

Tokyo, November 8, 2022

# SHIMIZU CORPORATION

## Consolidated Financial Report [Japanese GAAP] For the six months ended September 30, 2022



Shares Listed: Tokyo Stock Exchange Prime Market and Nagoya Stock Exchange Premier Market  
 Stock Code: 1803  
 URL: <https://www.shimz.co.jp/en/>  
 Representative: Kazuyuki Inoue, President and Director  
 Inquiries: Michiho Yamaguchi, General Manager, Accounting Department  
 TEL: +81-3-3561-1111

Scheduled date to file quarterly securities report: November 9, 2022  
 Scheduled date to commence dividend payments: December 2, 2022  
 Supplementary documents on quarterly financial results: Yes (in Japanese)  
 Holding of financial results presentation: Yes (for analysts and institutional investors)

### 1. Consolidated Financial Highlights

(Yen amounts have been rounded down to the nearest million)

#### (1) Consolidated Results of Operations

(Percentage figures are changes from the same period in the previous fiscal year)

	Net Sales (Millions of Yen)		Operating Income (Millions of Yen)		Ordinary Income (Millions of Yen)		Net Income attributable to shareholders of the Corporation (Millions of Yen)	
Six months ended September 30, 2022	825,921	27.9%	11,244	7.4%	14,264	11.4%	11,281	5.9%
Six months ended September 30, 2021	645,601	(5.5%)	10,473	(77.2%)	12,807	(73.9%)	10,651	(72.2%)

	Net Income per share (Yen)	Diluted Net Income per share (Yen)
Six months ended September 30, 2022	15.26	—
Six months ended September 30, 2021	14.19	—

#### (2) Consolidated Financial Position

	Total Assets (Millions of Yen)	Net Assets (Millions of Yen)	Owners' Equity (Net assets less non-controlling interests) (Millions of Yen)	Ratio of Owners' Equity (Net assets less non-controlling interests)
As of September 30, 2022	2,218,020	882,361	829,444	37.4%
As of March 31, 2022	2,128,356	875,172	824,496	38.7%

### 2. Dividends

	End of 1Q (Yen)	End of 2Q (Yen)	End of 3Q (Yen)	Year-End (Yen)	Total (Yen)
Year ended March 31, 2022	—	11.50	—	11.50	23.00
Year ending March 31, 2023	—	10.50			
Year ending March 31, 2023(Forecast)			—	10.50	21.00

(Note) Revision of the forecasts of cash dividends since the latest announcement: None

End of 2Q dividend and Year-End dividend of 11.50Yen for Year ending March 31, 2022 each includes a special dividend of 1.50Yen.

### 3. Forecast of Consolidated Results of Operations for the Fiscal Year Ending March 2023 (From April 1, 2022 to March 31, 2023)

(Percentage figures are changes from the same period in the previous fiscal year)

	Net Sales (Millions of Yen)		Operating Income (Millions of Yen)		Ordinary Income (Millions of Yen)		Net Income attributable to shareholders of the Corporation (Millions of Yen)		Net Income per share (Yen)
Year ending March 31, 2023	1,960,000	32.2%	71,500	58.4%	70,000	38.8%	51,500	7.8%	69.59

(Note) Revision of the forecasts of consolidated results since the latest announcement: None

## Explanatory Notes

### (1) Changes in major subsidiaries during the period

(Changes in specified subsidiaries accompanying changes to the scope of consolidation) : **Yes**

Newly added subsidiaries : 3 companies (SCB Boylston PO, LLC / SCB Boylston Holding, LLC / SC Boylston Investment, LLC)

Excluded subsidiaries : None

### (2) Adoption of accounting methods specific to the preparation of quarterly consolidated financial statements : **Yes**

### (3) Changes in accounting policies and in accounting estimates, and restatements

① Changes in accounting policies due to amendment of accounting standards : **Yes**

② Changes in accounting policies other than ① above : **None**

③ Changes in accounting estimates : **None**

④ Restatements : **None**

The Group has applied "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31, June 17, 2021) effective from the beginning of the year ending March 31, 2023.

### (4) Number of shares issued (Common stock)

① Number of issued shares at the end of the period (including treasury stock)

Second Quarter of FY2022 ended September 30, 2022	788,514,613	FY2021 ended March 31, 2022	788,514,613
--	-------------	--------------------------------	-------------

② Number of treasury stocks at the end of the period

Second Quarter of FY2022 ended September 30, 2022	47,610,197	FY2021 ended March 31, 2022	50,309,352
--	------------	--------------------------------	------------

③ Average number of shares issued during the period

Second Quarter of FY2022 ended September 30, 2022	739,104,744	Second Quarter of FY2021 ended September 30, 2021	750,906,575
--	-------------	--	-------------

**This report is not subject to quarterly review procedures by certified public accountants or audit firms.**

### Explanation regarding appropriate use of forecasts, and other specific comments

The forecast figures are based on the information that the Company is able to obtain at the present point. However, actual results may be different due to various factors, including, but not limited to, changes in the future economic conditions.

## **Contents**

<b>PERFORMANCE RESULTS .....</b>	<b>2</b>
<b>PERFORMANCE FORECASTS .....</b>	<b>3</b>
<b>BREAKDOWN OF SALES AND GROSS PROFIT (NONCONSOLIDATED).....</b>	<b>4</b>
<b>CONSOLIDATED BALANCE SHEETS.....</b>	<b>5</b>
<b>CONSOLIDATED STATEMENTS OF INCOME .....</b>	<b>7</b>
<b>CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME .....</b>	<b>8</b>
<b>CONSOLIDATED STATEMENTS OF CASH FLOWS .....</b>	<b>9</b>
<b>NONCONSOLIDATED BALANCE SHEETS .....</b>	<b>11</b>
<b>NONCONSOLIDATED STATEMENTS OF INCOME .....</b>	<b>13</b>
<b>BREAKDOWN OF ORDERS (NONCONSOLIDATED) .....</b>	<b>14</b>
<b>ORDERS, SALES AND BACKLOG (NONCONSOLIDATED) .....</b>	<b>15</b>
<b>ORDERS AND CONTRACTS FORECAST (NONCONSOLIDATED) .....</b>	<b>16</b>

