)	(33)	(0.0%)
<b>Net Income</b>	<b>24,635</b>	<b>3.0%</b>	<b>6,670</b>	<b>0.7%</b>	<b>(17,965)</b>	<b>40,709</b>	<b>2.1%</b>

## Cash Flow Statements (Consolidated)

	1st Half / FY2007	1st Half / FY2008	Full-Year / FY2007
	¥ Mil	¥ Mil	¥ Mil
<b>OPERATING ACTIVITIES</b>			
Income before Income Taxes and Minority Interests	29,206	9,986	49,394
<b>Adjustments for:</b>			
Depreciation and Amortization	8,189	9,006	17,178
Impairment Loss	633	-	2,969
Increase (Decrease) in Allowance for Doubtful Accounts	(3,892)	217	(3,695)
Increase (Decrease) in Provision	-	(1,916)	-
Increase (Decrease) in Provision for Loss on Construction Contracts	6,341	-	12,171
Increase (Decrease) in Provision for Retirement Benefits	(837)	(592)	(1,327)
Interest and Dividends Income	(4,255)	(4,387)	(8,121)
Interest Expenses	4,378	3,782	8,479
Foreign Exchange Losses (Gains)	(667)	3,509	5,146
Equity in (Earnings) Losses of Unconsolidated Subsidiaries and Affiliates	(7,738)	(2,233)	(10,583)
Loss (Gain) on Sales and Retirement of Noncurrent Assets	(2,600)	1,454	3,635
Loss (Gain) on Sales of Investment Securities	(12,456)	(1,145)	(15,144)
Loss (Gain) on Valuation of Investment Securities	851	1,704	2,214
Gain on Sales of Investments in Capital	-	-	(15,703)
Decrease (Increase) in Notes and Accounts Receivable-trade	173,764	59,250	42,891
Decrease (Increase) in Costs on Uncompleted Construction Contracts	(35,161)	(45,394)	(4,166)
Decrease (Increase) in Costs on Development Projects	-	(195)	-
Decrease (Increase) in Real Estate for Sale	-	9,596	-
Decrease (Increase) in Other Inventories	(40,324)	(3,272)	(3,967)
Increase (Decrease) in Notes and Accounts Payable-trade	(113,533)	2,326	(68,098)
Increase (Decrease) in Advance Received	5,172	30,906	(13,505)
Increase (Decrease) in Deposits Received	10,061	-	(29,355)
Other, Net	(21,534)	(37,539)	(2,376)
<b>Sub-total</b>	<b>(4,400)</b>	<b>35,062</b>	<b>(31,962)</b>
Interest and Dividends Income Received	4,009	4,318	7,904
Interest Expenses Paid	(4,429)	(4,192)	(8,863)
Income Taxes Paid	(13,061)	(1,390)	(19,619)
<b>Net Cash provided by (used in) Operating Activities</b>	<b>(17,881)</b>	<b>33,798</b>	<b>(52,541)</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of Property, Plant and Equipment	(14,598)	(7,504)	(30,408)
Proceeds from Sales of Property, Plant and Equipment	6,480	1,021	13,057
Purchase of Intangible Assets	-	(588)	(2,323)
Purchase of Investment Securities	(16,240)	(1,900)	(18,078)
Proceeds from Sales and Others of Investment Securities	23,144	2,751	27,884
Purchase of Investments in Subsidiaries Resulting in Change in Scope of Consolidation	-	(252)	3,737
Payments of Loans Receivable	(4,728)	(4,297)	(5,164)
Collection of Loans Receivable	6,325	191	4,396
Collection of Investments in Capital	0	-	-
Proceeds from Sales of Investments in Capital	-	-	16,437
Other, Net	(1,687)	(3,346)	(6,518)
<b>Net Cash provided by (used in) Investing Activities</b>	<b>(1,303)</b>	<b>(13,925)</b>	<b>3,020</b>
<b>FINANCING ACTIVITIES</b>			
Net Increase (Decrease) in Short-term Loans Payable	34,816	10,826	7,010
Increase (Decrease) in Commercial Papers	(5,000)	20,000	27,000
Proceeds from Long-term Loans Payable	13,519	17,272	70,918
Repayment of Long-term Loans Payable	(33,629)	(21,795)	(74,413)
Proceeds from Issuance of Bonds	-	-	10,200
Redemption of Bonds	-	(11,916)	(28,087)
Purchase of Treasury Stock	-	-	(12,321)
Cash Dividends Paid	(4,194)	(3,547)	(7,864)
Other, Net	(200)	(160)	(119)
<b>Net Cash provided by (used in) Financing Activities</b>	<b>5,311</b>	<b>10,679</b>	<b>(7,678)</b>
<b>Effect of Exchange Rate Change on Cash and Cash Equivalents</b>	<b>886</b>	<b>(3,516)</b>	<b>(610)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(12,987)</b>	<b>27,036</b>	<b>(57,809)</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>158,100</b>	<b>100,290</b>	<b>158,100</b>
<b>Increase (Decrease) in Cash and Cash Equivalents Resulting from Merger of Subsidiaries</b>	<b>-</b>	<b>248</b>	<b>-</b>
<b>Cash and Cash Equivalents at End of Period</b>	<b>145,112</b>	<b>127,575</b>	<b>100,290</b>

