



JDC CORPORATION

FY 2019 - 2020

Financial Results

Code Number : 1887



Twister Method

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This document is presented solely for the convenience of non-Japanese speaking users. If there is any discrepancy between this document and the Japanese original, the latter shall prevail.



About JDC

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Our History

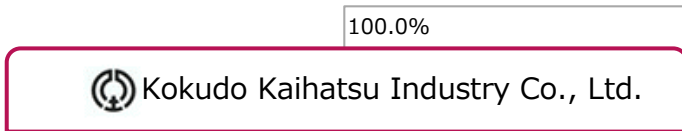
April 1951	Founded with the aim of developing and popularizing equipment for construction work Began rental business (with 13 pieces of equipment, including bulldozers)
October 1961	Listed in the second section of the Tokyo Stock Exchange
February 1964	Listed in the first section of the Tokyo Stock Exchange
February 1969	Selected for margin trading at the Tokyo Stock Exchange
October 1970	Listed in the first section of the Osaka Stock Exchange
January 1999	Commenced corporate reorganization proceedings
March 1999	Delisted from the Tokyo and Osaka Stock Exchange
October 2001	Established Kokudo BuilACE Corporation (former Japan Adox Co., Ltd.)
September 2003	Corporate reorganization proceedings concluded
August 2007	Established ANION Co., Ltd.
November 2009	Kokudo Koki Co., Ltd. merged with Kokudo Kaihatsu Industry Co., Ltd.
March 2016	Established Fukushima Ecocrete Co., Ltd.
September 2016	Established Civil Engineering Department and Building Department
November 2016	“JDC Vibration-free Floor System” acquires Performance Evaluation of Building Materials for the first time in Japan as a floor isolation device
April 2017	Established Business Development Department
March 2018	Acquired Marine Engineering Co., Ltd.
December 2018	Trade name of Japan Adox Co., Ltd. changed to Kokudo BuilACE Corporation
March 2019	Listed in the first section of the Tokyo Stock Exchange
July 2019	Tsukuba Mirai Center opened





Civil Engineering Business

Building Business

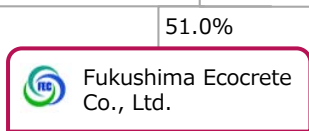


Earthwork with Heavy Machinery

Manufacture of Machines

Construction Equipment **Shield Machines**

- Civil engineering business and manufacture, sale, and rental of machinery for construction
- Developed business as a subcontractor for major general contractors outside the group and has human resources with abundant experience in construction management.

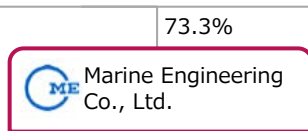


Construction Material

"OR Crete" Macadams

"OR Crete" Blocks

- Sale of recycled crushed stone, aggregate, etc. made primarily of coal ash generated from thermal power plants

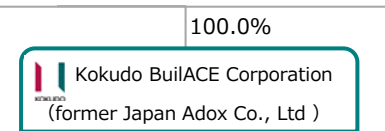


Construction

Dynamic compaction method

Refuse Press Method

- Soil Improvement Works



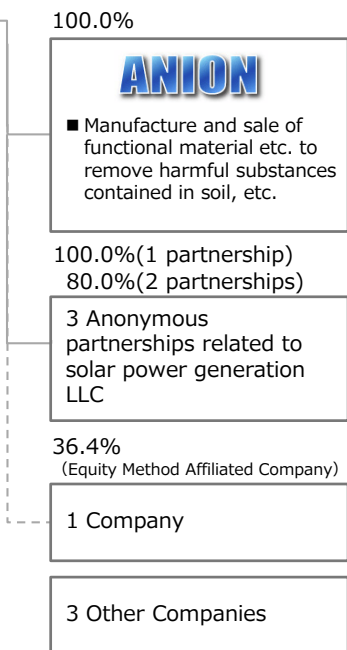
Construction

Large Scale Renovation

Renovation to Special Building

Seismic reinforcement and base isolation works

- Building renewal and renovation works
- Seismic reinforcement and base isolation works



Major Products and Services

Overview

Net Sales by Segment (FY 2019-2020)

Civil Engineering Business

- Construction works related to social infrastructure development such as dams, rivers, tunnels, roads, water and sewerage systems, and development construction works
- Orders received for environmentally friendly construction works using the Rotary Crushing and Mixing Method (Twister Method), and construction works related to earthquake disaster reconstruction.



Development Construction



Embankment Construction



Tunnel Construction



Twister Method



Earthwork with Heavy Machinery (Kokudo Kaihatsu Industry Co., Ltd.)

Civil Engineering Business
548 Hundred Million Yen
46.2%

Development Business
28 Hundred Million Yen
2.4%

Development Business

- Real estate business and a renewable energy business



Operation of Mega Solar Powerplants



Real Estate Business

Building Business

- Design and construction of houses, offices, stores, factories, warehouses, etc.
- Skyscrapers and large-span building construction utilizing proprietary technologies
- Expansion of business utilizing original technology of floor isolation (affiliated company)



Skyscrapers



Logistic Facilities

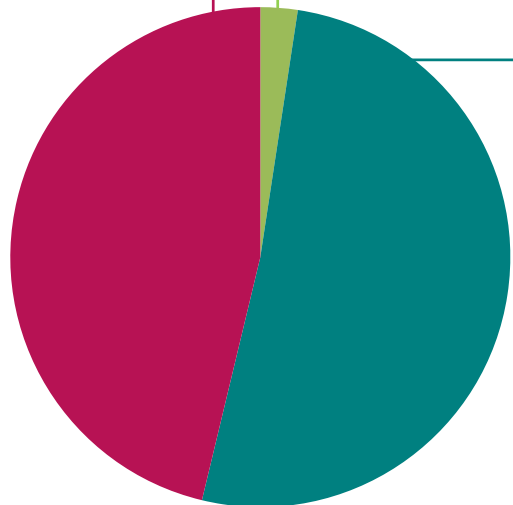


Food Factories



Seismic reinforcement (Kokudo BuilACE Company)

Building Business
609 Hundred Million Yen
51.4%



Reference Net Sales Composition by New Segments

From FY 2019-2020, we ceased using the affiliated company segment and adopted a three-segment structure (Civil Engineering Business, Building Business and Development Business), to reflect the performance of affiliated companies in each business to strengthen the consolidated management led by each business department and the utilization of group companies.