## PERFORMANCE RESULTS

### (1) Consolidated

(Billions of Yen)

	Current Second Quarter		Previous Second Quarter		Increase (Decrease)		Forecast 〔From:Apr 1, 2022〕 〔To :Mar 31, 2023〕	Progress (%)
	〔From:Apr 1, 2022〕 〔To :Sep 30, 2022〕		〔From:Apr 1, 2021〕 〔To :Sep 30, 2021〕			Rate(%)		
Construction Contracts	737.4		588.5		148.8	25.3	1,750.0	42.1
Gross Profit	6.6% 48.9		7.3% 43.1		5.8	13.5	7.7% 135.5	36.2
Real Estate and Other	88.5		57.0		31.4	55.0	210.0	42.1
Gross Profit	12.9% 11.3		19.6% 11.1		0.1	1.7	21.0% 44.0	25.9
<b>Net Sales</b>	<b>825.9</b>		<b>645.6</b>		<b>180.3</b>	<b>27.9</b>	<b>1,960.0</b>	<b>42.1</b>
Gross Profit	7.3% 60.3		8.4% 54.3		6.0	11.1	9.2% 179.5	33.6
S, G & A Expenses	49.1		43.8		5.2	12.0	108.0	45.5
<b>Operating Income</b>	<b>1.4%</b> <b>11.2</b>		<b>1.6%</b> <b>10.4</b>		<b>0.7</b>	<b>7.4</b>	<b>3.6%</b> <b>71.5</b>	<b>15.7</b>
Net Financial Revenue	1.4		2.3		(0.8)	(38.3)	0.5	—
Others	1.5		0.0		1.5	—	(2.0)	—
<b>Ordinary Income</b>	<b>1.7%</b> <b>14.2</b>		<b>2.0%</b> <b>12.8</b>		<b>1.4</b>	<b>11.4</b>	<b>3.6%</b> <b>70.0</b>	<b>20.4</b>
Special Gains (Losses)	5.0		6.4		(1.3)	(20.8)	10.0	—
Income Before Taxes	19.3		19.2		0.1	0.6	80.0	24.2
Income Taxes	7.5		8.7		(1.1)	(13.4)	26.0	—
Net Income Attributable to Non-Controlling Interests	0.5		(0.1)		0.6	—	2.5	—
<b>Net Income Attributable to Shareholders of the Corporation</b>	<b>1.4%</b> <b>11.2</b>		<b>1.6%</b> <b>10.6</b>		<b>0.6</b>	<b>5.9</b>	<b>2.6%</b> <b>51.5</b>	<b>21.9</b>

(Consolidated)	Current Second Quarter		Previous Fiscal Year		Increase(Decrease)	
	〔 Sep 30, 2022 〕		〔 Mar 31, 2022 〕			Rate(%)
Interest-bearing Debt	551.0		495.1		55.8	11.3
[Nonrecourse Borrowings and Bonds]	〔 99.7 〕		〔 104.5 〕		〔 (4.8) 〕	〔 (4.6) 〕

### (2) Nonconsolidated

(Billions of Yen)

	Current Second Quarter		Previous Second Quarter		Increase (Decrease)		Forecast 〔From:Apr 1, 2022〕 〔To :Mar 31, 2023〕	Progress (%)
	〔From:Apr 1, 2022〕 〔To :Sep 30, 2022〕		〔From:Apr 1, 2021〕 〔To :Sep 30, 2021〕			Rate(%)		
Construction Contracts	622.9		529.8		93.1	17.6	1,480.0	42.1
[Architectural Construction]	〔 512.4 〕		〔 421.8 〕		〔 90.6 〕	〔 21.5 〕	〔 1,245.0 〕	〔 41.2 〕
[Civil Engineering]	〔 110.5 〕		〔 107.9 〕		〔 2.5 〕	〔 2.4 〕	〔 235.0 〕	〔 47.0 〕
Gross Profit	5.7% 35.2		6.6% 34.7		0.5	1.5	6.6% 98.0	36.0
[Architectural Construction]	〔 5.0% 25.4 〕		〔 5.6% 23.5 〕		〔 1.9 〕	〔 8.3 〕	〔 5.9% 74.0 〕	〔 34.4 〕
[Civil Engineering]	〔 8.9% 9.7 〕		〔 10.4% 11.2 〕		〔 (1.4) 〕	〔 (12.9) 〕	〔 10.2% 24.0 〕	〔 40.8 〕
Real Estate and Other	36.9		30.1		6.7	22.4	110.0	33.6
Gross Profit	13.5% 5.0		21.3% 6.4		(1.4)	(22.2)	28.2% 31.0	16.1
<b>Net Sales</b>	<b>659.9</b>		<b>560.0</b>		<b>99.9</b>	<b>17.8</b>	<b>1,590.0</b>	<b>41.5</b>
Gross Profit	6.1% 40.2		7.4% 41.1		(0.9)	(2.2)	8.1% 129.0	31.2
S, G & A Expenses	34.8		35.0		(0.1)	(0.4)	79.0	44.1
<b>Operating Income</b>	<b>0.8%</b> <b>5.3</b>		<b>1.1%</b> <b>6.1</b>		<b>(0.7)</b>	<b>(12.8)</b>	<b>3.1%</b> <b>50.0</b>	<b>10.7</b>
Net Financial Revenue	5.5		5.9		(0.3)	(6.2)	6.5	—
Others	1.4		(0.2)		1.7	—	(1.0)	—
<b>Ordinary Income</b>	<b>1.9%</b> <b>12.4</b>		<b>2.1%</b> <b>11.8</b>		<b>0.6</b>	<b>5.1</b>	<b>3.5%</b> <b>55.5</b>	<b>22.4</b>
Special Gains (Losses)	5.1		13.0		(7.8)	(60.2)	10.0	—
Income Before Taxes	17.6		24.8		(7.2)	(29.2)	65.5	26.9
Income Taxes	5.1		7.1		(1.9)	(28.1)	19.0	—
<b>Net Income</b>	<b>1.9%</b> <b>12.4</b>		<b>3.2%</b> <b>17.7</b>		<b>(5.2)</b>	<b>(29.6)</b>	<b>2.9%</b> <b>46.5</b>	<b>26.9</b>

(Nonconsolidated)	Current Second Quarter		Previous Fiscal Year		Increase(Decrease)	
	〔 Sep 30, 2022 〕		〔 Mar 31, 2022 〕			Rate(%)
Interest-bearing Debt	422.2		374.3		47.8	12.8
[Nonrecourse Borrowings]	〔 27.4 〕		〔 28.0 〕		〔 (0.6) 〕	〔 (2.3) 〕

(\*) Forecasts have not been changed from the announcement made on Jul 29, 2022.

