

Tokyo, November 7, 2023

SHIMIZU CORPORATION

Consolidated Financial Report [Japanese GAAP] For the six months ended September 30, 2023



Shares Listed: Tokyo Stock Exchange Prime Market and Nagoya Stock Exchange Premier Market
 Stock Code: 1803
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Scheduled date to file quarterly securities report: November 8, 2023
 Scheduled date to commence dividend payments: December 4, 2023
 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, 2023	936,878	13.4%	165	(98.5%)	5,155	(63.9%)	16,249	44.0%
Six months ended September 30, 2022	825,921	27.9%	11,244	7.4%	14,264	11.4%	11,281	5.9%

	Net Income per share (Yen)	Diluted Net Income per share (Yen)
Six months ended September 30, 2023	22.10	—
Six months ended September 30, 2022	15.26	—

(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, 2023	2,367,948	929,845	873,560	36.9%
As of March 31, 2023	2,448,010	907,277	852,559	34.8%

2. Dividends

	End of 1Q (Yen)	End of 2Q (Yen)	End of 3Q (Yen)	Year-End (Yen)	Total (Yen)
Year ended March 31, 2023	—	10.50	—	10.50	21.00
Year ending March 31, 2024	—	13.50			
Year ending March 31, 2024(Forecast)			—	13.50	27.00

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

3. Forecast of Consolidated Results of Operations for the Fiscal Year Ending March 2024 (From April 1, 2023 to March 31, 2024)

(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, 2024	1,945,000	0.6%	57,500	5.2%	54,000	(4.5%)	50,000	1.9%	68.21

(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) : **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 : **None**

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

③ Changes in accounting estimates : **None**

④ Restatements : **None**

(4) Number of shares issued (Common stock)

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

Second Quarter of FY2023 ended September 30, 2023	743,676,313	FY2022 ended March 31, 2023	788,514,613
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② Number of treasury stocks at the end of the period

Second Quarter of FY2023 ended September 30, 2023	13,043,174	FY2022 ended March 31, 2023	47,611,399
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③ Average number of shares issued during the period

Second Quarter of FY2023 ended September 30, 2023	735,405,385	Second Quarter of FY2022 ended September 30, 2022	739,104,744
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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.

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PERFORMANCE RESULTS

(1) Consolidated

(Billions of Yen)

	Current Second Quarter		Previous Second Quarter		Increase (Decrease)		Forecast 〔From:Apr 1, 2023 To :Mar 31, 2024〕	Progress (%)
	〔From:Apr 1, 2023 To :Sep 30, 2023〕		〔From:Apr 1, 2022 To :Sep 30, 2022〕			Rate(%)		
Construction Contracts	842.3		737.4		104.9	14.2	1,695.0	49.7
Gross Profit	4.5% 37.6		6.6% 48.9		(11.3)	(23.2)	7.4% 126.0	29.9
Real Estate and Other	94.5		88.5		6.0	6.8	250.0	37.8
Gross Profit	15.2% 14.3		12.9% 11.3		2.9	26.2	18.8% 47.0	30.6
Net Sales	936.8		825.9		110.9	13.4	1,945.0	48.2
Gross Profit	5.6% 52.0		7.3% 60.3		(8.3)	(13.9)	8.9% 173.0	30.1
S, G & A Expenses	51.8		49.1		2.7	5.5	115.5	44.9
Operating Income	0.1		11.2		(11.0)	(98.5)	57.5	0.3
Net Financial Revenue	1.3		1.4		(0.0)	(5.3)	(1.5)	—
Others	3.6		1.5		2.0	128.9	(2.0)	—
Ordinary Income	5.1		14.2		(9.1)	(63.9)	54.0	9.5
Special Gains (Losses)	22.3		5.0		17.2	340.0	25.0	—
Income Before Taxes	27.5		19.3		8.1	42.2	79.0	34.8
Income Taxes	10.4		7.5		2.8	38.2	25.5	—
Net Income Attributable to Non-Controlling Interests	0.8		0.5		0.3	62.3	3.5	—
Net Income Attributable to Shareholders of the Corporation	16.2		11.2		4.9	44.0	50.0	32.5

(Consolidated)	Current Second Quarter	Previous Fiscal Year	Increase(Decrease)	
	〔 Sep 30, 2023 〕	〔 Mar 31, 2023 〕		Rate(%)
Interest-bearing Debt	533.3	577.2	(43.8)	(7.6)
[Nonrecourse Borrowings]	[87.6]	[86.8]	[0.8]	[1.0]

(2) Nonconsolidated

(Billions of Yen)