II

Results of FY2019-2020 and Forecasts for FY2020-2021

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II

Results of FY2019-2020 and Forecasts for FY2020-2021

1. [Consolidated] Financial Results for FY2019-2020

[Consolidated] Summary



Net Sales

1,185 Hundred Million Yen

(Achievement against forecast : 94.8%)

Operating Profit

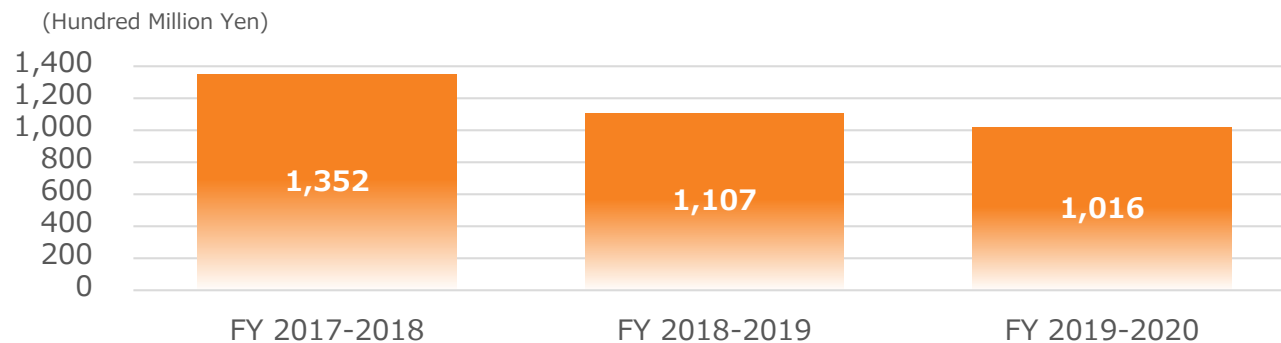
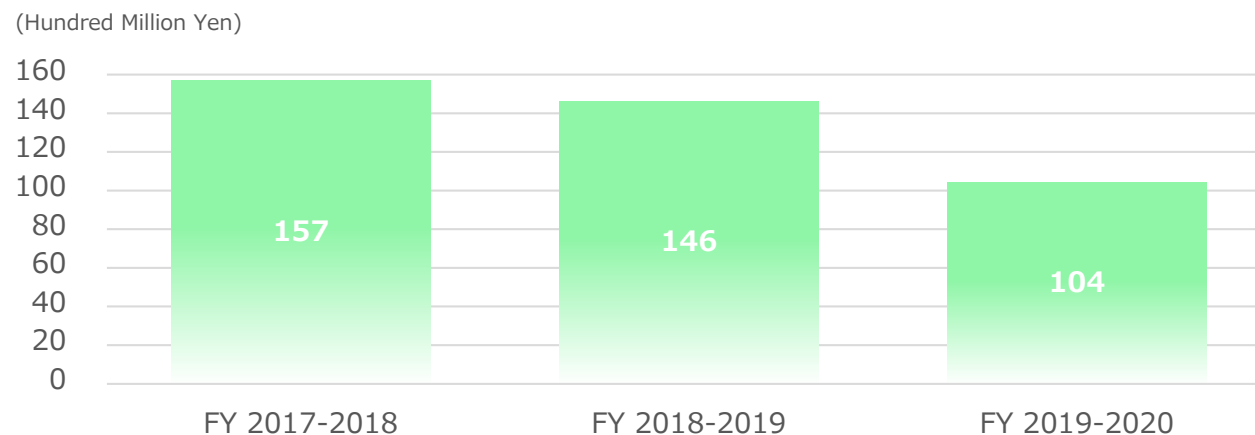
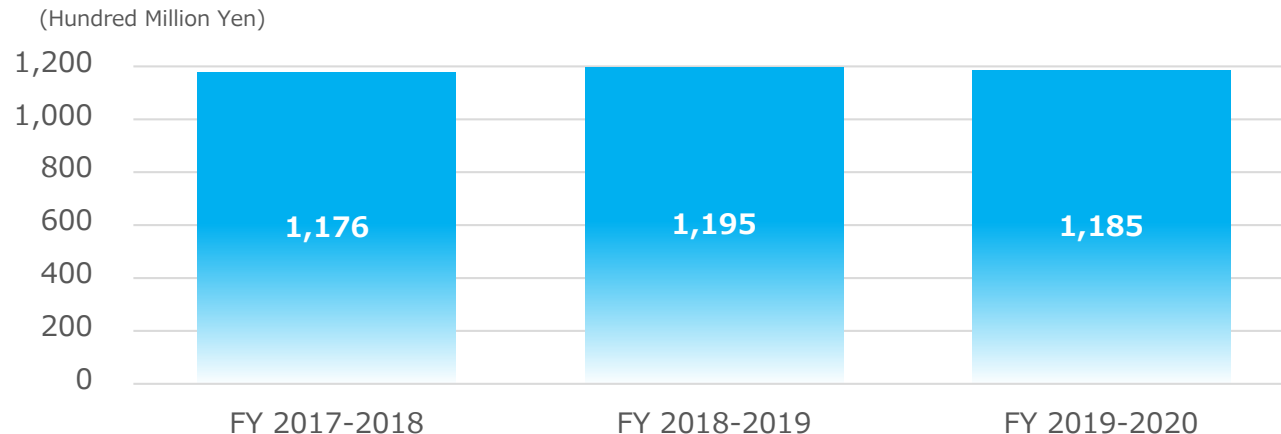
104 Hundred Million Yen

(Achievement against forecast : 105.8%)

Orders

1,016 Hundred Million Yen

(Achievement against forecast : 82.2%)



[Consolidated] Performance

(Million Yen)

	FY 2018-2019	FY 2019-2020			
		Forecasts	Results	Changes	Achievement Rate
Net Sales	119,525	125,000	118,529	(0.8%)	94.8%
Operating Profit	14,576	9,800	10,367	(28.9%)	105.8%
Ordinary Profit	14,406	9,600	9,783	(32.1%)	101.9%
Profit Attributable to Owners of Parent	10,449	8,100	7,955	(23.9%)	98.2%
Orders	110,680	123,720	101,644	(8.2%)	82.2%

[Consolidated] Segment Information

(Million Yen)

		FY 2018-2019		FY 2019-2020		Change	
		Amount	Composition Ratio	Amount	Composition Ratio	Amount	Percentage
Net Sales	Civil Engineering Business	61,998	51.9%	54,813	46.2%	(7,185)	(11.6%)
	Building Business	54,902	45.9%	60,893	51.4%	5,991	10.9%
	Development Business	2,624	2.2%	2,823	2.4%	199	7.6%
	Total	119,525	100.0%	118,529	100.0%	(996)	(0.8%)
Selling, general and administrative expenses		10,625	—	9,758	—	(867)	(8.2%)
Operating Profit	Civil Engineering Business	9,873	67.7%	8,138	78.5%	(1,735)	(17.6%)
	Building Business	4,194	28.8%	1,704	16.4%	(2,490)	(59.4%)
	Development Business	529	3.6%	554	5.3%	25	4.8%
	Total	14,576	100.0%	10,367	100.0%	(4,208)	(28.9%)

※Elimination of intra-company transaction is reflected in the total of operating profit.

