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Consolidated Financial Results for the Nine Months Ended December 31, 2020 [Japanese GAAP]

January 26, 2021

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: Toshiaki Tabuchi, Operating Officer, General Manager (Accounting Dept)
 Phone: 06-6202-7331
 Scheduled date of filing quarterly securities report: January 29, 2021
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: No
 Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the Nine Months Ended December 31, 2020 (April 01, 2020 to December 31, 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	%
Nine months ended December 31, 2020	11,481	0.1	4,140	(1.5)	4,046	(1.6)	4,000	22.2
December 31, 2019	11,465	3.3	4,201	4.7	4,112	5.9	3,274	5.7

(Note) Comprehensive income: Nine months ended December 31, 2020: ¥ 7,350 million [107.8%]
 Nine months ended December 31, 2019: ¥ 3,538 million [29.0%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2020	76.97	76.70
December 31, 2019	62.20	61.99

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of December 31, 2020	155,244	70,227	45.2
March 31, 2020	136,605	64,377	47.0

(Reference) Equity: As of December 31, 2020: ¥ 70,107 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: No

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: No

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 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):

December 31, 2020: 52,184,498 shares

March 31, 2020: 52,882,298 shares

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

December 31, 2020: 205,665 shares

March 31, 2020: 916,057 shares

3) Average number of shares during the period:

Nine months ended December 31, 2020: 51,979,509 shares

Nine months ended December 31, 2019: 52,640,544 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 December 31,2020
Assets		
Current assets		
Cash and deposits	13,205,088	17,532,583
Notes and accounts receivable - trade	408,750	330,304
Other	129,071	256,550
Total current assets	13,742,910	18,119,439
Non-current assets		
Property, plant and equipment		
Buildings and structures	67,041,896	70,322,874
Accumulated depreciation	(38,143,867)	(38,895,403)
Buildings and structures, net	28,898,029	31,427,470
Land	52,664,231	52,424,697
Buildings in trust	3,343,060	3,343,060
Accumulated depreciation	(1,250,372)	(1,376,341)
Buildings in trust, net	2,092,687	1,966,718
Land in trust	11,038,280	11,038,280
Construction in progress	12,614,237	19,865,470
Other	811,357	927,498
Accumulated depreciation	(658,187)	(679,004)
Other, net	153,170	248,493
Total property, plant and equipment	107,460,636	116,971,131
Intangible assets	116,323	108,611
Investments and other assets		
Investment securities	12,629,349	17,404,123
Other	2,655,894	2,641,594
Total investments and other assets	15,285,244	20,045,717
Total non-current assets	122,862,203	137,125,461
Total assets	136,605,113	155,244,901

(Thousand yen)

	As of March 31,2020	As of December 31,2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,356	-
Short-term borrowings	4,146,000	4,371,550
Income taxes payable	1,013,600	900,622
Provisions	32,972	-
Other	3,177,760	3,661,364
Total current liabilities	8,378,689	8,933,537
Non-current liabilities		
Bonds payable	40,000,000	45,000,000
Long-term borrowings	14,255,950	17,777,625
Retirement benefit liability	75,349	69,201
Asset retirement obligations	114,198	114,477
Other	9,403,170	13,123,035
Total non-current liabilities	63,848,668	76,084,339
Total liabilities	72,227,357	85,017,876
Net assets		
Shareholders' equity		
Share capital	9,827,611	9,827,611
Capital surplus	9,199,840	9,199,840
Retained earnings	45,281,222	46,687,738
Treasury shares	(1,200,452)	(269,926)
Total shareholders' equity	63,108,221	65,445,263
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,844,230	9,194,291
Revaluation reserve for land	(4,696,213)	(4,532,546)
Total accumulated other comprehensive income	1,148,016	4,661,744
Share acquisition rights	121,518	120,015
Total net assets	64,377,755	70,227,024
Total liabilities and net assets	136,605,113	155,244,901

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Thousand yen)

	For the nine months ended December 31, 2019	For the nine months ended December 31, 2020
Net sales	11,465,221	11,481,178
Cost of sales	6,221,198	6,227,114
Gross profit	5,244,023	5,254,063
Selling, general and administrative expenses	1,042,547	1,113,699
Operating profit	4,201,475	4,140,363
Non-operating income		
Interest income	872	418
Dividend income	295,585	284,887
Other	7,154	8,952
Total non-operating income	303,612	294,257
Non-operating expenses		
Interest expenses	124,304	121,237
Interest on bonds	224,153	225,004
Bond issuance costs	35,720	33,220
Other	8,846	8,546
Total non-operating expenses	393,024	388,008
Ordinary profit	4,112,062	4,046,613
Extraordinary income		
Gain on sales of non-current assets	1,833	803,567
Gain on sales of investment securities	696,084	924,525
Total extraordinary income	697,917	1,728,092
Extraordinary losses		
Loss on retirement of non-current assets	3,846	9,605
Loss on valuation of investment securities	60,370	-
Total extraordinary losses	64,217	9,605
Profit before income taxes	4,745,762	5,765,100
Income taxes - current	1,433,621	1,699,506
Income taxes - deferred	38,039	64,682
Total income taxes	1,471,661	1,764,189
Profit	3,274,101	4,000,911
Profit attributable to owners of parent	3,274,101	4,000,911

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Thousand yen)

	For the nine months ended December 31,2019	For the nine months ended December 31,2020
Profit	3,274,101	4,000,911
Other comprehensive income		
Valuation difference on available-for-sale securities	264,259	3,350,061
Total other comprehensive income	264,259	3,350,061
Comprehensive income	3,538,360	7,350,972
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,538,360	7,350,972
Comprehensive income attributable to non-controlling interests	-	-