## PERFORMANCE FORECASTS

(1) Consolidated

(Billions of Yen)

	Current Fiscal Year Forecast		Previous Fiscal Year Result		Increase (Decrease)	
	〔 From:Apr 1, 2022 To :Mar 31, 2023 〕		〔 From:Apr 1, 2021 To :Mar 31, 2022 〕		Rate(%)	
Construction Contracts		1,750.0		1,295.9	454.0	35.0
Gross Profit	7.7%	135.5	6.3%	81.1	54.3	66.9
Real Estate and Other		210.0		186.9	23.0	12.3
Gross Profit	21.0%	44.0	31.3%	58.4	(14.4)	(24.8)
<b>Net Sales</b>		<b>1,960.0</b>		<b>1,482.9</b>	<b>477.0</b>	<b>32.2</b>
Gross Profit	9.2%	179.5	9.4%	139.6	39.8	28.5
S, G & A Expenses		108.0		94.5	13.4	14.2
<b>Operating Income</b>	<b>3.6%</b>	<b>71.5</b>	<b>3.0%</b>	<b>45.1</b>	<b>26.3</b>	<b>58.4</b>
Net Financial Revenue		0.5		3.2	(2.7)	(84.8)
Others		(2.0)		1.9	(3.9)	—
<b>Ordinary Income</b>	<b>3.6%</b>	<b>70.0</b>	<b>3.4%</b>	<b>50.4</b>	<b>19.5</b>	<b>38.8</b>
Special Gains (Losses)		10.0		14.2	(4.2)	(30.0)
Income Before Taxes		80.0		64.7	15.2	23.6
Income Taxes		26.0		17.1	8.8	51.8
Net Income Attributable to Non-Controlling Interests		2.5		(0.1)	2.6	—
<b>Net Income Attributable to Shareholders of the Corporation</b>	<b>2.6%</b>	<b>51.5</b>	<b>3.2%</b>	<b>47.7</b>	<b>3.7</b>	<b>7.8</b>
<b>Interest-bearing Debt</b>		<b>Less than 680.0</b>		<b>495.1</b>	<b>184.8</b>	<b>37.3</b>

(2) Nonconsolidated

(Billions of Yen)

	Current Fiscal Year Forecast		Previous Fiscal Year Result		Increase (Decrease)	
	〔 From:Apr 1, 2022 To :Mar 31, 2023 〕		〔 From:Apr 1, 2021 To :Mar 31, 2022 〕		Rate(%)	
Construction Contracts		1,480.0		1,163.4	316.5	27.2
[Architectural Construction]		[ 1,245.0 ]		[ 936.0 ]	[ 308.9 ]	[ 33.0 ]
[Civil Engineering]		[ 235.0 ]		[ 227.4 ]	[ 7.5 ]	[ 3.3 ]
Gross Profit	6.6%	98.0	5.2%	59.9	38.0	63.4
[Architectural Construction]	5.9%	[ 74.0 ]	2.8%	[ 26.4 ]	[ 47.5 ]	[ 179.3 ]
[Civil Engineering]	10.2%	[ 24.0 ]	14.7%	[ 33.4 ]	[ (9.4) ]	[ (28.3) ]
Real Estate and Other		110.0		123.8	(13.8)	(11.2)
Gross Profit	28.2%	31.0	40.4%	50.0	(19.0)	(38.0)
<b>Net Sales</b>		<b>1,590.0</b>		<b>1,287.3</b>	<b>302.6</b>	<b>23.5</b>
Gross Profit	8.1%	129.0	8.5%	109.9	19.0	17.3
S, G & A Expenses		79.0		75.1	3.8	5.2
<b>Operating Income</b>	<b>3.1%</b>	<b>50.0</b>	<b>2.7%</b>	<b>34.8</b>	<b>15.1</b>	<b>43.4</b>
Net Financial Revenue		6.5		7.4	(0.9)	(12.7)
Others		(1.0)		1.6	(2.6)	—
<b>Ordinary Income</b>	<b>3.5%</b>	<b>55.5</b>	<b>3.4%</b>	<b>43.9</b>	<b>11.5</b>	<b>26.3</b>
Special Gains (Losses)		10.0		16.4	(6.4)	(39.1)
Income Before Taxes		65.5		60.3	5.1	8.6
Income Taxes		19.0		14.5	4.4	30.1
<b>Net Income</b>	<b>2.9%</b>	<b>46.5</b>	<b>3.6%</b>	<b>45.7</b>	<b>0.7</b>	<b>1.7</b>
<b>Interest-bearing Debt</b>		<b>Less than 530.0</b>		<b>374.3</b>	<b>155.6</b>	<b>41.6</b>

(\*) Forecasts have not been changed from the announcement made on Jul 29, 2022.