[Consolidated] Balance Sheet



(Million Yen)

	As of May 31, 2019		As of May 31, 2020		Changes		Major Increase and Decrease
	Amount	Composition Ratio	Amount	Composition Ratio	Amount	Percentage	
Current Assets	76,082	58.9%	80,216	56.7%	4,134	5.4%	Current Assets
Non-Current Assets	53,130	41.1%	53,721	43.3%	591	1.1%	Cash and Deposits (6,489) Notes Receivable, Accounts Receivable from Completed Construction Contracts (6,620)
Total Assets	129,212	100.0%	133,937	100.0%	4,725	3.7%	Non-Current Assets Land (1,203) Construction in Progress 6,517 Investment Securities (4,631)
Current Liabilities	54,696	42.3%	48,940	36.5%	(5,756)	(10.5%)	Current Liabilities
Non-Current Liabilities	10,219	7.9%	16,680	12.5%	6,461	63.2%	Notes payable, accounts payable for construction contracts (2,170) Short Term Loans Payable (406) Advances Received on Uncompleted Construction Contracts (6,877)
Total Liabilities	64,916	50.2%	65,620	49.0%	704	1.1%	Non-Current Assets Long Term Loans Payable 6,780
(Liability with Interest)	(9,901)	(7.7%)	(16,138)	(12.0%)	(6,237)	(63.0%)	
Net Assets	64,296	49.8%	68,317	51.0%	4,020	6.3%	
Total Liabilities and Net Assets	129,212	100.0%	133,937	100.0%	4,725	3.7%	
(Capital Adequacy Ratio)	(49.5%)		(50.8%)			(1.3P)	

[Consolidated] Orders and Projects in Process (Civil Engineering & Building Business)



(Million Yen)

	FY 2019-2020					
	Orders	Composition Ratio	Net Sales	Composition Ratio	Projects in Process	Composition Ratio
Civil Engineering Business	47,910	48.5%	54,813	47.4%	69,362	52.1%
Building Business	50,849	51.5%	60,893	52.6%	63,817	47.9%
Total	98,759	100.0%	115,706	100.0%	133,179	100.0%

II

Results of FY2019-2020 and Forecasts for FY2020-2021

2. [Non-Consolidated] Financial Results for FY2019-2020

[Non-Consolidated] Orders



(Million Yen)

		FY 2018-2019		FY 2019-2020			
		Orders	Composition Ratio	Orders	Composition Ratio	Changes	
						Amount	Percentage
Civil Engineering Business	Public Sector in Japan	26,498	25.8%	18,740	20.9%	(7,757)	(29.3%)
	Private Sector in Japan	14,863	14.5%	19,657	21.9%	4,794	32.3%
	Overseas	44	0.0%	—	—	(44)	(100.0%)
	Subtotal	41,406	40.3%	38,397	42.8%	(3,008)	(7.3%)
Building Business	Public Sector in Japan	1,854	1.8%	5,422	6.0%	3,568	192.4%
	Private Sector in Japan	47,628	46.3%	39,219	43.8%	(8,409)	(17.7%)
	Overseas	9,710	9.4%	4,068	4.5%	(5,642)	(58.1%)
	Subtotal	59,193	57.6%	48,710	54.3%	(10,483)	(17.7%)
Total	Public Sector in Japan	28,352	27.6%	24,163	27.0%	(4,189)	(14.8%)
	Private Sector in Japan	62,491	60.8%	58,876	65.7%	(3,615)	(5.8%)
	Overseas	9,755	9.5%	4,068	4.5%	(5,687)	(58.3%)
	Subtotal	100,599	97.8%	87,108	97.2%	(13,491)	(13.4%)
Other Business		2,242	2.2%	2,533	2.8%	291	13.0%
Gross Total		102,842	100.0%	89,641	100.0%	(13,200)	(12.8%)

[Non-Consolidated] Projects in Process



(Million Yen)

		FY 2018-2019		FY 2019-2020			
		Orders	Composition Ratio	Orders	Composition Ratio	Changes	
						Amount	Percentage
Civil Engineering Business	Public Sector in Japan	55,642	38.9%	39,706	31.8%	(15,936)	(28.6%)
	Private Sector in Japan	13,973	9.8%	22,003	17.6%	8,029	57.5%
	Overseas	—	—	—	—	—	—
	Subtotal	69,616	48.6%	61,710	49.4%	(7,906)	(11.4%)
Building Business	Public Sector in Japan	9,493	6.6%	10,770	8.6%	1,276	13.4%
	Private Sector in Japan	52,600	36.7%	40,891	32.7%	(11,709)	(22.3%)
	Overseas	11,428	8.0%	11,502	9.2%	74	0.7%
	Subtotal	73,522	51.3%	63,165	50.6%	(10,357)	(14.1%)
Total	Public Sector in Japan	65,136	45.5%	50,477	40.4%	(14,659)	(22.5%)
	Private Sector in Japan	66,574	46.5%	62,895	50.4%	(3,679)	(5.5%)
	Overseas	11,428	8.0%	11,502	9.2%	74	0.7%
	Subtotal	143,139	100.0%	124,875	100.0%	(18,264)	(12.8%)
Other Business		67	0.0%	36	0.0%	(31)	(46.7%)
Gross Total		143,207	100.0%	124,911	100.0%	(18,295)	(12.8%)

Civil Engineering Business

Regulating Reservoir and Development Construction of Mobarra Mega-Solar



Client : KYOWA EXEO CORPORATION

Construction Site	Chiba Prefecture
Outline	Development construction of a solar power plant (67MW) Cutting : 2,850,000m ³ Reservoir : 6 places
Construction Period	June 2020~September 2023 (※Prior constructions have started from October 2010)

Building Business

Construction of DPL Tsukuba-Yatabe



Client : Daiwa House Industry Co., Ltd

Construction Site	Ibaraki Prefecture
Purpose	Warehouse
Outline	Steel structure, 2 floors Site area : 37,065.93m ² Building area : 22,654.60m ² Total floor area : 41,292.60m ²
Construction Period	May 2020~June 2021