## Business & Geographical Segment (Consolidated)

### 1. Performance by Business Segment

1st Half / FY2008 (1 April - 30 September 2008)

	Construction	Real Estate	Other	Adjustments	Total
	¥ Mil	¥ Mil	¥ Mil	¥ Mil	¥ Mil
Revenues	812,971	81,396	46,123	-	940,491
Inter-company	2,972	993	8,020	(11,986)	-
Total Revenues	815,943	82,389	54,144	(11,986)	940,491
Operating Income (Loss)	(2,094)	14,330	(547)	(185)	11,502

### 2. Performance by Geographical Segment

1st Half / FY2008 (1 April - 30 September 2008)

	Japan	North America	Europe	Asia	Adjustments	Total
	¥ Mil	¥ Mil	¥ Mil	¥ Mil	¥ Mil	¥ Mil
Revenues	802,818	79,945	22,825	34,902	-	940,491
Inter-company	418	-	-	0	(419)	-
Total Revenues	803,236	79,945	22,825	34,903	(419)	940,491
Operating Income (Loss)	6,424	(336)	3,569	1,839	5	11,502

### 3. Overseas Revenues

1st Half / FY2008 (1 April - 30 September 2008)

	North America	Europe	Asia	Other Resions	Total
	¥ Mil	¥ Mil	¥ Mil	¥ Mil	¥ Mil
Revenues	79,783	23,616	44,454	76,041	223,894
Consolidated Revenues					940,491
Note:	8.5%	2.5%	4.7%	8.1%	23.8%

Note: percentage of overseas revenues to the consolidated revenues

## Balance Sheets (Non-Consolidated)

as at 30 September 2008

As at	30 September '08		31 March '08		Change
	¥ Mil	%	¥ Mil	%	¥ Mil
<b>(ASSETS)</b>					
<b>Current Assets</b>	<b>936,689</b>	<b>61.0%</b>	<b>898,142</b>	<b>58.5%</b>	<b>38,547</b>
Cash and Deposits	79,014		66,326		12,687
Notes Receivable, Accounts Receivable from Completed Construction Contracts and Other	434,952		472,561		(37,609)
Operational Investment Securities	15,814		-		15,814
Real Estate for Sale	24,889		30,755		(5,865)
Costs on Uncompleted Construction Contracts	119,287		79,464		39,823
Costs on Development Projects in Progress and Other	62,999		64,407		(1,407)
Other	202,562		186,289		16,273
Allowance for Doubtful Accounts	(2,830)		(1,662)		(1,167)
<b>Noncurrent Assets</b>	<b>599,312</b>	<b>39.0%</b>	<b>636,211</b>	<b>41.5%</b>	<b>(36,899)</b>
<b>Property, Plant and Equipment</b>	<b>232,511</b>		<b>231,508</b>		<b>1,002</b>
<b>Intangible Assets</b>	<b>7,446</b>		<b>7,660</b>		<b>(213)</b>
<b>Investments and Other Assets</b>	<b>359,354</b>		<b>397,043</b>		<b>(37,688)</b>
Investment Securities	282,498		299,112		(16,613)
Other	88,032		108,505		(20,473)
Allowance for Doubtful Accounts	(11,176)		(10,574)		(602)
<b>Total Assets</b>	<b>1,536,002</b>	<b>100.0%</b>	<b>1,534,353</b>	<b>100.0%</b>	<b>1,648</b>