## BREAKDOWN OF SALES AND GROSS PROFIT (NONCONSOLIDATED)

### (1) Performance Results

(Billions of Yen)

	Current Second Quarter Result 〔 From:Apr 1, 2022 To :Sep 30, 2022 〕			Previous Second Quarter Result 〔 From:Apr 1, 2021 To :Sep 30, 2021 〕			Increase (Decrease)				
	Sales	Gross Profit		Sales	Gross Profit		Sales		Gross Profit		
		Profit Rate (%)			Profit Rate (%)		Rate (%)		Rate (%)		
Construction business											
Architectural Construction											
Domestic	491.4	5.7%	27.9	405.8	6.9%	27.9	85.6	21.1%	(0.0)	(0.1%)	
Overseas	20.9	(11.7)	(2.4)	15.9	(27.7)	(4.4)	4.9	31.1	1.9	—	
Sub total	512.4	5.0	25.4	421.8	5.6	23.5	90.6	21.5	1.9	8.3	
Civil Engineering											
Domestic	90.1	9.7	8.7	97.5	10.7	10.4	(7.3)	(7.5)	(1.6)	(15.7)	
Overseas	20.3	5.0	1.0	10.4	7.9	0.8	9.9	95.1	0.1	22.7	
Sub total	110.5	8.9	9.7	107.9	10.4	11.2	2.5	2.4	(1.4)	(12.9)	
Domestic	581.6	6.3	36.6	503.3	7.6	38.3	78.2	15.5	(1.6)	(4.3)	
Overseas	41.3	(3.5)	(1.4)	26.4	(13.7)	(3.6)	14.8	56.4	2.1	—	
Total	622.9	5.7	35.2	529.8	6.6	34.7	93.1	17.6	0.5	1.5	
Real Estate and Other	36.9	13.5	5.0	30.1	21.3	6.4	6.7	22.4	(1.4)	(22.2)	
Grand Total	659.9	6.1	40.2	560.0	7.4	41.1	99.9	17.8	(0.9)	(2.2)	

### (2) Performance Forecasts

(Billions of Yen)

	Current Fiscal Year Forecast 〔 From:Apr 1, 2022 To :Mar 31, 2023 〕			Previous Fiscal Year Result 〔 From:Apr 1, 2021 To :Mar 31, 2022 〕			Increase (Decrease)				
	Sales	Gross Profit		Sales	Gross Profit		Sales		Gross Profit		
		Profit Rate (%)			Profit Rate (%)		Rate (%)		Rate (%)		
Construction business											
Architectural Construction											
Domestic	1,195.0	6.2%	74.0	906.2	5.1%	46.3	288.7	31.9%	27.6	59.5%	
Overseas	50.0	0.0	0.0	29.7	(66.8)	(19.8)	20.2	67.9	19.8	—	
Sub total	1,245.0	5.9	74.0	936.0	2.8	26.4	308.9	33.0	47.5	179.3	
Civil Engineering											
Domestic	210.0	10.7	22.5	200.3	15.2	30.4	9.6	4.8	(7.9)	(26.0)	
Overseas	25.0	6.0	1.5	27.0	11.4	3.0	(2.0)	(7.7)	(1.5)	(51.3)	
Sub total	235.0	10.2	24.0	227.4	14.7	33.4	7.5	3.3	(9.4)	(28.3)	
Domestic	1,405.0	6.9	96.5	1,106.6	6.9	76.7	298.3	27.0	19.7	25.7	
Overseas	75.0	2.0	1.5	56.8	(29.6)	(16.8)	18.1	31.9	18.3	—	
Total	1,480.0	6.6	98.0	1,163.4	5.2	59.9	316.5	27.2	38.0	63.4	
Real Estate and Other	110.0	28.2	31.0	123.8	40.4	50.0	(13.8)	(11.2)	(19.0)	(38.0)	
Grand Total	1,590.0	8.1	129.0	1,287.3	8.5	109.9	302.6	23.5	19.0	17.3	

(\*) Forecasts have not been changed from the announcement made on Jul 29, 2022.

## CONSOLIDATED BALANCE SHEETS

(Millions of Yen)

	Current Second Quarter [Sep 30, 2022]	Previous Fiscal Year [Mar 31, 2022]	Increase (Decrease)
<b>(ASSETS)</b>			
Current Assets:			
Cash	200,763	250,134	(49,370)
Notes and accounts receivable-trade	724,255	684,217	40,037
Marketable securities (*)	98,000	37,000	61,000
Real estate for sale	16,817	7,097	9,720
Costs on uncompleted construction contracts	36,319	30,742	5,576
Costs on uncompleted real estate development projects	20,030	14,419	5,611
Other inventories	2,920	2,909	11
Other current assets	135,278	124,711	10,566
Less: Allowance for doubtful accounts	(1,166)	(1,147)	(19)
<b>Total current assets</b>	<b>1,233,219</b>	<b>1,150,085</b>	<b>83,133</b>
Non-Current Assets:			
Tangible fixed assets:			
Buildings and structures	235,236	226,287	8,949
Machinery, vehicles, tools, furniture and fixtures	38,530	39,729	(1,198)
Land	295,185	298,667	(3,482)
Construction in progress	58,129	49,941	8,188
<b>Total tangible fixed assets</b>	<b>627,081</b>	<b>614,625</b>	<b>12,456</b>
Intangible fixed assets	21,252	21,069	183
Investments and other assets:			
Investment securities	320,337	326,835	(6,498)
Other investments	18,058	17,671	387
Less: Allowance for doubtful accounts	(1,929)	(1,930)	0
<b>Total investments and other assets</b>	<b>336,466</b>	<b>342,576</b>	<b>(6,109)</b>
<b>Total non-current assets</b>	<b>984,800</b>	<b>978,271</b>	<b>6,529</b>
<b>Total assets</b>	<b>2,218,020</b>	<b>2,128,356</b>	<b>89,663</b>

(\*) Marketable securities includes following amounts of negotiable certificate of deposits.

As of Sep 30, 2022: 98,000 million yen

As of Mar 31, 2022: 37,000 million yen

(Millions of Yen)