Civil Engineering Business

Reconstruction Work of Namisaka, Kiri-Kiri, Akahama, Ando, Komakura-Nobematsu Areas of Otsuchi Town



Akahama Area

Client : Otsuchi Town

Construction Site	Iwate Prefecture
Outline	<p>Area : 37.0hectars (Namisaka Area:0.5ha, Kiri-Kiri Area:12.1ha, Akahama Area: 13.4ha, Ando Area:8.4ha, Komakura-Nobematsu Area:2.6ha) Cutting : 1,080,000m³ Filling : 910,000m³</p> <p>Earthwork, road work, pavement work, drainage work, temporary anti-disaster work, related road work, related public water and sewage work etc.</p>
Construction Period	September 2013~December 2019

Building Business

Construction of Pal-System Kumagaya Center



Client : Palsystem Consumers' Co-operative Union

Construction Site	Saitama Prefecture
Purpose	Delivery Base, Cold Storage, Office
Outline	<p>Steel structure, 2 floors Site area : 30,000.07m² Building area : 12,569.07m² Total floor area : 20,951.45m²</p>
Construction Period	October 2017~March 2020

II

Results of FY2019-2020 and Forecasts for FY2020-2021

3. Forecasts for FY 2020-2021

Consolidated] Forecast of Financial Results

(Million Yen)

	FY 2019-2020	FY 2020-2021(Forecast)		
		Forecast	Changes	
			Amount	Percentage
Net Sales	118,529	130,000	11,471	9.7%
Gross Profit	20,126	18,850	(1,276)	(6.3%)
(Gross Profit Margin)	17.0%	14.5%	—	(2.5P)
Selling, general and administrative expenses	9,758	9,350	(408)	(4.2%)
Operating Profit	10,367	9,500	(867)	(8.4%)
(Operating Profit Margin)	8.7%	7.3%	—	(1.4P)
Ordinary Profit	9,783	9,300	(483)	(4.9%)
Profit Attributable to Owners of Parent	7,955	6,500	(1,455)	(18.3%)

[Consolidated] Forecast of Financial Results by Segment

(Million Yen)

		FY 2019-2020		FY 2020-2021 (Forecast)		Changes	
		Amount	Composition Ratio	Amount	Composition Ratio	Amount	Percentage
Net Sales	Civil Engineering Business	54,813	46.2%	58,000	44.6%	3,187	5.8%
	Building Business	60,893	51.4%	67,000	51.5%	6,107	10.0%
	Development Business	2,823	2.4%	5,000	3.9%	2,177	77.1%
	Total	118,529	100.0%	130,000	100.0%	11,471	9.7%
Selling, general and administrative expenses		9,758	—	9,350	—	(408)	(4.2%)
Operating Profit	Civil Engineering Business	8,138	78.5%	5,129	54.0%	(3,009)	(37.0%)
	Building Business	1,704	16.4%	3,542	37.3%	1,838	107.9%
	Development Business	554	5.3%	829	8.7%	275	49.6%
	Total	10,367	100.0%	9,500	100.0%	(867)	(8.4%)

※Elimination of intra-company transaction is reflected in the total of operating profit.

[Consolidated] Forecast of Orders and Project in Process (Civil Engineering & Building Business)

(Million Yen)

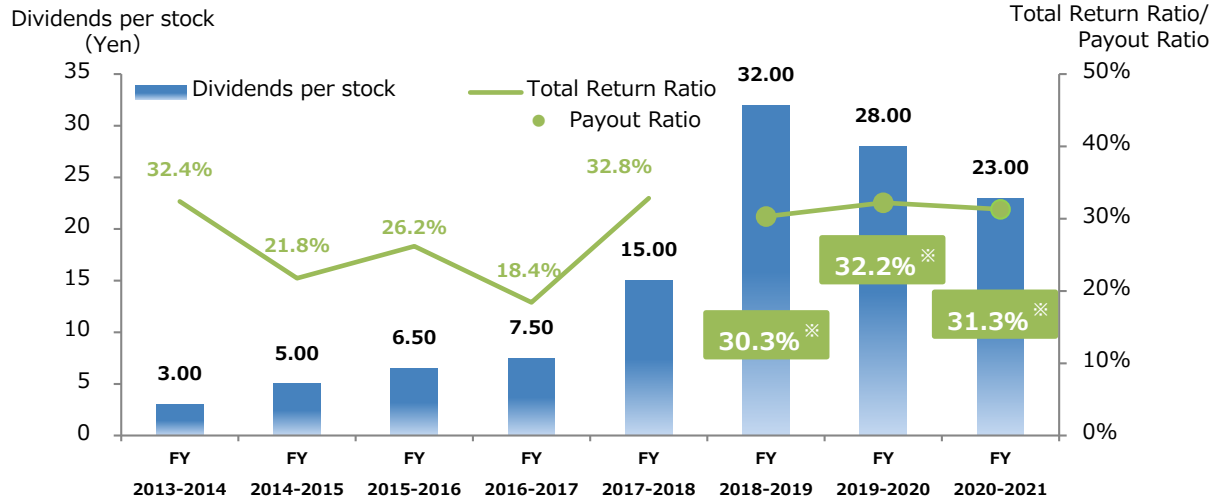
	FY 2020-2021 (Forecast)					
	Orders	Composition Ratio	Net Sales	Composition Ratio	Projects in Process	Composition Ratio
Civil Engineering Business	60,000	48.0%	58,000	46.4%	71,362	53.6%
Building Business	65,000	52.0%	67,000	53.6%	61,817	46.4%
Total	125,000	100.0%	125,000	100.0%	133,179	100.0%

[Non-Consolidated] Forecast of Orders (Civil Engineering & Building Business)

