

Tokyo, July 31, 2020

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 Shares Listed: First section of the Tokyo Stock Exchange and Nagoya Stock Exchange
 Stock Code: 1803
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Announcement of Operating Results Forecast and Dividends Forecast

Shimizu Corporation (hereinafter the "Corporation") hereby announces its consolidated and non-consolidated operating results forecasts and dividends forecast for the fiscal year ending March 31, 2021 which were yet to be determined when the "Consolidated Financial Report For the year ended March 31, 2020" was announced on May 25, 2020.

1. (1) Forecast of Consolidated Results of Operations for the fiscal year ending March 2021 (From April 1, 2020 to March 31, 2021)

(Millions of Yen unless otherwise indicated)

| | Net Sales | Operating Income | Ordinary Income | Net Income attributable to shareholders of the Corporation | Net Income per share (Yen) |
|-----------------------------------------------------|-----------|------------------|-----------------|------------------------------------------------------------|----------------------------|
| Previous forecast (A) | - | - | - | - | - |
| Revised forecast (B) | 1,485,000 | 82,500 | 84,000 | 61,000 | 79.96 |
| Change (B) – (A) | - | - | - | - | |
| Change rate (%) | - | - | - | - | |
| (Reference) Results Fiscal year ended March 2020 | 1,698,292 | 133,894 | 137,986 | 98,977 | 128.31 |

(2) Forecast of Nonconsolidated Results of Operations for the fiscal year ending March 2021 (From April 1, 2020 to March 31, 2021)

(Millions of Yen unless otherwise indicated)

| | Net Sales | Operating Income | Ordinary Income | Net Income | Net Income per share (Yen) |
|-----------------------------------------------------|-----------|------------------|-----------------|------------|----------------------------|
| Previous forecast (A) | - | - | - | - | - |
| Revised forecast (B) | 1,275,000 | 71,000 | 76,500 | 57,500 | 75.24 |
| Change (B) – (A) | - | - | - | - | |
| Change rate (%) | - | - | - | - | |
| (Reference) Results Fiscal year ended March 2020 | 1,417,604 | 115,281 | 122,686 | 89,365 | 115.65 |

(3) Reasons for Disclosure

Given the global spread of COVID-19 and the difficulty to assess the impact on future performance, the Corporation did not disclose the forecast of operating results for the fiscal year ending March 31, 2021 in the "Consolidated Financial Report For the year ended March 31, 2020" disclosed on May 25, 2020. Although the economic environment surrounding the Corporation and its subsidiaries is yet uncertain

since the outbreak of COVID-19 has not yet ended, considering that domestic economic activities are gradually moving back to normal after the lifting of the state of emergency declaration by the government on May 25 and overseas operations have started resuming in areas where job sites were required to close, the Corporation hereby announces the forecast of operating results based on information available to the Corporation at this moment.

(4) Preconditions for Operating Results Forecasts

Since various domestic industries are affected by the outbreak of COVID-19 and domestic and international capital investments are decelerating due to the continuing global increase of confirmed cases, the construction market is expected to be extremely harsh until the end of the fiscal year. Under these circumstances, the Corporation forecasts its nonconsolidated orders to be 1,100 billions of Yen(year on year decrease of 7.9%). (Of which, 855 billions of Yen(year on year decrease of 5.8%) for Architectural Construction and 245 billions of Yen(year on year decrease of 14.6%) for Civil Engineering)

Although it remains difficult to predict when the outbreak of COVID-19 will end and that there is a possibility of another wide social regulation being declared due to a second or third wave of coronavirus infections, accounting estimates, such as the percentage-of-completion method, have been made on the assumption that the Corporation and its subsidiaries will proceed with its construction work, with intensive measures to prevent infections, in order to secure employment and maintain economic activity in the construction industry.

The actual operating results may vary considerably, depending on various factors such as the prospect of the COVID-19 outbreak, domestic and international capital investment trends, and at which point under what conditions overseas operations would resume, etc. If any event requiring disclosure should arise, it will be announced promptly.

2. Dividends Forecast

| | Dividends per share | | |
|----------------------------------------------|-----------------------------------------------------------------|------------------------------------------------------------------|------------------------------------------------------------------|
| | End of 2Q (Yen) | Year-End (Yen) | Total (Yen) |
| Previous forecast | - | - | - |
| Revised forecast | 12.00 (ordinary dividends 10.00) (special dividends 2.00) | 12.00 (ordinary dividends 10.00) (special dividends 2.00) | 24.00 (ordinary dividends 20.00) (special dividends 4.00) |
| Results (Fiscal year ended March 2020) | 18.00 (ordinary dividends 10.00) (special dividends 8.00) | 20.00 (ordinary dividends 10.00) (special dividends 10.00) | 38.00 (ordinary dividends 20.00) (special dividends 18.00) |

While the Corporation maintains a basic policy of strengthening its financial position to support long-term growth and maintaining stable dividends (ordinary dividends), the Mid-Term Management Plan <2019-2023> set a profit distribution policy to return profits earned through growth with a consolidated payout ratio target of 30%.

Based on this policy and the above mentioned forecast of operating results, dividends for the fiscal year ending March 2021 is forecasted 24Yen per share (consolidated payout ratio 30.0%), 20Yen as ordinary dividends and 4Yen as special dividends.

Disclaimer: This is an English translation of the original announcement made by the Corporation in Japanese at the Tokyo Stock Exchange on July 31, 2020. The translation is for reference purposes only. If and when there are any discrepancies between the original announcement and the English translation, the original announcement shall prevail.