	Current Second Quarter [Sep 30, 2022]	Previous Fiscal Year [Mar 31, 2022]	Increase (Decrease)
<b>(LIABILITIES)</b>			
Current Liabilities:			
Notes and accounts payable-trade	332,246	325,953	6,292
Short-term borrowings	210,941	130,609	80,332
Current portion of non-recourse borrowings	8,812	8,758	53
Commercial papers	—	50,000	(50,000)
Current portion of non-recourse bonds payable	8,640	13,761	(5,121)
Advances received on uncompleted construction contracts	124,872	107,630	17,242
Warranty reserve	3,646	3,353	293
Reserve for expected losses on construction contracts in process	49,105	54,117	(5,012)
Other current liabilities	164,851	154,009	10,841
<b>Total current liabilities</b>	<b>903,117</b>	<b>848,195</b>	<b>54,921</b>
Non-Current Liabilities:			
Bonds payable	110,000	110,000	—
Non-recourse bonds payable	—	8,208	(8,208)
Long-term borrowings	130,338	99,945	30,393
Non-recourse borrowings	82,284	73,857	8,427
Net defined benefit liability	56,889	55,899	990
Other non-current liabilities	53,028	57,078	(4,050)
<b>Total non-current liabilities</b>	<b>432,541</b>	<b>404,988</b>	<b>27,552</b>
<b>Total liabilities</b>	<b>1,335,658</b>	<b>1,253,184</b>	<b>82,474</b>
<b>(NET ASSETS)</b>			
Shareholders' Equity:			
Common stock, no par value	74,365	74,365	—
Additional paid-in capital	43,692	43,678	14
Retained earnings	595,327	592,199	3,128
Less: Treasury stock, at cost	(41,299)	(43,282)	1,983
<b>Total shareholders' equity</b>	<b>672,086</b>	<b>666,959</b>	<b>5,126</b>
Accumulated Other Comprehensive Income:			
Net unrealized gain (loss) on other securities, net of taxes	126,964	132,308	(5,344)
Deferred gain (loss) on hedging, net of taxes	(5)	214	(220)
Revaluation reserve for land, net of taxes	25,495	25,831	(336)
Foreign currency translation adjustments	4,404	(898)	5,303
Remeasurements of defined benefit plans	499	80	418
<b>Total accumulated other comprehensive income</b>	<b>157,358</b>	<b>157,536</b>	<b>(178)</b>
Non-controlling Interests	52,916	50,675	2,240
<b>Total net assets</b>	<b>882,361</b>	<b>875,172</b>	<b>7,188</b>
<b>Total liabilities and net assets</b>	<b>2,218,020</b>	<b>2,128,356</b>	<b>89,663</b>

(Reference)

Interest-bearing debt	551,018	495,140	55,877
[Nonrecourse borrowings and bonds]	[99,737]	[104,585]	[(4,848)]



# CONSOLIDATED STATEMENTS OF INCOME

(Millions of Yen)

	Current Second Quarter 〔 From:Apr 1, 2022 〕 〔 To :Sep 30, 2022 〕	Previous Second Quarter 〔 From:Apr 1, 2021 〕 〔 To :Sep 30, 2021 〕	Increase (Decrease)
Net Sales:			
Construction contracts	737,409	588,514	148,895
Real estate development and other	88,511	57,087	31,423
<b>Total net sales</b>	<b>825,921</b>	<b>645,601</b>	<b>180,319</b>
Cost of Sales:			
Construction contracts	688,415	545,352	143,063
Real estate development and other	77,124	45,892	31,232
<b>Total cost of sales</b>	<b>765,540</b>	<b>591,245</b>	<b>174,295</b>
Gross profit:			
Construction contracts	[6.6%] 48,993	[7.3%] 43,161	5,832
Real estate development and other	[12.9%] 11,386	[19.6%] 11,194	191
<b>Total gross profit</b>	<b>7.3% 60,380</b>	<b>8.4% 54,356</b>	<b>6,024</b>
Selling, General and Administrative Expenses	49,136	43,883	5,253
<b>Operating income</b>	<b>1.4% 11,244</b>	<b>1.6% 10,473</b>	<b>771</b>
Non-Operating Income:			
Interest income	382	354	27
Dividend income	2,830	3,280	(450)
Foreign exchange gain	1,850	—	1,850
Other non-operating income	972	983	(11)
<b>Total non-operating income</b>	<b>6,035</b>	<b>4,619</b>	<b>1,416</b>
Non-Operating Expenses:			
Interest expenses	1,780	1,314	465
Foreign exchange loss	—	119	(119)
Other non-operating expenses	1,235	851	384
<b>Total non-operating expenses</b>	<b>3,015</b>	<b>2,285</b>	<b>730</b>
<b>Ordinary income</b>	<b>1.7% 14,264</b>	<b>2.0% 12,807</b>	<b>1,457</b>
Special Gains:			
Gain on sales of fixed assets	297	5	292
Gain on sales of investment securities	5,038	6,451	(1,412)
<b>Total special gains</b>	<b>5,336</b>	<b>6,456</b>	<b>(1,119)</b>
Special Losses:			
Loss on sales of fixed assets	111	2	109
Loss on sales of investment securities	—	17	(17)
Loss on devaluation of investment securities	142	18	124
<b>Total special losses</b>	<b>254</b>	<b>39</b>	<b>215</b>
Income before income taxes	19,346	19,224	122
Income taxes	7,556	8,729	(1,172)
Net income	11,790	10,495	1,295
Net income (loss) attributable to non-controlling interests	508	(156)	665
<b>Net income attributable to shareholders of the Corporation</b>	<b>1.4% 11,281</b>	<b>1.6% 10,651</b>	<b>629</b>

(Reference)

Interest and dividend income	3,212	3,635	(422)
Interest expenses	1,780	1,314	465
Net financial revenue	1,432	2,320	(888)

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Millions of Yen)

	Current Second Quarter 〔From:Apr 1, 2022〕 〔To :Sep 30, 2022〕	Previous Second Quarter 〔From:Apr 1, 2021〕 〔To :Sep 30, 2021〕	Increase (Decrease)
Net income	11,790	10,495	1,295
Other comprehensive income:			
Net unrealized gain (loss) on other securities, net of taxes	(5,363)	1,779	(7,143)
Deferred gain (loss) on hedging, net of taxes	(220)	5	(225)
Foreign currency translation adjustment	5,628	1,683	3,945
Remeasurements of defined benefit plans	423	(422)	845
Share of other comprehensive income of associates accounted for using equity method	45	7	38
Total other comprehensive income	514	3,053	(2,539)
<b>Comprehensive income</b>	<b>12,304</b>	<b>13,548</b>	<b>(1,244)</b>
Comprehensive income attributable to:			
Shareholders of the Corporation	11,439	13,705	(2,266)
Non-controlling interests	865	(156)	1,021

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(Millions of Yen)