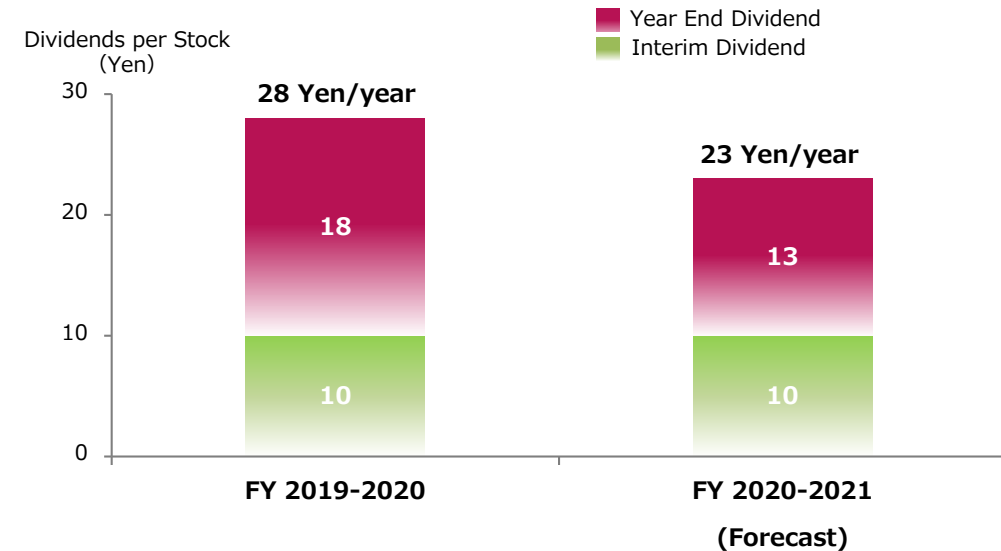
(Million Yen)

	FY 2019-2020	FY 2020-2021 (Forecast)		
		Forecast	Changes	
			Amount	Percentage
Orders	87,108	112,000	24,892	28.6%
Civil Engineering Business	38,397	50,000	11,603	30.2%
Domestic	38,397	50,000	11,603	30.2%
Overseas	—	—	—	—
Building Business	48,710	62,000	13,290	27.3%
Domestic	44,642	57,000	12,358	27.7%
Overseas	4,068	5,000	932	22.9%

Dividends per stock, Total Return Ratio, and Payout Ratio



Forecast of Dividends for FY 2020-2021



Dividend Policy

Aim for Pay Out Ratio 30%

- While maintaining a secure financial basis, we will provide continuous return to stakeholders.

About Interim Dividend

Carried out from FY 2019-2020

- To enrich chances of return to stakeholders, and for long term possession of stocks, we have introduced interim dividend from this fiscal year.

※ The payout ratio is calculated by dividing the total dividends by profit attributable to owners of parent (excluding special/extraordinary profit or loss such as asset transfers).

III

Actions Against Spread of the Novel Coronavirus (COVID-2019)

Actions Against Spread of the Novel Coronavirus(COVID-2019)	25
Actions at Construction Sites	26

Established Emergency Response Headquarters headed by the President

Continuing business activities with the highest priority placed on ensuring the safety of our customers, our employees and families

Took measures at an early stage such as telework, staggered work hours, and refraining business trips
(Selected as one of the Top Hundred Telework Pioneers)

Established remote business execution and conference management systems and maintaining smooth business operation

Continuing construction works with the utmost caution to prevent infection, while respecting the intention of our clients

Maintaining and sustaining a generally stable business environment with no employees and related people infected with the virus and limited impact on construction works

Continuing to respond to “the New Normal” and executing business activities

Policy

- Continuing business activities while respecting the intention of our clients

Major Actions

Check of body temperature and condition at morning gathering



Provide a wide space as possible at meetings



Infection control measures took at field office



IV

Progress of Mid-term Plan

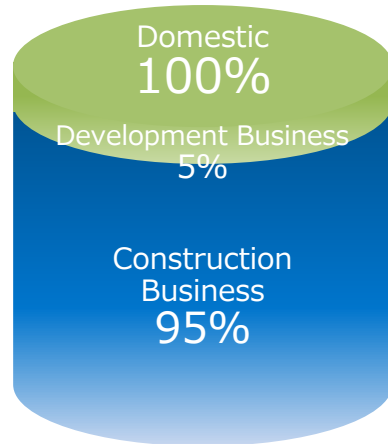
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Goals of Mid-term Plans

■ Mid-term Plan Move75 Phase I

Manage the scale of 1 billion yen for operation income at the end of Phase I
Change the composition ratio to construction business 70%, development business 30%

Component Ratio of Operation Income

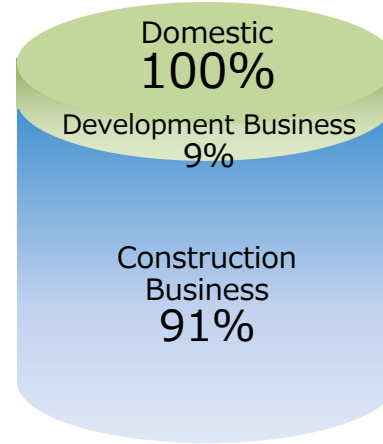


FY 2019-2020

98 Hundred Million Yen
(Forecast)

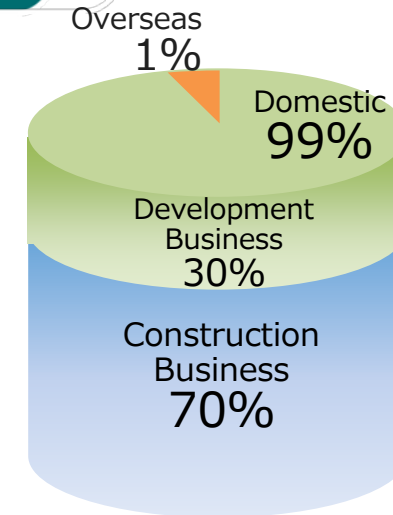
1.04 Billion Yen
(Result)

(Achievement Rate : 105.8%)



FY 2020-2021

95 Hundred Million Yen
(Forecast)



FY 2021-2022

1 Billion Yen
(Forecast)

Construction Related to Solar Power Plants

■ 4 Orders Received in the second half of the Fiscal Year (5 During the full Fiscal Year)

Due to the amended Feed-in Tariff (FIT) Act, it has become necessary to accelerate the commercialization of solar power generation business. Use of scraper has contributed to shortening the construction period. Therefore, We still have many inquiries due to the demand from solar power generation companies.