As at	30 September '08		31 March '08		Change ¥ Mil
	¥ Mil	%	¥ Mil	%	
<b>(LIABILITIES)</b>					
<b>Current Liabilities</b>	<b>998,431</b>	<b>65.0%</b>	<b>970,362</b>	<b>63.2%</b>	<b>28,068</b>
Notes Payable, Accounts Payable for Construction Contracts and Other	472,084		448,449		23,635
Short-term Loans Payable	76,394		79,068		(2,673)
Commercial Papers	97,000		77,000		20,000
Current Portion of Bonds	10,000		10,000		-
Advances Received on Uncompleted Construction Contracts	166,226		150,270		15,955
Allowance for Warranty on Completed Construction Contracts	2,473		1,140		1,333
Allowance for Foreseeable Losses on Uncompleted Construction Contracts	17,540		20,770		(3,230)
Other	156,711		183,664		(26,952)
<b>Noncurrent Liabilities</b>	<b>277,665</b>	<b>18.1%</b>	<b>298,964</b>	<b>19.5%</b>	<b>(21,299)</b>
Bonds Payable	60,000		60,000		-
Long-term Loans Payable	83,714		88,148		(4,433)
Provision for Retirement Benefits	56,553		56,990		(437)
Allowance for Loss on Development Projects	5,904		5,904		-
Allowance for Loss on Investments in Subsidiaries and Affiliates	3,911		18,452		(14,540)
Other	67,582		69,469		(1,887)
<b>Total Liabilities</b>	<b>1,276,096</b>	<b>83.1%</b>	<b>1,269,327</b>	<b>82.7%</b>	<b>6,769</b>
<b>(NET ASSETS)</b>					
<b>Shareholders' Equity</b>	<b>191,047</b>	<b>12.4%</b>	<b>190,667</b>	<b>12.4%</b>	<b>379</b>
Capital Stock	81,447		81,447		-
Capital Surplus	49,485		49,485		-
Retained Earnings	73,344		72,910		434
Treasury Stock	(13,229)		(13,174)		(55)
<b>Valuation and Translation Adjustments</b>	<b>68,858</b>	<b>4.5%</b>	<b>74,358</b>	<b>4.9%</b>	<b>(5,500)</b>
Valuation Difference on Available-for-sale Securities	43,888		49,406		(5,518)
Deferred Gains or Losses on Hedges	(470)		(729)		259
Revaluation Reserve for Land	25,441		25,681		(240)
<b>Total Net Assets</b>	<b>259,905</b>	<b>16.9%</b>	<b>265,026</b>	<b>17.3%</b>	<b>(5,120)</b>
<b>Total Liabilities and Net Assets</b>	<b>1,536,002</b>	<b>100.0%</b>	<b>1,534,353</b>	<b>100.0%</b>	<b>1,648</b>

## Income Statements (Non-Consolidated)

1st Half / FY2008 (1 April - 30 September 2008)

	1st Half / FY2007 (1 Apr - 30 Sep '07)		1st Half / FY2008 (1 Apr - 30 Sep '08)		Change	Full-Year / FY2007 (1 Apr '07 - 31 Mar '08)	
	¥ Mil	%	¥ Mil	%	¥ Mil	¥ Mil	%
<b>Revenues</b>	<b>598,130</b>	<b>100.0%</b>	<b>716,372</b>	<b>100.0%</b>	<b>118,242</b>	<b>1,423,143</b>	<b>100.0%</b>
Construction	579,729	100.0%	673,303	100.0%	93,573	1,288,730	100.0%
Real Estate and Other	18,400	100.0%	43,069	100.0%	24,669	134,413	100.0%
<b>Cost of Revenues</b>	<b>563,248</b>	<b>94.2%</b>	<b>677,355</b>	<b>94.6%</b>	<b>114,107</b>	<b>1,352,030</b>	<b>95.0%</b>
Construction	549,184	94.7%	645,244	95.8%	96,059	1,236,525	95.9%
Real Estate and Other	14,063	76.4%	32,110	74.6%	18,047	115,505	85.9%
<b>Gross Profit</b>	<b>34,882</b>	<b>5.8%</b>	<b>39,017</b>	<b>5.4%</b>	<b>4,135</b>	<b>71,113</b>	<b>5.0%</b>
Construction	30,544	5.3%	28,058	4.2%	(2,486)	52,205	4.1%
Real Estate and Other	4,337	23.6%	10,959	25.4%	6,621	18,908	14.1%
<b>Selling, General and Administrative Expenses</b>	<b>33,342</b>	<b>5.5%</b>	<b>33,434</b>	<b>4.6%</b>	<b>91</b>	<b>66,471</b>	<b>4.7%</b>
<b>Operating Income</b>	<b>1,539</b>	<b>0.3%</b>	<b>5,583</b>	<b>0.8%</b>	<b>4,043</b>	<b>4,642</b>	<b>0.3%</b>
<b>Non-Operating Income</b>	<b>9,385</b>	<b>1.5%</b>	<b>7,258</b>	<b>1.0%</b>	<b>(2,127)</b>	<b>15,052</b>	<b>1.1%</b>
<b>Non-Operating Expenses</b>	<b>4,154</b>	<b>0.7%</b>	<b>4,407</b>	<b>0.6%</b>	<b>253</b>	<b>14,531</b>	<b>1.0%</b>
<b>Recurring Profit</b>	<b>6,770</b>	<b>1.1%</b>	<b>8,434</b>	<b>1.2%</b>	<b>1,663</b>	<b>5,163</b>	<b>0.4%</b>
<b>Extraordinary Profit</b>	<b>5,380</b>	<b>0.9%</b>	<b>756</b>	<b>0.1%</b>	<b>(4,624)</b>	<b>26,499</b>	<b>1.8%</b>
<b>Extraordinary Loss</b>	<b>4,958</b>	<b>0.8%</b>	<b>3,643</b>	<b>0.5%</b>	<b>(1,315)</b>	<b>15,619</b>	<b>1.1%</b>
<b>Income before Income Taxes</b>	<b>7,192</b>	<b>1.2%</b>	<b>5,546</b>	<b>0.8%</b>	<b>(1,645)</b>	<b>16,043</b>	<b>1.1%</b>
Income Taxes	5,144	0.9%	1,783	0.3%	(3,361)	10,173	0.7%
<b>Net Income</b>	<b>2,048</b>	<b>0.3%</b>	<b>3,763</b>	<b>0.5%</b>	<b>1,715</b>	<b>5,870</b>	<b>0.4%</b>