	Current Second Quarter 〔 From:Apr 1, 2022 To :Sep 30, 2022 〕	Previous Second Quarter 〔 From:Apr 1, 2021 To :Sep 30, 2021 〕	Increase (Decrease)
<b>Cash Flows from Operating Activities:</b>			
Income before income taxes	19,346	19,224	122
Adjustments for:			
Depreciation and amortization	12,398	9,601	2,797
Increase (decrease) in allowance for doubtful accounts	12	(43)	55
Increase (decrease) in reserve for expected losses on construction contracts in process	(5,043)	1,711	(6,754)
Increase (decrease) in net defined benefit liability	1,527	1,818	(291)
Loss (gain) on sales of fixed assets	(186)	(2)	(183)
Loss (gain) on valuation of investment securities	142	18	124
Loss (gain) on sales of investment securities	(5,038)	(6,433)	1,394
Interest and dividend income	(3,212)	(3,635)	422
Interest expenses	1,780	1,314	465
(Increase) decrease in notes and accounts receivable-trade	(38,723)	23,182	(61,905)
(Increase) decrease in real estate for sale	7,115	1,376	5,739
(Increase) decrease in costs on uncompleted construction contracts	(5,542)	(5,475)	(66)
(Increase) decrease in uncompleted real estate development projects	(5,611)	(986)	(4,624)
(Increase) decrease in other inventories	(7)	511	(518)
Increase (decrease) in notes and accounts payable-trade	5,480	(42,522)	48,003
Increase (decrease) in advances received on uncompleted construction contracts	16,371	9,620	6,750
Other, net	4,114	407	3,706
Subtotal	4,924	9,687	(4,763)
Interest and dividends received	3,302	4,269	(967)
Interest paid	(1,708)	(1,403)	(304)
Income taxes paid	(12,059)	(10,462)	(1,597)
Net cash provided by (used in) operating activities	(5,540)	2,091	(7,632)

(Millions of Yen)

	Current Second Quarter 〔 From:Apr 1, 2022 To :Sep 30, 2022 〕	Previous Second Quarter 〔 From:Apr 1, 2021 To :Sep 30, 2021 〕	Increase (Decrease)
<b>Cash Flows from Investing Activities:</b>			
Acquisition of tangible fixed assets	(37,323)	(40,132)	2,808
Proceeds from sales of tangible fixed assets	698	80	617
Acquisition of marketable securities and investment securities	(1,666)	(132)	(1,534)
Proceeds from sales of marketable securities and investment securities	6,542	8,816	(2,274)
Other, net	(1,659)	(202)	(1,456)
<b>Net cash provided by (used in) investing activities</b>	<b>(33,410)</b>	<b>(31,570)</b>	<b>(1,840)</b>
<b>Cash Flows from Financing Activities:</b>			
Net increase (decrease) in short-term borrowings	77,849	(34,079)	111,929
Net increase (decrease) in commercial papers	(50,000)	30,000	(80,000)
Proceeds from long-term borrowings	41,811	—	41,811
Repayments of long-term borrowings	(10,985)	(9,178)	(1,806)
Proceeds from non-recourse borrowings	11,068	15,819	(4,751)
Repayments of non-recourse borrowings	(4,391)	(4,151)	(239)
Redemption of non-recourse bonds	(13,329)	(632)	(12,697)
Proceeds from sale of shares of parent held by a subsidiary	4,004	—	4,004
Dividends	(8,458)	(13,755)	5,297
Other, net	(783)	(20,229)	19,445
<b>Net cash provided by (used in) financing activities</b>	<b>46,785</b>	<b>(36,206)</b>	<b>82,992</b>
Effect of exchange rate changes on Cash and Cash Equivalents	3,794	1,168	2,626
Net increase (decrease) in Cash and Cash Equivalents	11,629	(64,516)	76,146
Cash and Cash Equivalents at beginning of year	287,134	276,321	10,812
<b>Cash and Cash Equivalents at end of period</b>	<b>298,763</b>	<b>211,804</b>	<b>86,958</b>

## NONCONSOLIDATED BALANCE SHEETS

(Millions of Yen)

	Current Second Quarter [Sep 30, 2022]	Previous Fiscal Year [Mar 31, 2022]	Increase (Decrease)
<b>(ASSETS)</b>			
Current Assets:			
Cash	89,225	152,427	(63,201)
Notes receivable and accounts receivable from completed construction contracts	586,710	531,218	55,491
Marketable securities (*)	98,000	37,000	61,000
Real estate for sale	12,727	0	12,727
Costs on uncompleted construction contracts	34,012	28,621	5,391
Costs on uncompleted real estate development projects	7,601	7,044	557
Other current assets	129,622	125,914	3,708
Less: Allowance for doubtful accounts	(1,079)	(1,053)	(26)
<b>Total current assets</b>	<b>956,820</b>	<b>881,172</b>	<b>75,647</b>
Non-Current Assets:			
Tangible fixed assets:			
Buildings and structures	174,070	182,657	(8,587)
Machinery, vehicles, tools, furniture and fixtures	13,217	13,219	(2)
Land	222,373	228,223	(5,850)
Construction in progress	54,440	45,876	8,564
<b>Total tangible fixed assets</b>	<b>464,101</b>	<b>469,976</b>	<b>(5,875)</b>
Intangible fixed assets	14,770	14,469	300
Investments and other assets:			
Investment securities	364,902	372,918	(8,016)
Other investments	13,125	12,920	205
Less: Allowance for doubtful accounts	(1,904)	(1,929)	24
<b>Total investments and other assets</b>	<b>376,123</b>	<b>383,909</b>	<b>(7,786)</b>
<b>Total non-current assets</b>	<b>854,995</b>	<b>868,355</b>	<b>(13,360)</b>
<b>Total assets</b>	<b>1,811,815</b>	<b>1,749,528</b>	<b>62,286</b>

(\*) Marketable securities includes following amounts of negotiable certificate of deposits.