	Current Second Quarter		Previous Second Quarter		Increase (Decrease)		Forecast 〔From:Apr 1, 2023 To :Mar 31, 2024〕	Progress (%)
	〔From:Apr 1, 2023 To :Sep 30, 2023〕		〔From:Apr 1, 2022 To :Sep 30, 2022〕			Rate(%)		
Construction Contracts	705.0		622.9		82.0	13.2	1,390.0	50.7
[Architectural Construction]	[587.9]		[512.4]		[75.4]	[14.7]	[1,150.0]	[51.1]
[Civil Engineering]	[117.1]		[110.5]		[6.6]	[6.0]	[240.0]	[48.8]
Gross Profit	2.9% 20.6		5.7% 35.2		(14.6)	(41.5)	6.0% 84.0	24.6
[Architectural Construction]	[1.7% 9.9]		[5.0% 25.4]		[(15.4)]	[(60.8)]	[5.0% 58.0]	[17.2]
[Civil Engineering]	[9.1% 10.6]		[8.9% 9.7]		[0.8]	[8.8]	[10.8% 26.0]	[41.0]
Real Estate and Other	50.4		36.9		13.5	36.6	140.0	36.0
Gross Profit	14.6% 7.3		13.5% 5.0		2.3	47.4	22.1% 31.0	23.8
Net Sales	755.5		659.9		95.5	14.5	1,530.0	49.4
Gross Profit	3.7% 28.0		6.1% 40.2		(12.2)	(30.4)	7.5% 115.0	24.4
S, G & A Expenses	36.7		34.8		1.9	5.5	84.0	43.8
Operating Income	(8.7)		5.3		(14.1)	—	31.0	—
Net Financial Revenue	7.4		5.5		1.8	34.1	7.0	—
Others	3.5		1.4		2.0	138.8	(1.5)	—
Ordinary Income	2.1		12.4		(10.2)	(82.3)	36.5	6.0
Special Gains (Losses)	22.3		5.1		17.1	330.6	25.0	—
Income Before Taxes	24.5		17.6		6.9	39.4	61.5	39.9
Income Taxes	6.9		5.1		1.8	36.7	17.5	—
Net Income	17.5		12.4		5.0	40.5	44.0	39.9

(Nonconsolidated)	Current Second Quarter	Previous Fiscal Year	Increase(Decrease)	
	〔 Sep 30, 2023 〕	〔 Mar 31, 2023 〕		Rate(%)
Interest-bearing Debt	410.5	463.7	(53.2)	(11.5)
[Nonrecourse Borrowings]	[26.1]	[26.7]	[(0.6)]	[(2.4)]

(*) Forecasts have not been changed from the announcement made on Jul 28, 2023.

PERFORMANCE FORECASTS

(1) Consolidated

(Billions of Yen)

	Current Fiscal Year Forecast		Previous Fiscal Year Result		Increase (Decrease)	
	〔 From:Apr 1, 2023 To :Mar 31, 2024 〕		〔 From:Apr 1, 2022 To :Mar 31, 2023 〕		Rate(%)	
Construction Contracts		1,695.0		1,693.8	1.1	0.1
Gross Profit	7.4%	126.0	6.6%	111.0	14.9	13.4
Real Estate and Other		250.0		239.9	10.0	4.2
Gross Profit	18.8%	47.0	20.8%	49.9	(2.9)	(5.9)
Net Sales		1,945.0		1,933.8	11.1	0.6
Gross Profit	8.9%	173.0	8.3%	161.0	11.9	7.5
S, G & A Expenses		115.5		106.3	9.1	8.6
Operating Income	3.0%	57.5	2.8%	54.6	2.8	5.2
Net Financial Revenue		(1.5)		1.9	(3.4)	—
Others		(2.0)		(0.0)	(1.9)	—
Ordinary Income	2.8%	54.0	2.9%	56.5	(2.5)	(4.5)
Special Gains (Losses)		25.0		18.7	6.2	33.0
Income Before Taxes		79.0		75.3	3.6	4.9
Income Taxes		25.5		23.8	1.6	6.9
Net Income Attributable to Non-Controlling Interests		3.5		2.4	1.0	43.9
Net Income Attributable to Shareholders of the Corporation	2.6%	50.0	2.5%	49.0	0.9	1.9
Interest-bearing Debt		Less than 630.0		577.2	52.7	9.1

(2) Nonconsolidated

(Billions of Yen)

