



## Consolidated Financial Results for the Six Months Ended September 30, 2020 [Japanese GAAP]

October 23, 2020

Company name: Keihanshin Building Co., Ltd.  
 Stock exchange listing: Tokyo  
 Code number: 8818  
 URL: <http://www.keihanshin.co.jp/english/>  
 Representative: Koichi Minami, President  
 Contact: Toshiki Tabuchi, Operating Officer, General Manager (Accounting Dept)  
 Phone: 06-6202-7331  
 Scheduled date of filing quarterly securities report: October 30, 2020  
 Scheduled date of commencing dividend payments: December 04, 2020  
 Availability of supplementary briefing material on quarterly financial results: Yes  
 Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2020 (April 01, 2020 to September 30, 2020)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2020	7,654	(0.5)	2,986	5.6	2,919	5.7	2,575	7.7
September 30, 2019	7,695	4.2	2,828	4.2	2,760	5.4	2,391	8.4

(Note) Comprehensive income: Six months ended September 30, 2020: ¥ 5,267 million [ 180.7 %]  
 Six months ended September 30, 2019: ¥ 1,876 million [( 51.0) %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2020	49.56	49.38
September 30, 2019	45.40	45.25

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of September 30, 2020	141,715	68,845	48.5
March 31, 2020	136,605	64,377	47.0

(Reference) Equity: As of September 30, 2020: ¥ 68,725 million  
 As of March 31, 2020: ¥ 64,256 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2020	-	11.50	-	15.50	27.00
Fiscal year ending March 31, 2021	-	13.50			
Fiscal year ending March 31, 2021 (Forecast)			-	17.50	31.00

(Note) Revision to the forecast for dividends announced most recently: Yes

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021(April 01, 2020 to March 31, 2021)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	15,300	(0.1)	5,200	(4.0)	5,000	(4.1)	4,500	14.8	86.57

(Note) Revision to the financial results forecast announced most recently: Yes

### \* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2020

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2020: 52,184,498 shares

March 31, 2020: 52,882,298 shares

2) Total number of treasury shares at the end of the period:

September 30, 2020: 205,428 shares

March 31, 2020: 916,057 shares

3) Average number of shares during the period:

Six months ended September 30, 2020: 51,979,751 shares

Six months ended September 30, 2019: 52,682,896 shares

\*This summary is not subject to quarterly review procedures by a certified public accountant or audit firm.

\*Appropriate use of business forecasts; other special items

Information described in this document, such as projections, is prepared based on available information at the time of the release of this document and certain assumptions that the Company judged as rational. Actual results may be significantly different due to various factors.

## Quarterly Consolidated Financial Statements

## Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2020	As of September 30,2020
<b>Assets</b>		
Current assets		
Cash and deposits	13,205,088	13,987,709
Notes and accounts receivable - trade	408,750	347,041
Other	129,071	318,167
Total current assets	13,742,910	14,652,918
Non-current assets		
Property, plant and equipment		
Buildings and structures	67,041,896	66,400,453
Accumulated depreciation	(38,143,867)	(38,462,434)
Buildings and structures, net	28,898,029	27,938,019
Land	52,664,231	52,291,930
Buildings in trust	3,343,060	3,343,060
Accumulated depreciation	(1,250,372)	(1,334,351)
Buildings in trust, net	2,092,687	2,008,708
Land in trust	11,038,280	11,038,280
Construction in progress	12,614,237	14,378,694
Other	811,357	809,031
Accumulated depreciation	(658,187)	(671,056)
Other, net	153,170	137,975
Total property, plant and equipment	107,460,636	107,793,608
Intangible assets	116,323	112,580
Investments and other assets		
Investment securities	12,629,349	16,517,509
Other	2,655,894	2,638,541
Total investments and other assets	15,285,244	19,156,051
Total non-current assets	122,862,203	127,062,240
Total assets	136,605,113	141,715,158

(Thousand yen)

	As of March 31,2020	As of September 30,2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	8,356	-
Short-term borrowings	4,146,000	4,052,700
Income taxes payable	1,013,600	1,129,315
Provisions	32,972	39,838
Other	3,177,760	1,713,724
Total current liabilities	8,378,689	6,935,579
Non-current liabilities		
Bonds payable	40,000,000	40,000,000
Long-term borrowings	14,255,950	13,504,000
Retirement benefit liability	75,349	68,385
Asset retirement obligations	114,198	114,384
Other	9,403,170	12,246,946
Total non-current liabilities	63,848,668	65,933,717
Total liabilities	72,227,357	72,869,296
<b>Net assets</b>		
Shareholders' equity		
Share capital	9,827,611	9,827,611
Capital surplus	9,199,840	9,199,840
Retained earnings	45,281,222	45,964,537
Treasury shares	(1,200,452)	(269,467)
Total shareholders' equity	63,108,221	64,722,522
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,844,230	8,535,870
Revaluation reserve for land	(4,696,213)	(4,532,546)
Total accumulated other comprehensive income	1,148,016	4,003,323
Share acquisition rights	121,518	120,015
Total net assets	64,377,755	68,845,862
Total liabilities and net assets	136,605,113	141,715,158