Scraper : Perform earthworks that usually require three types of heavy equipment: Backhoe, Dump Truck, and Bulldozer

■ Completion During FY 2019-2020 : 5 sites

Construction of K-SMFL Nobeoka Kadogawa Mega-Solar Park (Miyazaki Prefecture)



Capacity : 42.0MW
Earthwork Scale : 544,100m³
Completion : July 2019

Construction of Hunwha Solar Power Shin-Nishi-Hiroshima Power Plant (Hiroshima Prefecture)



Capacity : 25.4MW
Earthwork Scale : 1,100,000m³
Completion : October 2019

Rotary Crushing and Mixing Method (Twister Method)

Proposing use of the twister method in response to natural disasters, which frequently occur recently

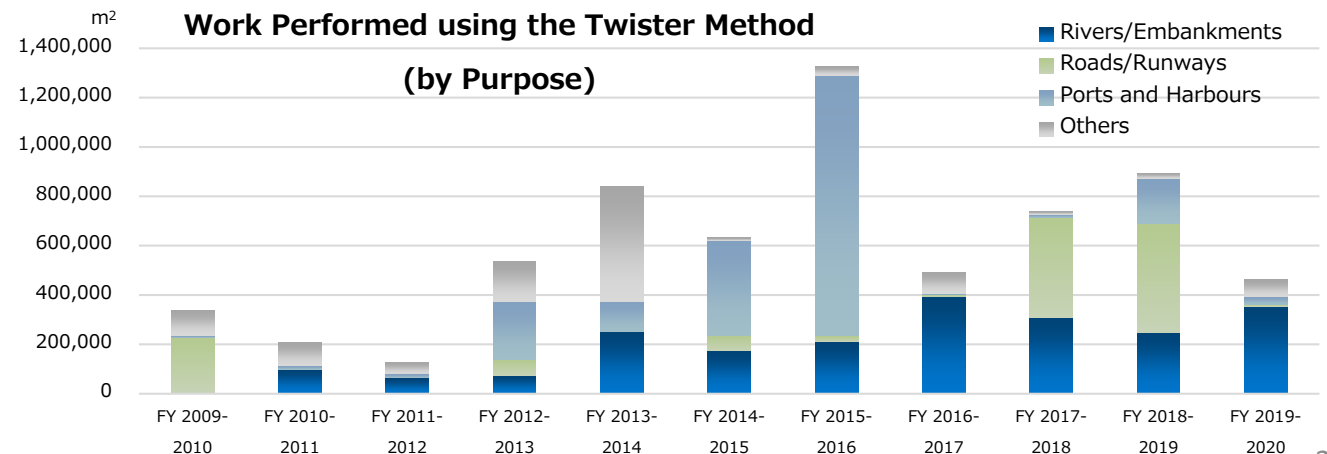
Disaster Countermeasure

Works to raise/widen embankment

Disaster Recovery

Works to separate rubbles and improve soil

- Promoting to encourage the use of the twister method through group companies and partner companies in local communities.
- The amount of work performed using the twister method during FY 2019-2020 was 51.7% of that in the previous fiscal year, but river and breakwater works increased 42.9% (106,370 m³).



Response to Increasing River Flood Disasters due to Global Warming/Climate Change

Fundamental Plan for
National Resilience

Three-year emergency
response plan

Budget for River Flood Control (2020) : **460 Billion Yen**

*Includes additional 160 billion Yen per year level provided through the emergency response plan

Emergency Flood
Control Project

: **Project Period of 5~10 years : Approximately 1 Trillion Yen**

*Three-year emergency response plan for disaster prevention, disaster mitigation, and building national resilience finalized at a Ministerial Meeting held in December 2018

Market Size for Improved Soil (River Projects)

Amount of Improved Soil Computed Based on Project Costs We Calculated: **Approximately 20 million m³/year**

The size of the market
→ **Approximately 40 Billion Yen/Year**

Capacity Estimated from Number of Machines
Owned by Other Companies etc.

Possibility of our market share
→ **40% or more**




- Applicable to cohesive soil with high moisture content
- Significantly increases the recycling rate of soil generated in construction works
- Contribute to CO2 reduction as there is no need to dispose remaining soil

- Support disaster recovery and countermeasures using the twister method
- Contribute to building national resilience by engaging in a series of construction works as a civil engineering business

Skyscrapers

FY 2019-2020		FY 2020-2021		FY 2021-2022	
<p>Construction of Hotel WBF Shin-Osaka (Osaka Prefecture)</p>  <p>Purpose : Hotel(404 rooms) Size : Steel Structure 32 floors Completion: December 2019</p>	<p>Construction of Ginza A,B District (Aichi Prefecture)</p>  <p>Purpose : Condominium (82 rooms) Size : RC Structure 28 floors Completion: March 2020</p>	<p>Izumisano City Rinku-Orai-North Plan (Osaka Prefecture)</p>  <p>Purpose : Hotel(700 rooms) Size : Steel Structure 22 floors Completion : July 2020</p>	<p>Construction of Kouzu Project (Osaka Prefecture)</p>  <p>Purpose : Condominium (220 rooms) Size : RC Structure 30floors Completion : November 2020</p>	<p>Construction of Montre-Kashiihama Surf-Tower Center-Court (Fukuoka Prefecture)</p>  <p>Purpose : Condominium (588 rooms) Size : RC Structure 32 floors Completion : February 2021</p>	<p>Construction of Crevia-Tower Midousuji-Hommachi (Osaka Prefecture)</p>  <p>Purpose : Condominium (170 rooms) Size : RC Structure 30 floors Completion : February 2022</p>

Large-Sized Logistic Facilities

<p>Construction of Pal-System Kumagaya Center</p>  <p>Purpose : Delivery Center Size : Steel Structure 2 floors Total floor area : 20,951㎡ Completion : March 2020</p>	<p>Construction of Landport Atsugi-Aikawamachi (JDC Development Business)</p>  <p>Purpose : Multi Tenant type Logistic Facility Size : Steel Structure 6 floors Total Floor Area : 95,572㎡ Completion : March 2020</p>	<p>Construction of DPL Tsukuba-Yatabe</p>  <p>Purpose : Warehouse Size : Steel Structure 2 floors Total Floor Area : 41,293㎡ Completion : June 2021</p>
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**Plans of Development through Land Readjustment Projects
→Corporation with Development Business**

Real Estate Business

Azu Shinagawa

Place : Shinagawa Ward, Tokyo
 Purpose : Office
 Acquisition Cost :
 17 Hundred Million Yen
 Obtained : November 2019
 Earning (estimated) :
 1.0 Hundred Million Yen/Year

L-Place Nishi-Kasai

Place : Edogawa Ward, Tokyo
 Purpose : Dormitory
 Acquisition cost :
 8.9 Hundred Million Yen
 Obtained : March 2020
 Earning (estimated) :
 0.7Hundred Million Yen/Year

Road to Operation Profit of 30 Hundred Million Yen at Last Year of Mid-term Plan

Landport Atsugi-Aikawamachi (Operation Started from March 2020)



Total Development Cost :
 Approximately 1.7 Billion Yen
 Completion : March 13, 2020
 Earning(estimated) :
 3 Hundred Million Yen/Year