	Current Fiscal Year Forecast		Previous Fiscal Year Result		Increase (Decrease)	
	〔 From:Apr 1, 2023 To :Mar 31, 2024 〕		〔 From:Apr 1, 2022 To :Mar 31, 2023 〕		Rate(%)	
Construction Contracts		1,390.0		1,428.1	(38.1)	(2.7)
[Architectural Construction]		[1,150.0]		[1,189.5]	[(39.5)]	[(3.3)]
[Civil Engineering]		[240.0]		[238.5]	[1.4]	[0.6]
Gross Profit	6.0%	84.0	5.2%	74.6	9.3	12.5
[Architectural Construction]	5.0%	58.0	4.1%	48.6	9.3	19.3
[Civil Engineering]	10.8%	26.0	10.9%	26.0	(0.0)	(0.2)
Real Estate and Other		140.0		129.2	10.7	8.3
Gross Profit	22.1%	31.0	27.3%	35.3	(4.3)	(12.3)
Net Sales		1,530.0		1,557.3	(27.3)	(1.8)
Gross Profit	7.5%	115.0	7.1%	110.0	4.9	4.5
S, G & A Expenses		84.0		76.8	7.1	9.4
Operating Income	2.0%	31.0	2.1%	33.1	(2.1)	(6.6)
Net Financial Revenue		7.0		7.7	(0.7)	(9.8)
Others		(1.5)		0.4	(1.9)	—
Ordinary Income	2.4%	36.5	2.7%	41.3	(4.8)	(11.8)
Special Gains (Losses)		25.0		17.6	7.3	41.5
Income Before Taxes		61.5		59.0	2.4	4.1
Income Taxes		17.5		17.2	0.2	1.2
Net Income	2.9%	44.0	2.7%	41.7	2.2	5.4
Interest-bearing Debt		Less than 520.0		463.7	56.2	12.1

(*) Forecasts have not been changed from the announcement made on Jul 28, 2023.

BREAKDOWN OF SALES AND GROSS PROFIT (NONCONSOLIDATED)

(1) Performance Results

(Billions of Yen)

	Current Second Quarter Result 〔 From:Apr 1, 2023 To :Sep 30, 2023 〕			Previous Second Quarter Result 〔 From:Apr 1, 2022 To :Sep 30, 2022 〕			Increase (Decrease)				
	Sales	Gross Profit		Sales	Gross Profit		Sales		Gross Profit		
		Profit Rate (%)			Profit Rate (%)		Rate (%)		Rate (%)		
Construction business											
Architectural Construction											
Domestic	571.0	2.0%	11.5	491.4	5.7%	27.9	79.6	16.2%	(16.4)	(58.8%)	
Overseas	16.8	(9.1)	(1.5)	20.9	(11.7)	(2.4)	(4.1)	(19.7)	0.9	—	
Sub total	587.9	1.7	9.9	512.4	5.0	25.4	75.4	14.7	(15.4)	(60.8)	
Civil Engineering											
Domestic	96.0	10.5	10.1	90.1	9.7	8.7	5.8	6.5	1.3	15.2	
Overseas	21.0	2.6	0.5	20.3	5.0	1.0	0.7	3.6	(0.4)	(46.6)	
Sub total	117.1	9.1	10.6	110.5	8.9	9.7	6.6	6.0	0.8	8.8	
Domestic	667.1	3.2	21.6	581.6	6.3	36.6	85.4	14.7	(15.0)	(41.1)	
Overseas	37.9	(2.6)	(0.9)	41.3	(3.5)	(1.4)	(3.4)	(8.2)	0.4	—	
Total	705.0	2.9	20.6	622.9	5.7	35.2	82.0	13.2	(14.6)	(41.5)	
Real Estate and Other	50.4	14.6	7.3	36.9	13.5	5.0	13.5	36.6	2.3	47.4	
Grand Total	755.5	3.7	28.0	659.9	6.1	40.2	95.5	14.5	(12.2)	(30.4)	

(2) Performance Forecasts

(Billions of Yen)

	Current Fiscal Year Forecast 〔 From:Apr 1, 2023 To :Mar 31, 2024 〕			Previous Fiscal Year Result 〔 From:Apr 1, 2022 To :Mar 31, 2023 〕			Increase (Decrease)				
	Sales	Gross Profit		Sales	Gross Profit		Sales		Gross Profit		
		Profit Rate (%)			Profit Rate (%)		Rate (%)		Rate (%)		
Construction business											
Architectural Construction											
Domestic	1,115.0	5.2%	58.0	1,142.8	4.5%	50.8	(27.8)	(2.4%)	7.1	14.0%	
Overseas	35.0	0.0	0.0	46.7	(4.8)	(2.2)	(11.7)	(25.1)	2.2	—	
Sub total	1,150.0	5.0	58.0	1,189.5	4.1	48.6	(39.5)	(3.3)	9.3	19.3	
Civil Engineering											
Domestic	200.0	12.0	24.0	196.0	11.7	23.0	3.9	2.0	0.9	4.3	
Overseas	40.0	5.0	2.0	42.4	7.2	3.0	(2.4)	(5.9)	(1.0)	(34.3)	
Sub total	240.0	10.8	26.0	238.5	10.9	26.0	1.4	0.6	(0.0)	(0.2)	
Domestic	1,315.0	6.2	82.0	1,338.8	5.5	73.8	(23.8)	(1.8)	8.1	11.0	
Overseas	75.0	2.7	2.0	89.2	0.9	0.8	(14.2)	(15.9)	1.1	145.2	
Total	1,390.0	6.0	84.0	1,428.1	5.2	74.6	(38.1)	(2.7)	9.3	12.5	
Real Estate and Other	140.0	22.1	31.0	129.2	27.3	35.3	10.7	8.3	(4.3)	(12.3)	
Grand Total	1,530.0	7.5	115.0	1,557.3	7.1	110.0	(27.3)	(1.8)	4.9	4.5	

(*) Forecasts have not been changed from the announcement made on Jul 28, 2023.

