

May 10, 2019

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2019

[Japanese GAAP]

Company name: KI-STAR REAL ESTATE CO., LTD.

Listing: Tokyo Stock Exchange, First Section

Securities code: 3465

URL: <http://www.ki-group.co.jp/>

Representative: Keiji Hanawa, President and CEO

Contact: Osamu Matsuzawa, Executive Officer, General Manager of Administration Division

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Scheduled date of Annual General Meeting of Shareholders: June 25, 2019

Scheduled date of filing of Annual Securities Report: June 25, 2019

Scheduled date of payment of dividend: June 26, 2019

Preparation of supplementary materials for financial results: Yes

Holding of financial results meeting: Yes (for institutional investors and analysts)

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2019 (April 1, 2018 – March 31, 2019)

(1) Consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2019	103,118	60.9	5,951	12.3	5,770	9.2	3,461	2.0
Fiscal year ended Mar. 31, 2018	64,107	25.1	5,298	28.2	5,283	32.2	3,393	17.3

Note: Comprehensive income (million yen) Fiscal year ended Mar. 31, 2019: 3,837 (up 6.7%)
Fiscal year ended Mar. 31, 2018: 3,596 (up 20.8%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit on total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2019	243.88	-	24.0	8.2	5.8
Fiscal year ended Mar. 31, 2018	238.87	-	27.5	10.9	8.3

Reference: Equity in earnings of affiliates (million yen) Fiscal year ended Mar. 31, 2019: 2
Fiscal year ended Mar. 31, 2018: (5)

Notes: 1. Diluted net income per share for the fiscal year ended March 31, 2019 is not presented because there was no potential shares with dilutive effects. Diluted net income per share for the fiscal year ended March 31, 2018 is not presented because dilutive shares do not exist.

2. KI-STAR REAL ESTATE CO., LTD. ("the Company") has established a performance-linked stock compensation plan for directors in the previous fiscal year. The Company's shares for this plan held by the trust are recorded as treasury shares in the consolidated balance sheet and included in treasury shares for calculating the average number of shares during the period for determining net income per share.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2019	81,416	17,079	19.2	1,100.60
As of Mar. 31, 2018	60,058	13,856	22.1	936.02

Reference: Shareholders' equity (million yen) As of Mar. 31, 2019: 15,618 As of Mar. 31, 2018: 13,283

Note: The Company has established a performance-linked stock compensation plan for directors in the previous fiscal year. The Company's shares for this plan held by the trust are recorded as treasury shares in the consolidated balance sheet.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Mar. 31, 2019	709	(309)	5,242	13,714
Fiscal year ended Mar. 31, 2018	(15,779)	491	15,886	8,071

2. Dividends

	Dividend per share					Total dividends	Payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Mar. 31, 2018	-	35.00	-	36.00	71.00	1,010	29.7	8.2
Fiscal year ended Mar. 31, 2019	-	42.00	-	42.00	84.00	1,195	34.0	8.2
Fiscal year ending Mar. 31, 2020 (forecasts)	-	42.00	-	42.00	84.00		31.4	

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2020 (April 1, 2019 – March 31, 2020)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	118,000	14.4	6,400	7.5	6,100	5.7	3,800	9.8	267.77

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in the scope of consolidation): None

Newly added: -

Excluded: -

(2) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(3) Number of issued shares (common shares)

1) Number of shares issued at the end of the period (including treasury shares)

As of Mar. 31, 2019: 14,232,500 shares As of Mar. 31, 2018: 14,232,500 shares

2) Number of treasury shares at the end of the period

As of Mar. 31, 2019: 41,344 shares As of Mar. 31, 2018: 41,344 shares

3) Average number of shares during the period

Fiscal year ended Mar. 31, 2019: 14,191,156 shares Fiscal year ended Mar. 31, 2018: 14,207,926 shares

Note: The Company has established a performance-linked stock compensation plan for directors in the previous fiscal year. The Company's shares for this plan held by the trust are included in treasury shares for calculating the number of treasury shares at the end of the period and the average number of shares during the period.

Reference: Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2019 (April 1, 2018 – March 31, 2019)

(1) Non-consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2019	74,048	37.4	4,226	(12.8)	4,257	(13.5)	2,954	(13.2)
Fiscal year ended Mar. 31, 2018	53,910	18.2	4,849	23.9	4,923	29.8	3,404	23.6

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended Mar. 31, 2019	208.20	-
Fiscal year ended Mar. 31, 2018	239.62	-

Notes: 1. Diluted net income per share for the fiscal year ended March 31, 2019 is not presented because there was no potential shares with dilutive effects. Diluted net income per share for the fiscal year ended March 31, 2018 is not presented because dilutive shares do not exist.

2. The Company has established a performance-linked stock compensation plan for directors in the previous fiscal year. The Company's shares for this plan held by the trust are recorded as treasury shares in the consolidated balance sheet and included in treasury shares for calculating the average number of shares during the period for determining net income per share.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2019	56,007	14,996	26.8	1,056.65
As of Mar. 31, 2018	51,269	13,153	25.7	926.90

Reference: Shareholders' equity (million yen): As of Mar. 31, 2019: 14,995 As of Mar. 31, 2018: 13,153

2. Non-consolidated Forecast for the Fiscal Year Ending March 31, 2020 (April 1, 2019 – March 31, 2020)

(Percentages represent year-on-year changes)

	Net sales		Ordinary profit		Profit		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	76,300	3.0	4,460	4.8	3,100	4.9	218.44

* The current financial report is not subject to audit by certified public accountants or auditing firms.

* Cautionary statement with respect to forward-looking statements, and other special items

Cautionary statement with respect to forecasts

Forecasts of future performance in this report are based on assumptions judged to be valid and information currently available to the Company. Actual results may differ significantly from these forecasts for a number of factors.