Assertive Investment Against Profitable Properties

Plans of Development through Land Readjustment Projects

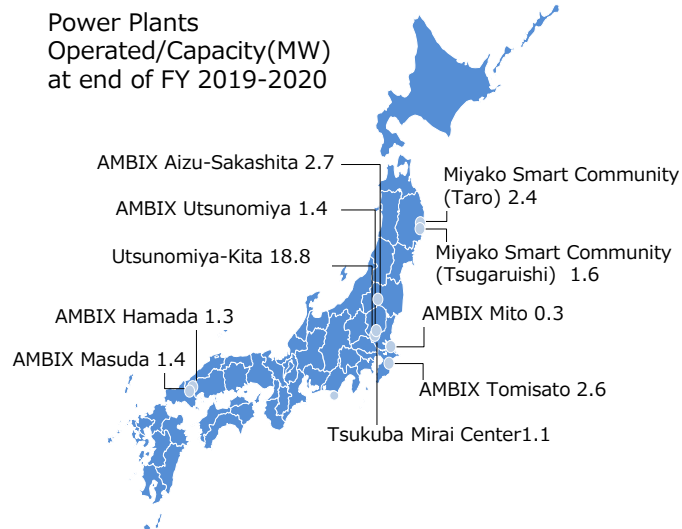
FY 2019-2020

FY 2020-2021

FY2021-2022

Renewable Energy Business

Power Plants
 Operated/Capacity(MW)
 at end of FY 2019-2020



Matsushima-Donguri Solar Power Plant (Miyagi Prefecture)



Capacity : 50.4 MW
 Start of Selling Electricity : Autumn of 2020
 Earning (Scheduled) :
 20 Hundred Million Yen/Year

New Solar Power Plant Project (Miyazaki Prefecture)

Capacity : 12.6MW (Scheduled)
 Start of Selling Electricity : Summer of 2022 (Scheduled)
 Earning (Estimated) : 4 Hundred Million Yen/Year

After Operation of Matsushima-Donguri Solar Power Plant (Autumn of 2020)
 Total **84.0MW** (Scheduled)
 (11 Power Plants)

After Operation of Miyazaki Prefecture Project (Summer of 2020)
 Total **96.6MW** (Scheduled)
 (12 Power Plants)

Contribution to Land Readjustment Projects Through Corporation of Each Business

Civil Engineering Business

- Recognized for its large-scale site preparation works utilizing machinery



Building Business

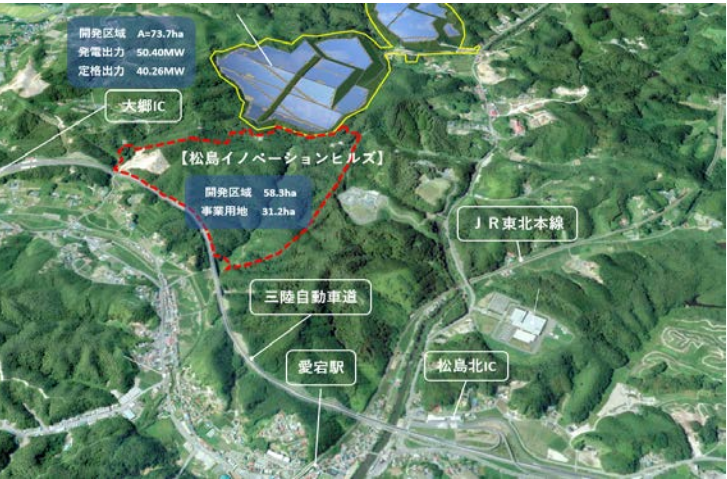
- Provides construction technologies based on experience in construction of logistics facilities, factories, etc.



Development Business

- Accumulated know-how in real estate development, mega-solar business, etc.
- Able to support from planning to operation

Matsushima Innovation Hills (Miyagi Prefecture)



Promoting Land Readjustment Projects at Matsushima Innovation Hills (70ha)

In prior, Matsushima solar power generation business will start from autumn 2020

*Matsushima Town webpage ("Information to attract companies")

Kashiwa City Kashiwa Interchange West Land Readjustment Project (Chiba Prefecture)



Received order as the construction agent for site preparation works with a construction area of 30.4 ha

By uniting civil engineering works and building construction works, it is possible to shorten construction period and reduce construction costs

*Kashiwa City webpage ("About Kashiwa City Kashiwa Interchange West Land Readjustment Project")

Workstyle Reform and Health Management

- Advancing work style reform with the aim of fully implementing a five-day workweek at construction sites
- Promoting productivity improvement with a focus on construction sites
(Annual overtime target of 720 hours: In FY 2021-2022)

■ Results During the Second Half of the Fiscal Year

Selected under the “2020 Health & Productivity Stock Selection Program”



On March 2, 2020, we were selected as the only company in the construction sector under the “2020 Health & Productivity Stock Selection Program”. Under the program, the Ministry of Economy, Trade and Industry and Tokyo Stock Exchange, Inc. have jointly selected companies that focus on and strategically carry out efforts regarding their employees’ health from a management perspective since FY2014.