CONSOLIDATED BALANCE SHEETS

(Millions of Yen)

	Current Second Quarter [Sep 30, 2023]	Previous Fiscal Year [Mar 31, 2023]	Increase (Decrease)
(ASSETS)			
Current Assets:			
Cash	242,604	372,780	(130,175)
Notes and accounts receivable-trade	831,265	837,373	(6,108)
Marketable securities (Negotiable certificates of deposits)	21,000	14,000	7,000
Real estate for sale	7,268	1,997	5,271
Costs on uncompleted construction contracts	46,073	43,858	2,215
Costs on uncompleted real estate development projects	25,468	25,336	132
Other inventories	3,688	3,530	157
Other current assets	151,574	156,423	(4,848)
Less: Allowance for doubtful accounts	(1,501)	(1,403)	(98)
Total current assets	1,327,442	1,453,897	(126,455)
Non-Current Assets:			
Tangible fixed assets:			
Buildings and structures	249,106	227,815	21,291
Machinery, vehicles, tools, furniture and fixtures	83,645	81,396	2,249
Land	297,617	294,949	2,668
Construction in progress	22,808	31,087	(8,278)
Total tangible fixed assets	653,178	635,247	17,930
Intangible fixed assets	22,716	21,465	1,251
Investments and other assets:			
Investment securities	339,525	312,968	26,556
Other investments	26,963	26,307	655
Less: Allowance for doubtful accounts	(1,877)	(1,875)	(1)
Total investments and other assets	364,611	337,399	27,211
Total non-current assets	1,040,506	994,112	46,393
Total assets	2,367,948	2,448,010	(80,062)

(Millions of Yen)

	Current Second Quarter [Sep 30, 2023]	Previous Fiscal Year [Mar 31, 2023]	Increase (Decrease)
(LIABILITIES)			
Current Liabilities:			
Notes and accounts payable-trade	379,288	424,343	(45,055)
Short-term borrowings	137,782	225,655	(87,873)
Current portion of non-recourse borrowings	20,273	8,430	11,842
Commercial papers	35,000	—	35,000
Current portion of bonds payable	10,000	—	10,000
Advances received on uncompleted construction contracts	147,670	152,680	(5,010)
Warranty reserve	4,398	4,117	281
Reserve for expected losses on construction contracts in process	56,119	65,454	(9,335)
Other current liabilities	200,770	205,404	(4,633)
Total current liabilities	991,303	1,086,086	(94,783)
Non-Current Liabilities:			
Bonds payable	120,000	130,000	(10,000)
Long-term borrowings	142,944	134,781	8,162
Non-recourse borrowings	67,391	78,403	(11,012)
Net defined benefit liability	63,319	60,177	3,142
Other non-current liabilities	53,144	51,283	1,861
Total non-current liabilities	446,800	454,646	(7,846)
Total liabilities	1,438,103	1,540,732	(102,629)
(NET ASSETS)			
Shareholders' Equity:			
Common stock, no par value	74,365	74,365	—
Additional paid-in capital	43,697	43,691	6
Retained earnings	594,851	625,324	(30,472)
Less: Treasury stock, at cost	(11,825)	(41,299)	29,474
Total shareholders' equity	701,089	702,081	(991)
Accumulated Other Comprehensive Income:			
Net unrealized gain (loss) on other securities, net of taxes	141,052	121,937	19,114
Deferred gain (loss) on hedging, net of taxes	121	198	(76)
Revaluation reserve for land, net of taxes	25,545	25,495	50
Foreign currency translation adjustments	6,278	3,401	2,876
Remeasurements of defined benefit plans	(526)	(555)	28
Total accumulated other comprehensive income	172,470	150,477	21,993
Non-controlling Interests	56,284	54,718	1,566
Total net assets	929,845	907,277	22,567
Total liabilities and net assets	2,367,948	2,448,010	(80,062)

(Reference)

Interest-bearing debt	533,391	577,271	(43,880)
[Nonrecourse borrowings]	[87,664]	[86,834]	[829]

CONSOLIDATED STATEMENTS OF INCOME

(Millions of Yen)