As of Sep 30, 2022: 98,000 million yen

As of Mar 31, 2022: 37,000 million yen

(Millions of Yen)

	Current Second Quarter [Sep 30, 2022]	Previous Fiscal Year [Mar 31, 2022]	Increase (Decrease)
<b>(LIABILITIES)</b>			
Current Liabilities:			
Notes payable and accounts payable for construction contracts	267,029	254,501	12,528
Short-term borrowings	180,868	106,703	74,165
Current portion of non-recourse borrowings	1,300	1,300	—
Commercial papers	—	50,000	(50,000)
Advances received on uncompleted construction contracts	106,416	96,319	10,096
Warranty reserve	3,392	3,141	251
Reserve for expected losses on construction contracts in process	48,539	53,663	(5,124)
Other current liabilities	171,103	170,603	500
<b>Total current liabilities</b>	<b>778,650</b>	<b>736,232</b>	<b>42,417</b>
Non-Current Liabilities:			
Bonds payable	110,000	110,000	—
Long-term borrowings	103,939	79,645	24,294
Non-recourse borrowings	26,100	26,750	(650)
Reserve for employees' retirement benefits	50,180	48,632	1,547
Other non-current liabilities	45,270	49,057	(3,786)
<b>Total non-current liabilities</b>	<b>335,490</b>	<b>314,084</b>	<b>21,405</b>
<b>Total liabilities</b>	<b>1,114,141</b>	<b>1,050,317</b>	<b>63,823</b>
<b>(NET ASSETS)</b>			
Shareholders' Equity:			
Common stock, no par value	74,365	74,365	—
Additional paid-in capital	43,145	43,145	0
Retained earnings	470,037	465,724	4,313
[Contingent Reserve]	[405,100]	[405,100]	[—]
Less: Treasury stock, at cost	(41,299)	(41,298)	(0)
<b>Total shareholders' equity</b>	<b>546,248</b>	<b>541,936</b>	<b>4,312</b>
Valuation and Translation Adjustments:			
Net unrealized gain (loss) on other securities, net of taxes	125,936	131,228	(5,292)
Deferred gain (loss) on hedging, net of taxes	(5)	214	(220)
Revaluation reserve for land, net of taxes	25,495	25,831	(336)
<b>Total valuation and translation adjustments</b>	<b>151,425</b>	<b>157,274</b>	<b>(5,848)</b>
<b>Total net assets</b>	<b>697,674</b>	<b>699,210</b>	<b>(1,536)</b>
<b>Total liabilities and net assets</b>	<b>1,811,815</b>	<b>1,749,528</b>	<b>62,286</b>

(Reference)

Interest-bearing debt [Non-recourse borrowings]	422,208 [27,400]	374,398 [28,050]	47,810 [(650)]
--	---------------------	---------------------	-------------------

## NONCONSOLIDATED STATEMENTS OF INCOME

(Millions of Yen)

	Current Second Quarter 〔From:Apr 1, 2022〕 〔To :Sep 30, 2022〕		Previous Second Quarter 〔From:Apr 1, 2021〕 〔To :Sep 30, 2021〕		Increase (Decrease)
Net Sales:					
Construction contracts		622,989		529,823	93,166
Real estate development and other		36,937		30,179	6,757
<b>Total net sales</b>		<b>659,927</b>		<b>560,003</b>	<b>99,923</b>
Cost of Sales:					
Construction contracts		587,747		495,091	92,656
Real estate development and other		31,934		23,746	8,188
<b>Total cost of sales</b>		<b>619,681</b>		<b>518,837</b>	<b>100,844</b>
Gross profit:					
Construction contracts	[5.7%]	35,242	[6.6%]	34,732	509
Real estate development and other	[13.5%]	5,003	[21.3%]	6,433	(1,430)
<b>Total gross profit</b>	6.1%	<b>40,245</b>	7.4%	<b>41,166</b>	<b>(920)</b>
Selling, General and Administrative Expenses		34,871		35,001	(130)
<b>Operating income</b>	0.8%	<b>5,374</b>	1.1%	<b>6,164</b>	<b>(790)</b>
Non-Operating Income:					
Interest income		152		173	(21)
Dividend income		6,336		6,530	(193)
Foreign exchange gain		1,935		—	1,935
Other non-operating income		392		580	(187)
<b>Total non-operating income</b>		<b>8,816</b>		<b>7,284</b>	<b>1,532</b>
Non-Operating Expenses:					
Interest expenses		918		768	150
Foreign exchange loss		—		103	(103)
Other non-operating expenses		858		769	88
<b>Total non-operating expenses</b>		<b>1,776</b>		<b>1,641</b>	<b>135</b>
<b>Ordinary income</b>	1.9%	<b>12,414</b>	2.1%	<b>11,807</b>	<b>606</b>
Special Gains:					
Gain on sales of fixed assets		294		3	291
Gain on sales of investment securities		5,038		6,426	(1,387)
Gain on extinguishment of tie-in shares		—		6,662	(6,662)
<b>Total special gains</b>		<b>5,333</b>		<b>13,091</b>	<b>(7,758)</b>
Special Losses:					
Loss on sales of fixed assets		108		2	106
Loss on sales of investment securities		—		17	(17)
Loss on devaluation of investment securities		34		18	16
<b>Total special losses</b>		<b>143</b>		<b>39</b>	<b>104</b>
Income before income taxes		17,604		24,860	(7,256)
Provision for income taxes		5,107		7,103	(1,996)
<b>Net income</b>	1.9%	<b>12,497</b>	3.2%	<b>17,757</b>	<b>(5,260)</b>

(Reference)

Interest and dividend income	6,488	6,703	(214)
Interest expenses	918	768	150
Net financial revenue	5,570	5,935	(365)

## BREAKDOWN OF ORDERS (NONCONSOLIDATED)

(Millions of Yen)