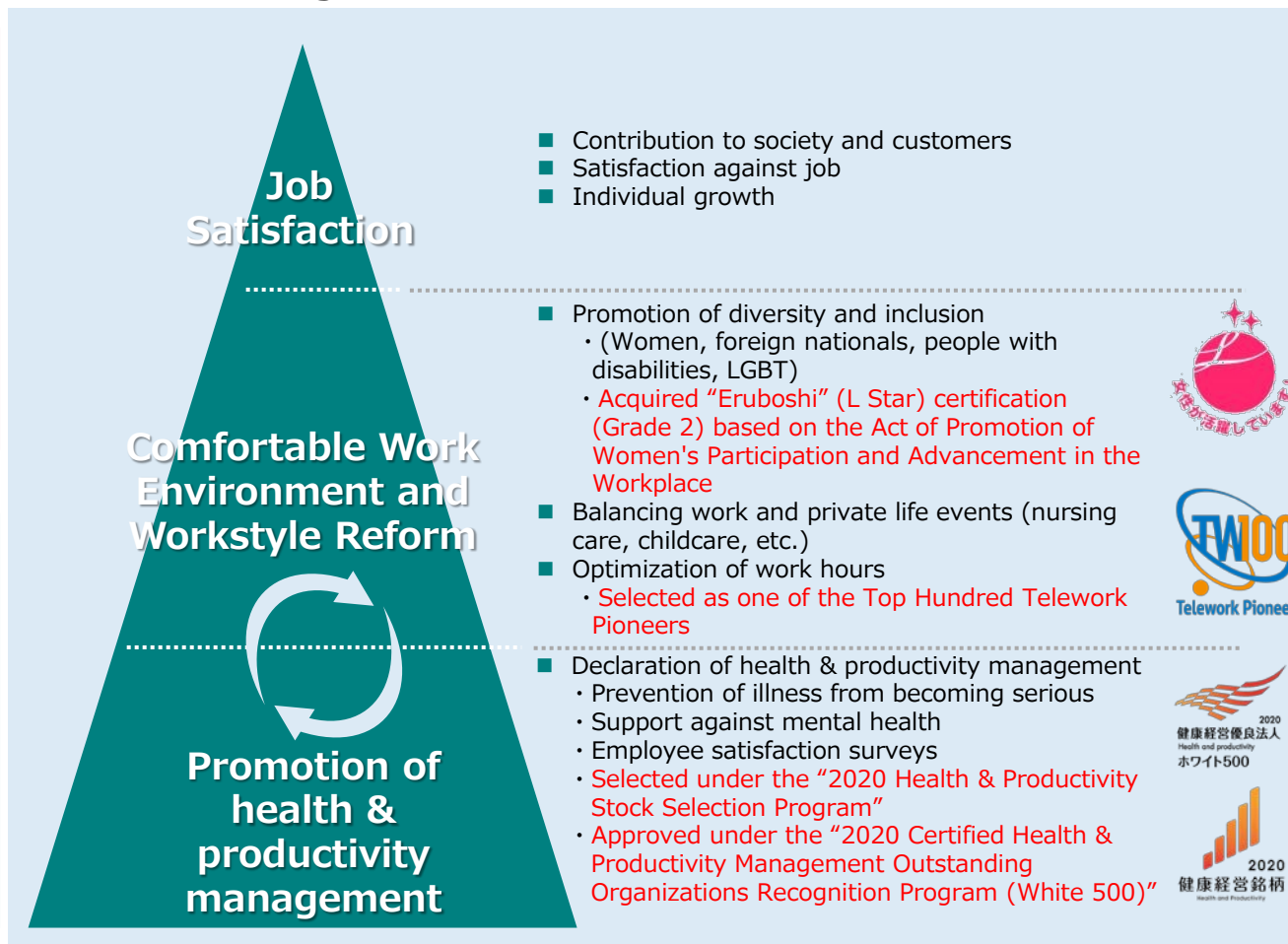
*Selection under the “2020 Health & Productivity Stock Selection Program”: 40 companies selected from 964 applicants

Approved under the “2020 Certified Health & Productivity Management Outstanding Organizations Recognition Program (White 500)”



In addition, we were also approved under the “2020 Certified Health & Productivity Management Outstanding Organizations Recognition Program (White 500)”. Under the program, the Ministry of Economy, Trade and Industry approves outstanding enterprises engaging in efforts for health and productivity management based on their initiatives for overcoming health-related challenges in communities or for promoting health-conscious activities led by the “Nippon Kenko Kaigi”. “White 500” refers to the top 500 enterprises selected in the large enterprise category.

■ Actions During the Full Year



[Reference] Workstyle Reform and Health Management

NIKEI Smart Work
健康経営で強くなる

「健康経営優良法人」
認定数は昨年比約2倍



経済産業省
商務・サービス部 健康経営
部長 藤木 俊光氏

本特集はテレビ会議システムを活用して対談を実施いたしました。
企画・制作：日本経済新聞社・イベント・企画ユニット 広告

Special
オンライン対談

自らCHOに就任
トップダウンで推進



日本国土開発
代表取締役社長 朝倉 健夫氏

従業員の健康維持を 実践 注目の健康経営



健康経営を推進する上で、従業員の健康維持は重要な課題の一つです。本特集では、健康経営の推進に貢献している企業と、その取り組みについて対談しました。

健康経営とは、従業員の健康を維持・向上させることで、企業の生産性を高め、持続可能な成長を実現することです。本特集では、健康経営の推進に貢献している企業と、その取り組みについて対談しました。

健康経営の推進には、従業員の健康を維持・向上させることが重要です。本特集では、健康経営の推進に貢献している企業と、その取り組みについて対談しました。

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つくば東センター



MOVE EARTH. MOVE EVERYTHING.
日本国土開発 株式会社 <https://www.n-kokudo.co.jp/>

A conference between our president Takeo Asakura, and Director-General for Commerce and Service Industry Policy of the Ministry of Economy, Trade and Industry, Mr. Toshimitsu Fujiki about the principle of the two programs and our measures was published in the Nihon Keizai Shimbun.

■ Environment (E)

Goals for continued promotion of SDGs through solar power generation business

(to improve Japan's low energy self-sufficiency and reduce CO2 emissions to contribute to the global environment)

Solar Power Plants	FY 2019-2020		FY 2021-2022(Goal)		FY 2022-2023(Goal)	
	Amount of electricity generated (converted to number of general households) *1	Amount of CO2 reduction (t/year) *2	Amount of electricity generated (converted to number of general households) *1	Amount of CO2 reduction (t/year) *2	Amount of electricity generated (converted to number of general households) *1	Amount of CO2 reduction (t/year) *2
Number of Power Plants	10 Places (33.6MW)		11 Places (80.4MW)		12 Places (96.6MW)	
Total	12,680	20,294	19,000	30,000	31,000	49,000

*1 Calculated based on electricity consumption per general household of 3,000 kWh/year

*2 Calculated based on the Industry's Self-regulated Rules for Labeling established by Japan Photovoltaic Energy Association

Fukushima Ecocrete Co., Ltd. (Group company)

- Recycling coal ash generated in Fukushima Prefecture as part of the reconstruction project
- Utilizing the material for reconstruction and contributing to job creation

Rotary crushing and mixing method (Twister Method)

- Significantly increases the recycling rate of the soil generated in construction works
- Contribute to CO2 reduction as there is no need to dispose of remaining soil

■ Social (S)

May 2019
Acquired "Eruboshi"
(L Star) certification
(Grade 2)



November 2019
Selected as one of
the Top Hundred
Telework Pioneers



March 2020

- Selected under the "2020 Health & Productivity Stock Selection Program"
- Approved under the "2020 Certified Health & Productivity Management Outstanding Organizations Recognition Program (White 500)"



■ Governance (G)

Enhancement of Information Disclosure

- Commenced distributing a video clip of the financial results briefing session
- Disclosure of financial statements in English

Establishment of advisory committee

- Preparing to establish a voluntary nomination and compensation committee

【Disclaimer】

Regarding information on the properties of this material, it is based on judgment obtained from information available at the presentation date of this material.

Please be aware that actual information can result in different results depending on various factors.

〈Contacts〉



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Project Management Group

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日本国土開発株式会社は2019年3月5日、東証第一部に上場いたしました。