## Quarterly Consolidated Statements of Income and Comprehensive Income

## Quarterly Consolidated Statements of Income (For the six months)

(Thousand yen)

	For the six months ended September 30,2019	For the six months ended September 30,2020
Net sales	7,695,161	7,654,858
Cost of sales	4,160,382	3,961,974
Gross profit	3,534,778	3,692,883
Selling, general and administrative expenses	706,051	706,871
Operating profit	2,828,726	2,986,012
Non-operating income		
Interest income	625	374
Dividend income	165,152	157,739
Other	5,114	6,694
Total non-operating income	170,893	164,808
Non-operating expenses		
Interest expenses	82,772	78,283
Interest on bonds	150,231	147,466
Other	5,703	5,674
Total non-operating expenses	238,706	231,424
Ordinary profit	2,760,913	2,919,396
Extraordinary income		
Gain on sales of non-current assets	-	803,567
Gain on sales of investment securities	696,084	-
Total extraordinary income	696,084	803,567
Extraordinary losses		
Loss on retirement of non-current assets	3,612	5,866
Total extraordinary losses	3,612	5,866
Profit before income taxes	3,453,385	3,717,097
Income taxes - current	1,067,269	1,072,007
Income taxes - deferred	(5,575)	69,096
Total income taxes	1,061,694	1,141,104
Profit	2,391,690	2,575,993
Profit attributable to owners of parent	2,391,690	2,575,993

## Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Thousand yen)

	For the six months ended September 30,2019	For the six months ended September 30,2020
Profit	2,391,690	2,575,993
Other comprehensive income		
Valuation difference on available-for-sale securities	(515,128)	2,691,640
Total other comprehensive income	(515,128)	2,691,640
Comprehensive income	1,876,561	5,267,633
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,876,561	5,267,633
Comprehensive income attributable to non-controlling interests	-	-

## Quarterly Consolidated Statements of Cash Flows

(Thousand yen)

	For the six months ended September 30,2019	For the six months ended September 30,2020
<b>Cash flows from operating activities</b>		
Profit before income taxes	3,453,385	3,717,097
Depreciation	1,091,622	1,100,031
Share-based remuneration expenses	17,517	18,256
Increase (decrease) in retirement benefit liability	4,365	(6,964)
Increase (decrease) in provision for bonuses	3,582	6,866
Interest and dividend income	(165,778)	(158,113)
Interest expenses	82,772	78,283
Interest expenses on bonds	150,231	147,466
Loss (gain) on sales of investment securities	(696,084)	-
Loss (gain) on sales of property, plant and equipment	-	(803,567)
Loss on retirement of property, plant and equipment	3,612	5,866
Decrease (increase) in trade receivables	(28,800)	(94,593)
Increase (decrease) in trade payables	84,686	1,368,642
Increase (decrease) in accrued consumption taxes	151,292	187,511
Other, net	4,963	4,186
Subtotal	4,157,368	5,570,969
Interest and dividends received	165,778	158,113
Interest paid	(232,393)	(226,919)
Income taxes paid	(960,703)	(960,502)
Net cash provided by (used in) operating activities	3,130,049	4,541,661
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(9,483,482)	(3,334,487)
Proceeds from sales of property, plant and equipment	-	1,269,467
Purchase of intangible assets	(47,000)	(5,833)
Proceeds from sales of investment securities	784,490	-
Other, net	-	1,555
Net cash provided by (used in) investing activities	(8,745,992)	(2,069,298)
<b>Cash flows from financing activities</b>		
Proceeds from long-term borrowings	5,000,000	-
Repayments of long-term borrowings	(1,414,050)	(845,250)
Purchase of treasury shares	(46,092)	(39,801)
Dividends paid	(684,035)	(804,705)
Other, net	15	15
Net cash provided by (used in) financing activities	2,855,837	(1,689,741)
Net increase (decrease) in cash and cash equivalents	(2,760,105)	782,620
Cash and cash equivalents at beginning of period	15,918,547	13,205,088
Cash and cash equivalents at end of period	13,158,441	13,987,709