	Current Second Quarter 〔 From:Apr 1, 2023 〕 〔 To :Sep 30, 2023 〕		Previous Second Quarter 〔 From:Apr 1, 2022 〕 〔 To :Sep 30, 2022 〕		Increase (Decrease)
Net Sales:					
Construction contracts		842,339		737,409	104,929
Real estate development and other		94,539		88,511	6,028
Total net sales		936,878		825,921	110,957
Cost of Sales:					
Construction contracts		804,695		688,415	116,280
Real estate development and other		80,165		77,124	3,040
Total cost of sales		884,861		765,540	119,320
Gross profit:					
Construction contracts	[4.5%]	37,643	[6.6%]	48,993	(11,350)
Real estate development and other	[15.2%]	14,374	[12.9%]	11,386	2,987
Total gross profit	5.6%	52,017	7.3%	60,380	(8,362)
Selling, General and Administrative Expenses		51,852		49,136	2,716
Operating income	0.0%	165	1.4%	11,244	(11,079)
Non-Operating Income:					
Interest income		1,125		382	743
Dividend income		2,762		2,830	(67)
Foreign exchange gain		3,340		1,850	1,489
Other non-operating income		1,198		972	226
Total non-operating income		8,427		6,035	2,391
Non-Operating Expenses:					
Interest expenses		2,531		1,780	751
Other non-operating expenses		905		1,235	(330)
Total non-operating expenses		3,436		3,015	420
Ordinary income	0.6%	5,155	1.7%	14,264	(9,108)
Special Gains:					
Gain on sales of fixed assets		20		297	(277)
Gain on sales of investment securities		22,398		5,038	17,359
Total special gains		22,418		5,336	17,081
Special Losses:					
Loss on sales of fixed assets		49		111	(62)
Loss on devaluation of investment securities		5		142	(137)
Total special losses		55		254	(199)
Income before income taxes		27,519		19,346	8,172
Income taxes		10,444		7,556	2,888
Net income		17,075		11,790	5,284
Net income attributable to non-controlling interests		825		508	316
Net income attributable to shareholders of the Corporation	1.7%	16,249	1.4%	11,281	4,967

(Reference)

Interest and dividend income	3,888	3,212	675
Interest expenses	2,531	1,780	751
Net financial revenue	1,357	1,432	(75)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Millions of Yen)

	Current Second Quarter 〔From:Apr 1, 2023〕 〔To :Sep 30, 2023〕	Previous Second Quarter 〔From:Apr 1, 2022〕 〔To :Sep 30, 2022〕	Increase (Decrease)
Net income	17,075	11,790	5,284
Other comprehensive income:			
Net unrealized gain (loss) on other securities, net of taxes	19,166	(5,363)	24,530
Deferred gain (loss) on hedging, net of taxes	(76)	(220)	143
Foreign currency translation adjustments	3,024	5,628	(2,604)
Remeasurements of defined benefit plans	32	423	(391)
Share of other comprehensive income of associates accounted for using equity method	74	45	28
Total other comprehensive income	22,221	514	21,707
Comprehensive income	39,296	12,304	26,991
Comprehensive income attributable to:			
Shareholders of the Corporation	38,192	11,439	26,753
Non-controlling interests	1,103	865	238

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Millions of Yen)

	Current Second Quarter 〔 From:Apr 1, 2023 To :Sep 30, 2023 〕	Previous Second Quarter 〔 From:Apr 1, 2022 To :Sep 30, 2022 〕	Increase (Decrease)
Cash Flows from Operating Activities:			
Income before income taxes	27,519	19,346	8,172
Adjustments for:			
Depreciation and amortization	14,265	12,398	1,866
Increase (decrease) in allowance for doubtful accounts	(2)	12	(14)
Increase (decrease) in reserve for expected losses on construction contracts in process	(9,346)	(5,043)	(4,303)
Increase (decrease) in net defined benefit liability	1,104	1,527	(423)
Loss (gain) on sales of fixed assets	29	(186)	215
Loss (gain) on valuation of investment securities	5	142	(137)
Loss (gain) on sales of investment securities	(22,398)	(5,038)	(17,359)
Interest and dividend income	(3,888)	(3,212)	(675)
Interest expenses	2,531	1,780	751
(Increase) decrease in notes and accounts receivable-trade	15,997	(38,723)	54,721
(Increase) decrease in real estate for sale	(1,204)	7,115	(8,319)
(Increase) decrease in costs on uncompleted construction contracts	(1,162)	(5,542)	4,379
(Increase) decrease in uncompleted real estate development projects	(132)	(5,611)	5,479
(Increase) decrease in other inventories	(148)	(7)	(141)
Increase (decrease) in notes and accounts payable-trade	(51,252)	5,480	(56,733)
Increase (decrease) in advances received on uncompleted construction contracts	(6,485)	16,371	(22,856)
Other, net	4,656	4,114	542
Subtotal	(29,911)	4,924	(34,836)
Interest and dividends received	4,016	3,302	714
Interest paid	(2,531)	(1,708)	(822)
Income taxes paid	(23,142)	(12,059)	(11,082)
Net cash provided by (used in) operating activities	(51,567)	(5,540)	(46,027)

(Millions of Yen)

