

Summary of Consolidated Financial Results
For the Nine Months Ended December 31, 2017
(Based on Japanese GAAP)

January 31, 2018

Company name: Keihanshin Building Co., Ltd.
 Stock listing: First section of Tokyo Stock Exchange
 Stock code: 8818
 URL: <http://www.keihanshin.co.jp/english/>
 Representative: Koichi Minami, President
 Date of release of quarterly securities report : February 2, 2018
 Starting date of dividend payments : —
 Preparation of explanatory materials for quarterly financial results: No
 Information meetings arranged related to quarterly financial results: No

(Yen in millions, rounded down)

1.Consolidated Financial Results for the Nine Months Ended December 31, 2017 (April 1,2017- December 31, 2017)

(1) Consolidated Operating Results (% figures denote year-on-year changes)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
3Q Fiscal 2017	11,073	3.0	3,949	3.9	3,799	3.5	2,719	6.8
3Q Fiscal 2016	10,749	Δ 4.2	3,800	Δ 2.1	3,671	0.2	2,547	Δ 21.7

Note: Comprehensive Income: December 31, 2017: 4,526 millions of yen(3.7%) December 31, 2016: 4,364 millions of yen (12.4 %)

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
3Q Fiscal 2017	50.49	50.39
3Q Fiscal 2016	47.22	47.20

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Millions of yen	Millions of yen	%
3Q Fiscal 2017	124,220	62,430	50.2
Fiscal 2016	113,204	58,862	52.0

Reference: Shareholders' Equity: December 31, 2017: 62,372 millions of yen March 31, 2017: 58,835 millions of yen

2.Dividends

	Dividends per Share				
	1Q	2Q	3Q	4Q	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2016	—	8.00	—	9.00	17.00
Fiscal 2017	—	8.50	—		
Fiscal 2017 (Forecast)				9.50	18.00

Note: Changes from the latest released dividend forecasts:No

3. Forecast for the Year Ending March 31, 2018 (April 1,2017 - March 31, 2018)

(% figures denote year-on-year changes)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	14,700	2.2	5,100	2.6	4,800	1.3	3,300	0.8	61.31

Note: Changes from the latest released performance forecasts: No

4. Notes

(1) Significant changes among subsidiaries during this period: No

(Transfer of specific subsidiaries accompanying the change of scope of consolidation)

(2) Application of specified accounting treatment: No

(3) Changes in accounting policies, changes in accounting estimates, and restatements

(i) Changes in accounting policies based on revisions of accounting standards: No

(ii) Changes in accounting policies other than (i): No

(iii) Changes in accounting estimates: No

(iv) Restatements: No

(4) Number of outstanding shares (common stocks)

(i) Number of shares outstanding at the end of the period (including treasury stocks)

3Q Fiscal 2017	53,998,798 shares	Fiscal 2016	53,998,798 shares
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(ii) Number of treasury stock at the end of the period

3Q Fiscal 2017	170,556 shares	Fiscal 2016	103,609 shares
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(iii) Average number of shares during the period (cumulative figure for consolidated quarterly accounting period)

3Q Fiscal 2017	53,865,564 shares	3Q Fiscal 2016	53,939,383 shares
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* This summary is not subject to quarterly review procedures.

* 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.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

	Previous Fiscal Year (As of Mar. 31, 2017)	3Q of Current Fiscal Year (As of Dec. 31, 2017)
Assets		
Current assets		
Cash and deposits	7,202,140	6,189,268
Notes and accounts receivable - trade	284,857	279,282
Other	190,140	255,634
Total current assets	7,677,138	6,724,186
Non-current assets		
Property, plant and equipment		
Buildings and structures	66,708,773	66,989,785
Accumulated depreciation	(33,963,858)	(35,438,959)
Buildings and structures, net	32,744,914	31,550,826
Land	42,093,985	52,666,594
Buildings in trust	3,412,201	3,353,264
Accumulated depreciation	(691,486)	(848,821)
Buildings in trust, net	2,720,715	2,504,442
Land in trust	11,038,280	11,038,280
Construction in progress	6,600	141,460
Other	711,530	727,555
Accumulated depreciation	(604,857)	(625,017)
Other, net	106,673	102,538
Total property, plant and equipment	88,711,169	98,004,141
Intangible assets	47,182	35,216
Investments and other assets		
Investment securities	14,123,968	16,812,714
Other	2,644,659	2,644,441
Total investments and other assets	16,768,628	19,457,156
Total non-current assets	105,526,980	117,496,514
Total assets	113,204,119	124,220,701

(Thousands of yen)

	Previous Fiscal Year (As of Mar. 31, 2017)	3Q of Current Fiscal Year (As of Dec. 31, 2017)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	63,634	23,663
Current portion of bonds	5,000,000	5,000,000
Short-term loans payable	5,198,300	5,062,800
Income taxes payable	442,015	507,758
Provision	31,285	—
Other	1,470,852	1,995,808
Total current liabilities	12,206,087	12,590,030
Non-current liabilities		
Bonds payable	20,000,000	25,000,000
Long-term loans payable	12,760,050	13,824,200
Net defined benefit liability	55,118	61,040
Asset retirement obligations	113,088	113,365
Other	9,206,927	10,201,198
Total non-current liabilities	42,135,184	49,199,804
Total liabilities	54,341,272	61,789,834
Net assets		
Shareholders' equity		
Capital stock	9,827,611	9,827,611
Capital surplus	9,786,466	9,786,472
Retained earnings	37,544,827	39,321,936
Treasury shares	(50,173)	(97,157)
Total shareholders' equity	57,108,732	58,838,863
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,564,951	8,371,999
Revaluation reserve for land	(4,838,422)	(4,838,422)
Total accumulated other comprehensive income	1,726,528	3,533,577
Subscription rights to shares	27,586	58,426
Total net assets	58,862,846	62,430,866
Total liabilities and net assets	113,204,119	124,220,701

(2) Consolidated Statements of Income

(Thousands of yen)

	3Q of Previous Fiscal Year (As of Dec. 31, 2016)	3Q of Current Fiscal Year (As of Dec. 31, 2017)
Net sales	10,749,408	11,073,761
Cost of sales	5,986,289	6,189,970
Gross profit	4,763,119	4,883,791
Selling, general and administrative expenses	962,365	934,220
Operating profit	3,800,753	3,949,571
Non-operating income		
Interest income	1,226	244
Dividend income	234,915	261,860
Other	16,225	8,556
Total non-operating income	252,367	270,661
Non-operating expenses		
Interest expenses	155,997	153,691
Interest on bonds	185,932	196,004
Bond issuance cost	33,220	63,940
Other	6,098	6,882
Total non-operating expenses	381,248	420,519
Ordinary profit	3,671,872	3,799,712
Extraordinary income		
Gain on sales of non-current assets	1,222	—
Gain on sales of investment securities	0	124,032
Compensation income	37,714	—
Other	391	—
Total extraordinary income	39,329	124,032
Extraordinary losses		
Loss on retirement of non-current assets	1,759	10,433
Cotribution for facilities relocation	31,300	—
Total extraordinary losses	33,059	10,433
Profit before income taxes	3,678,142	3,913,311
Income taxes - current	957,560	1,169,838
Income taxes - deferred	173,309	23,765
Total income taxes	1,130,869	1,193,604
Profit	2,547,272	2,719,707
Profit attributable to owners of parent	2,547,272	2,719,707