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## Consolidated Financial Results for the Nine Months Ended December 31, 2019 [Japanese GAAP]

January 28, 2020

Company name: Keihanshin Building Co., Ltd.  
 Stock exchange listing: Tokyo  
 Code number: 8818  
 URL: <http://www.keihanshin.co.jp/>  
 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 31, 2020  
 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, 2019 (April 01, 2019 to December 31, 2019)

#### (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, 2019	11,465	3.3	4,201	4.7	4,112	5.9	3,274	5.7
December 31, 2018	11,098	0.2	4,013	1.6	3,884	2.2	3,096	13.9

(Note) Comprehensive income:      Nine months ended December 31, 2019:    ¥ 3,538 million    [ 29.0 %]  
    Nine months ended December 31, 2018:    ¥ 2,742 million    [ (39.4)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2019	62.20	61.99
December 31, 2018	57.57	57.41

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of December 31, 2019	138,235	66,054	47.7
March 31, 2019	132,780	64,228	48.3

(Reference) Equity:    As of December 31, 2019:    ¥ 65,942 million  
    As of March 31, 2019:        ¥ 64,133 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, 2019	-	10.00	-	13.00	23.00
Fiscal year ending March 31, 2020	-	11.50	-		
Fiscal year ending March 31, 2020 (Forecast)				13.50	25.00

(Note) Revision to the forecast for dividends announced most recently: No

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2020(April 01, 2019 to March 31, 2020)

(% 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	15,200	1.4	5,500	0.9	5,300	1.6	3,800	(5.0)	72.55

(Note) Revision to the financial results forecast announced most recently: No

### \* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2019  
(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, 2019: 52,882,298 shares  
March 31, 2019: 53,998,798 shares

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

December 31, 2019: 504,226 shares  
March 31, 2019: 1,312,174 shares

3) Average number of shares during the period:

Nine months ended December 31, 2019: 52,640,544 shares  
Nine months ended December 31, 2018: 53,790,851 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, 2019	As of December 31, 2019
<b>Assets</b>		
Current assets		
Cash and deposits	15,918,547	12,398,670
Notes and accounts receivable - trade	473,037	321,593
Other	128,934	823,786
Total current assets	16,520,519	13,544,050
Non-current assets		
Property, plant and equipment		
Buildings and structures	65,973,619	66,090,109
Accumulated depreciation	(36,788,019)	(38,164,449)
Buildings and structures, net	29,185,600	27,925,660
Land	52,640,231	52,664,231
Buildings in trust	3,343,060	3,343,060
Accumulated depreciation	(1,077,013)	(1,207,032)
Buildings in trust, net	2,266,046	2,136,027
Land in trust	11,038,280	11,038,280
Construction in progress	3,118,301	12,662,319
Other	791,084	808,879
Accumulated depreciation	(638,642)	(649,763)
Other, net	152,441	159,116
Total property, plant and equipment	98,400,902	106,585,635
Intangible assets	79,357	122,650
Investments and other assets		
Investment securities	15,104,819	15,320,430
Other	2,674,749	2,662,850
Total investments and other assets	17,779,568	17,983,281
Total non-current assets	116,259,828	124,691,566
Total assets	132,780,347	138,235,617

(Thousand yen)

	As of March 31,2019	As of December 31,2019
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	7,746	2,052
Current portion of bonds	5,000,000	-
Short-term borrowings	4,422,900	3,950,850
Income taxes payable	1,006,190	580,683
Provisions	33,990	-
Other	2,007,542	2,347,360
Total current liabilities	12,478,369	6,880,946
Non-current liabilities		
Bonds payable	35,000,000	40,000,000
Long-term borrowings	11,286,850	14,866,825
Retirement benefit liability	66,704	75,530
Asset retirement obligations	113,827	114,105
Other	9,605,737	10,243,680
Total non-current liabilities	56,073,119	65,300,141
Total liabilities	68,551,488	72,181,087
<b>Net assets</b>		
Shareholders' equity		
Share capital	9,827,611	9,827,611
Capital surplus	9,786,093	9,199,840
Retained earnings	43,029,004	44,636,231
Treasury shares	(1,126,658)	(603,112)
Total shareholders' equity	61,516,050	63,060,571
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,385,655	7,649,914
Revaluation reserve for land	(4,768,378)	(4,768,378)
Total accumulated other comprehensive income	2,617,277	2,881,536
Share acquisition rights	95,530	112,421
Total net assets	64,228,858	66,054,529
Total liabilities and net assets	132,780,347	138,235,617

## 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, 2018	For the nine months ended December 31, 2019
Net sales	11,098,139	11,465,221
Cost of sales	6,112,313	6,221,198
Gross profit	4,985,826	5,244,023
Selling, general and administrative expenses	972,341	1,042,547
Operating profit	4,013,485	4,201,475
Non-operating income		
Interest income	326	872
Dividend income	276,441	295,585
Other	18,863	7,154
Total non-operating income	295,631	303,612
Non-operating expenses		
Interest expenses	131,647	124,304
Interest on bonds	188,025	224,153
Bond issuance cost	97,661	35,720
Other	7,401	8,846
Total non-operating expenses	424,735	393,024
Ordinary profit	3,884,381	4,112,062
Extraordinary income		
Gain on sales of non-current assets	523,812	1,833
Gain on sales of investment securities	14,906	696,084
Compensation income	2,200	-
Total extraordinary income	540,918	697,917
Extraordinary losses		
Loss on retirement of non-current assets	8,419	3,846
Loss on valuation of investment securities	-	60,370
Total extraordinary losses	8,419	64,217
Profit before income taxes	4,416,881	4,745,762
Income taxes - current	1,230,011	1,433,621
Income taxes - deferred	90,352	38,039
Total income taxes	1,320,364	1,471,661
Profit	3,096,517	3,274,101
Profit attributable to owners of parent	3,096,517	3,274,101

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

(Thousand yen)

	For the nine months ended December 31,2018	For the nine months ended December 31,2019
Profit	3,096,517	3,274,101
Other comprehensive income		
Valuation difference on available-for-sale securities	(354,113)	264,259
Total other comprehensive income	(354,113)	264,259
Comprehensive income	2,742,403	3,538,360
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,742,403	3,538,360
Comprehensive income attributable to non-controlling interests	-	-