	Current Second Quarter 〔 From:Apr 1, 2023 To :Sep 30, 2023 〕	Previous Second Quarter 〔 From:Apr 1, 2022 To :Sep 30, 2022 〕	Increase (Decrease)
Cash Flows from Investing Activities:			
Acquisition of tangible fixed assets	(26,645)	(37,323)	10,677
Proceeds from sales of tangible fixed assets	116	698	(581)
Acquisition of marketable securities and investment securities	(1,427)	(1,666)	238
Proceeds from sales of marketable securities and investment securities	25,289	6,542	18,747
Acquisition of shares of subsidiaries resulting in change in scope of consolidation	(2,297)	—	(2,297)
Other, net	(1,713)	(1,659)	(54)
Net cash provided by (used in) investing activities	(6,679)	(33,410)	26,731
Cash Flows from Financing Activities:			
Net increase (decrease) in short-term borrowings	(90,919)	77,849	(168,769)
Net increase (decrease) in commercial papers	35,000	(50,000)	85,000
Proceeds from long-term borrowings	20,053	41,811	(21,757)
Repayments of long-term borrowings	(11,489)	(10,985)	(504)
Proceeds from non-recourse borrowings	2,396	11,068	(8,671)
Repayments of non-recourse borrowings	(4,448)	(4,391)	(56)
Redemption of non-recourse bonds	—	(13,329)	13,329
Purchase of treasury shares	(9,419)	(0)	(9,418)
Proceeds from sale of shares of parent held by a subsidiary	—	4,004	(4,004)
Dividends	(7,779)	(8,458)	678
Other, net	(1,500)	(782)	(718)
Net cash provided by (used in) financing activities	(68,107)	46,785	(114,892)
Effect of exchange rate changes on Cash and Cash Equivalents	3,177	3,794	(616)
Net increase (decrease) in Cash and Cash Equivalents	(123,176)	11,629	(134,805)
Cash and Cash Equivalents at beginning of year	386,750	287,134	99,615
Cash and Cash Equivalents at end of period	263,573	298,763	(35,189)

NONCONSOLIDATED BALANCE SHEETS

(Millions of Yen)

	Current Second Quarter [Sep 30, 2023]	Previous Fiscal Year [Mar 31, 2023]	Increase (Decrease)
(ASSETS)			
Current Assets:			
Cash	144,992	265,464	(120,471)
Notes receivable and accounts receivable from completed construction contracts	688,755	683,517	5,238
Marketable securities (Negotiable certificates of deposits)	21,000	14,000	7,000
Real estate for sale	3,099	0	3,099
Costs on uncompleted construction contracts	35,849	41,310	(5,461)
Costs on uncompleted real estate development projects	1,710	10,097	(8,387)
Other current assets	131,841	147,499	(15,658)
Less: Allowance for doubtful accounts	(1,110)	(1,114)	3
Total current assets	1,026,138	1,160,775	(134,636)
Non-Current Assets:			
Tangible fixed assets:			
Buildings and structures	183,409	164,881	18,528
Machinery, vehicles, tools, furniture and fixtures	55,781	56,277	(495)
Land	221,858	219,561	2,296
Construction in progress	17,613	25,499	(7,886)
Total tangible fixed assets	478,662	466,219	12,442
Intangible fixed assets	14,822	14,880	(58)
Investments and other assets:			
Investment securities	387,065	357,299	29,766
Other investments	20,448	19,408	1,039
Less: Allowance for doubtful accounts	(1,776)	(1,851)	74
Total investments and other assets	405,737	374,857	30,880
Total non-current assets	899,222	855,957	43,265
Total assets	1,925,361	2,016,732	(91,371)

(Millions of Yen)

	Current Second Quarter [Sep 30, 2023]	Previous Fiscal Year [Mar 31, 2023]	Increase (Decrease)
(LIABILITIES)			
Current Liabilities:			
Notes payable and accounts payable for construction contracts	305,832	342,348	(36,515)
Short-term borrowings	105,909	199,581	(93,672)
Current portion of non-recourse borrowings	1,300	1,300	—
Commercial papers	35,000	—	35,000
Current portion of bonds payable	10,000	—	10,000
Advances received on uncompleted construction contracts	127,360	139,459	(12,098)
Warranty reserve	4,077	3,855	221
Reserve for expected losses on construction contracts in process	55,406	64,707	(9,300)
Other current liabilities	188,886	191,384	(2,497)
Total current liabilities	833,772	942,635	(108,863)
Non-Current Liabilities:			
Bonds payable	120,000	130,000	(10,000)
Long-term borrowings	113,491	107,437	6,054
Non-recourse borrowings	24,800	25,450	(650)
Reserve for employees' retirement benefits	52,593	51,692	900
Other non-current liabilities	46,911	45,155	1,756
Total non-current liabilities	357,796	359,735	(1,938)
Total liabilities	1,191,568	1,302,371	(110,802)
(NET ASSETS)			
Shareholders' Equity:			
Common stock, no par value	74,365	74,365	—
Additional paid-in capital	43,143	43,144	(1)
Retained earnings	462,349	491,515	(29,165)
[Contingent Reserve]	[405,100]	[405,100]	[—]
Less: Treasury stock, at cost	(11,825)	(41,299)	29,474
Total shareholders' equity	568,033	567,725	307
Valuation and Translation Adjustments:			
Net unrealized gain (loss) on other securities, net of taxes	140,097	120,942	19,154
Deferred gain (loss) on hedging, net of taxes	115	198	(82)
Revaluation reserve for land, net of taxes	25,545	25,495	50
Total valuation and translation adjustments	165,758	146,636	19,122
Total net assets	733,792	714,361	19,430
Total liabilities and net assets	1,925,361	2,016,732	(91,371)