## Supplementary Information: Non-Consolidated Contract Awards

### (1) Contract Awards (non-consolidated)

	1 <sup>st</sup> Half	
	Amount	Change
	¥ Mil	%
FY2008	746,062	2.8
FY2007	726,000	10.7

%: Representing increase (decrease) from the same period of the previous year

### Breakdown of Non-Consolidated Contract Awards

	1 <sup>st</sup> Half FY2007	1 <sup>st</sup> Half FY2008	Change		Full-Year FY2007
	¥ Mil	¥ Mil	¥ Mil	%	¥ Mil
<b>Civil Engineering</b>					
Domestic - Public	12,433	92,802	80,368	646.4	105,591
Domestic - Private	66,068	57,469	(8,599)	(13.0)	134,189
Overseas	44,470	57,031	12,561	28.2	100,036
<b>Sub-total</b>	<b>122,972</b>	<b>207,302</b>	<b>84,330</b>	<b>68.6</b>	<b>339,817</b>
<b>Building Construction</b>					
Domestic - Public	3,898	11,204	7,306	187.4	21,360
Domestic - Private	568,081	470,644	(97,436)	(17.2)	1,036,156
Overseas	54	42	(11)	(22.1)	473
<b>Sub-total</b>	<b>572,033</b>	<b>481,891</b>	<b>(90,142)</b>	<b>(15.8)</b>	<b>1,057,989</b>
<b>Construction Total</b>					
Domestic - Public	16,332	104,006	87,674	536.8	126,951
Domestic - Private	634,149	528,113	(106,035)	(16.7)	1,170,345
Overseas	44,524	57,073	12,549	28.2	100,509
<b>Sub-total</b>	<b>695,006</b>	<b>689,193</b>	<b>(5,812)</b>	<b>(0.8)</b>	<b>1,397,807</b>
<b>Real Estate and Other</b>	<b>30,993</b>	<b>56,868</b>	<b>25,874</b>	<b>83.5</b>	<b>65,880</b>
<b>Grand Total</b>	<b>726,000</b>	<b>746,062</b>	<b>20,062</b>	<b>2.8</b>	<b>1,463,688</b>

### (2) Forecast of Contract Awards (non-consolidated)

	Full-Year	
	Amount	Change
	¥ Mil	%
FY2008 (Forecast)	1,350,000	(7.8)
FY2007 (Actual)	1,463,688	5.5

%: Representing increase (decrease) from the the previous year

- Revisions have been made to our forecasts of non-consolidated full-year contract awards which we announced on 15 May 2008.

**Disclaimer**

Projections contained herein are based on information available as at the date of this announcement, and are subject to risks and uncertainties that may cause the actual results to vary.

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While every attempt has been made to ensure the accuracy of information in this document, we cannot be held responsible for any errors contained.