	Current Second Quarter Result 〔From:Apr 1, 2022〕 〔To :Sep 30, 2022〕		Previous Second Quarter Result 〔From:Apr 1, 2021〕 〔To :Sep 30, 2021〕		Increase (Decrease)		Current Fiscal Year Forecast 〔From:Apr 1, 2022〕 〔To :Mar 31, 2023〕	Progress (%)
		Proportion (%)		Proportion (%)		Rate (%)		
Construction business (orders)								
Architectural Construction								
Domestic	419,665	72.1	449,649	79.0	(29,983)	(6.7)	980,000	42.8
Overseas	23,309	4.0	3,465	0.6	19,843	572.6	30,000	77.7
Sub total	442,974	76.1	453,114	79.6	(10,139)	(2.2)	1,010,000	43.9
Civil Engineering								
Domestic	84,458	14.5	107,186	18.8	(22,727)	(21.2)	210,000	40.2
Overseas	54,359	9.4	9,009	1.6	45,349	503.3	30,000	181.2
Sub total	138,817	23.9	116,195	20.4	22,621	19.5	240,000	57.8
Domestic	504,123	86.6	556,835	97.8	(52,711)	(9.5)	1,190,000	42.4
Overseas	77,668	13.4	12,475	2.2	65,193	522.6	60,000	129.4
Total	581,792	100	569,310	100	12,481	2.2	1,250,000	46.5
Real Estate and Other	29,931		25,809		4,121	16.0	120,000	24.9
Grand Total	611,724		595,120		16,603	2.8	1,370,000	44.7

(Reference: Overseas Construction Orders)

(Millions of Yen)

	Current Second Quarter Result 〔From:Apr 1, 2022〕 〔To :Sep 30, 2022〕		Previous Second Quarter Result 〔From:Apr 1, 2021〕 〔To :Sep 30, 2021〕		Increase (Decrease)		Current Fiscal Year Forecast 〔From:Apr 1, 2022〕 〔To :Mar 31, 2023〕	Progress (%)
						Rate (%)		
Shimizu Corporation	77,668		12,475		65,193	522.6	60,000	129.4
Subsidiaries	30,085		20,030		10,055	50.2	40,000	75.2
Total	107,754		32,505		75,249	231.5	100,000	107.8

(\*) Forecasts have not been changed from the announcement made on Jul 29, 2022.



**ORDERS, SALES AND BACKLOG (NONCONSOLIDATED)**  
**for the six months ended September 30, 2021 and 2022**

(1) Construction orders awarded and contracts

(Millions of Yen)

		Current Second Quarter 〔From:Apr 1, 2022〕 〔To :Sep 30, 2022〕	Previous Second Quarter 〔From:Apr 1, 2021〕 〔To :Sep 30, 2021〕	Increase (Decrease)	
					Rate(%)
Architectural Construction	Domestic	419,665	449,649	(29,983)	(6.7)
	Overseas	23,309	3,465	19,843	572.6
	Sub total	442,974	453,114	(10,139)	(2.2)
Civil Engineering	Domestic	84,458	107,186	(22,727)	(21.2)
	Overseas	54,359	9,009	45,349	503.3
	Sub total	138,817	116,195	22,621	19.5
Construction business (orders)		581,792	569,310	12,481	2.2
Real estate development and other (contracts)		29,931	25,809	4,121	16.0
Total		611,724	595,120	16,603	2.8

(2) Net sales

(Millions of Yen)

		Current Second Quarter 〔From:Apr 1, 2022〕 〔To :Sep 30, 2022〕	Previous Second Quarter 〔From:Apr 1, 2021〕 〔To :Sep 30, 2021〕	Increase (Decrease)	
					Rate(%)
Architectural Construction	Domestic	491,479	405,858	85,621	21.1
	Overseas	20,978	15,998	4,980	31.1
	Sub total	512,458	421,857	90,601	21.5
Civil Engineering	Domestic	90,185	97,537	(7,352)	(7.5)
	Overseas	20,345	10,428	9,916	95.1
	Sub total	110,531	107,966	2,564	2.4
Construction business		622,989	529,823	93,166	17.6
Real estate development and other		36,937	30,179	6,757	22.4
Total		659,927	560,003	99,923	17.8

(3) Backlog

(Millions of Yen)

		Current Second Quarter 〔 Sep 30, 2022 〕	Previous Second Quarter 〔 Sep 30, 2021 〕	Increase (Decrease)	
					Rate(%)
Architectural Construction	Domestic	1,363,122	1,261,473	101,648	8.1
	Overseas	88,010	80,101	7,909	9.9
	Sub total	1,451,133	1,341,575	109,557	8.2
Civil Engineering	Domestic	432,548	431,953	595	0.1
	Overseas	174,703	108,968	65,735	60.3
	Sub total	607,251	540,921	66,330	12.3
Construction business		2,058,385	1,882,496	175,888	9.3
Real estate development and other		86,214	89,315	(3,100)	(3.5)
Total		2,144,599	1,971,811	172,788	8.8

**ORDERS AND CONTRACTS FORECAST (NONCONSOLIDATED)**  
**for the fiscal year ending March 2023**

(Billions of Yen)

		Current Fiscal Year Forecast 〔From:Apr 1, 2022〕 〔To :Mar 31, 2023〕	Previous Fiscal Year Result 〔From:Apr 1, 2021〕 〔To :Mar 31, 2022〕	Increase (Decrease)	
					Rate(%)
Architectural Construction	Domestic	980.0	1,123.5	(143.5)	(12.8)
	Overseas	30.0	22.8	7.1	31.4
	Sub total	1,010.0	1,146.3	(136.3)	(11.9)
Civil Engineering	Domestic	210.0	216.3	(6.3)	(2.9)
	Overseas	30.0	57.3	(27.3)	(47.7)
	Sub total	240.0	273.7	(33.7)	(12.3)
Construction business (orders)		1,250.0	1,420.0	(170.0)	(12.0)
Real estate development and other (contracts)		120.0	123.3	(3.3)	(2.8)
Total		1,370.0	1,543.4	(173.4)	(11.2)

(Reference: Overseas Construction Orders)

(Billions of Yen)

		Current Fiscal Year Forecast 〔From:Apr 1, 2022〕 〔To :Mar 31, 2023〕	Previous Fiscal Year Result 〔From:Apr 1, 2021〕 〔To :Mar 31, 2022〕	Increase (Decrease)	
					Rate(%)
Shimizu Corporation		60.0	80.2	(20.2)	(25.2)
Subsidiaries		40.0	39.7	0.2	0.7
Total		100.0	119.9	(19.9)	(16.6)

(\*) Forecasts have not been changed from the announcement made on Jul 29, 2022.