(Reference)

Interest-bearing debt	410,500	463,768	(53,267)
[Nonrecourse borrowings]	[26,100]	[26,750]	[(650)]

NONCONSOLIDATED STATEMENTS OF INCOME

(Millions of Yen)

	Current Second Quarter 〔From:Apr 1, 2023〕 〔To :Sep 30, 2023〕		Previous Second Quarter 〔From:Apr 1, 2022〕 〔To :Sep 30, 2022〕		Increase (Decrease)
Net Sales:					
Construction contracts		705,064		622,989	82,074
Real estate development and other		50,457		36,937	13,519
Total net sales		755,521		659,927	95,594
Cost of Sales:					
Construction contracts		684,437		587,747	96,690
Real estate development and other		43,081		31,934	11,146
Total cost of sales		727,519		619,681	107,837
Gross profit:					
Construction contracts	[2.9%]	20,626	[5.7%]	35,242	(14,615)
Real estate development and other	[14.6%]	7,376	[13.5%]	5,003	2,372
Total gross profit	3.7%	28,002	6.1%	40,245	(12,243)
Selling, General and Administrative Expenses		36,786		34,871	1,915
Operating income (loss)	(1.2%)	(8,784)	0.8%	5,374	(14,158)
Non-Operating Income:					
Interest income		812		152	660
Dividend income		7,717		6,336	1,381
Foreign exchange gain		3,305		1,935	1,370
Other non-operating income		672		392	279
Total non-operating income		12,508		8,816	3,691
Non-Operating Expenses:					
Interest expenses		1,061		918	143
Other non-operating expenses		469		858	(389)
Total non-operating expenses		1,530		1,776	(246)
Ordinary income	0.3%	2,193	1.9%	12,414	(10,220)
Special Gains:					
Gain on sales of fixed assets		3		294	(291)
Gain on sales of investment securities		22,395		5,038	17,356
Total special gains		22,398		5,333	17,064
Special Losses:					
Loss on sales of fixed assets		46		108	(62)
Loss on devaluation of investment securities		5		34	(29)
Total special losses		52		143	(91)
Income before income taxes		24,539		17,604	6,935
Provision for income taxes		6,983		5,107	1,876
Net income	2.3%	17,556	1.9%	12,497	5,059

(Reference)

Interest and dividend income	8,530	6,488	2,041
Interest expenses	1,061	918	143
Net financial revenue	7,469	5,570	1,898

BREAKDOWN OF ORDERS (NONCONSOLIDATED)

(Millions of Yen)

	Current Second Quarter Result 〔From:Apr 1, 2023〕 〔To :Sep 30, 2023〕		Previous Second Quarter Result 〔From:Apr 1, 2022〕 〔To :Sep 30, 2022〕		Increase (Decrease)		Current Fiscal Year Forecast 〔From:Apr 1, 2023〕 〔To :Mar 31, 2024〕	Progress (%)
		Proportion (%)		Proportion (%)		Rate (%)		
Construction business (orders)								
Architectural Construction								
Domestic	843,436	83.3	419,665	72.1	423,770	101.0	1,045,000	80.7
Overseas	10,517	1.0	23,309	4.0	(12,792)	(54.9)	15,000	70.1
Sub total	853,953	84.3	442,974	76.1	410,978	92.8	1,060,000	80.6
Civil Engineering								
Domestic	142,981	14.1	84,458	14.5	58,523	69.3	190,000	75.3
Overseas	16,436	1.6	54,359	9.4	(37,923)	(69.8)	30,000	54.8
Sub total	159,417	15.7	138,817	23.9	20,600	14.8	220,000	72.5
Domestic	986,418	97.4	504,123	86.6	482,294	95.7	1,235,000	79.9
Overseas	26,953	2.6	77,668	13.4	(50,715)	(65.3)	45,000	59.9
Total	1,013,371	100	581,792	100	431,579	74.2	1,280,000	79.2
Real Estate and Other	44,949		29,931		15,017	50.2	120,000	37.5
Grand Total	1,058,320		611,724		446,596	73.0	1,400,000	75.6

(Reference: Overseas Construction Orders)

(Millions of Yen)

	Current Second Quarter Result 〔From:Apr 1, 2023〕 〔To :Sep 30, 2023〕		Previous Second Quarter Result 〔From:Apr 1, 2022〕 〔To :Sep 30, 2022〕		Increase (Decrease)		Current Fiscal Year Forecast 〔From:Apr 1, 2023〕 〔To :Mar 31, 2024〕	Progress (%)
						Rate (%)		
Shimizu Corporation	26,953		77,668		(50,715)	(65.3)	45,000	59.9
Subsidiaries	34,472		30,085		4,386	14.6	55,000	62.7
Total	61,425		107,754		(46,328)	(43.0)	100,000	61.4

(*) Forecasts have not been changed from the announcement made on Jul 28, 2023.

ORDERS, SALES AND BACKLOG (NONCONSOLIDATED)
for the six months ended September 30, 2022 and 2023

(1) Construction orders awarded and contracts

(Millions of Yen)

		Current Second Quarter 〔From:Apr 1, 2023〕 〔To :Sep 30, 2023〕	Previous Second Quarter 〔From:Apr 1, 2022〕 〔To :Sep 30, 2022〕	Increase (Decrease)	Rate(%)
Architectural Construction	Domestic	843,436	419,665	423,770	101.0
	Overseas	10,517	23,309	(12,792)	(54.9)
	Sub total	853,953	442,974	410,978	92.8
Civil Engineering	Domestic	142,981	84,458	58,523	69.3
	Overseas	16,436	54,359	(37,923)	(69.8)
	Sub total	159,417	138,817	20,600	14.8
Construction business (orders)		1,013,371	581,792	431,579	74.2
Real estate development and other (contracts)		44,949	29,931	15,017	50.2
Total		1,058,320	611,724	446,596	73.0

(2) Net sales

(Millions of Yen)

		Current Second Quarter 〔From:Apr 1, 2023〕 〔To :Sep 30, 2023〕	Previous Second Quarter 〔From:Apr 1, 2022〕 〔To :Sep 30, 2022〕	Increase (Decrease)	Rate(%)
Architectural Construction	Domestic	571,087	491,479	79,607	16.2
	Overseas	16,838	20,978	(4,140)	(19.7)
	Sub total	587,925	512,458	75,466	14.7
Civil Engineering	Domestic	96,053	90,185	5,867	6.5
	Overseas	21,085	20,345	740	3.6
	Sub total	117,138	110,531	6,607	6.0
Construction business		705,064	622,989	82,074	13.2
Real estate development and other		50,457	36,937	13,519	36.6
Total		755,521	659,927	95,594	14.5

(3) Backlog

(Millions of Yen)

		Current Second Quarter 〔 Sep 30, 2023 〕	Previous Second Quarter 〔 Sep 30, 2022 〕	Increase (Decrease)	Rate(%)
Architectural Construction	Domestic	1,665,583	1,363,122	302,460	22.2
	Overseas	74,186	88,010	(13,824)	(15.7)
	Sub total	1,739,769	1,451,133	288,636	19.9
Civil Engineering	Domestic	484,672	432,548	52,123	12.1
	Overseas	156,621	174,703	(18,082)	(10.4)
	Sub total	641,293	607,251	34,041	5.6
Construction business		2,381,062	2,058,385	322,677	15.7
Real estate development and other		73,102	86,214	(13,112)	(15.2)
Total		2,454,164	2,144,599	309,564	14.4

ORDERS AND CONTRACTS FORECAST (NONCONSOLIDATED)
for the fiscal year ending March 2024

(Millions of Yen)

		Current Fiscal Year Forecast 〔From:Apr 1, 2023〕 〔To :Mar 31, 2024〕	Previous Fiscal Year Result 〔From:Apr 1, 2022〕 〔To :Mar 31, 2023〕	Increase (Decrease)	
					Rate(%)
Architectural Construction	Domestic	1,045,000	1,101,137	(56,137)	(5.1)
	Overseas	15,000	41,550	(26,550)	(63.9)
	Sub total	1,060,000	1,142,688	(82,688)	(7.2)
Civil Engineering	Domestic	190,000	195,520	(5,520)	(2.8)
	Overseas	30,000	63,070	(33,070)	(52.4)
	Sub total	220,000	258,591	(38,591)	(14.9)
Construction business (orders)		1,280,000	1,401,279	(121,279)	(8.7)
Real estate development and other (contracts)		120,000	114,608	5,391	4.7
Total		1,400,000	1,515,887	(115,887)	(7.6)

(Reference: Overseas Construction Orders)

(Millions of Yen)

		Current Fiscal Year Forecast 〔From:Apr 1, 2023〕 〔To :Mar 31, 2024〕	Previous Fiscal Year Result 〔From:Apr 1, 2022〕 〔To :Mar 31, 2023〕	Increase (Decrease)	
					Rate(%)
Shimizu Corporation		45,000	104,621	(59,621)	(57.0)
Subsidiaries		55,000	73,964	(18,964)	(25.6)
Total		100,000	178,586	(78,586)	(44.0)

(*) Forecasts have not been changed from the announcement made on Jul 28, 2023.