

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2019 (Based on Japanese GAAP)

February 14, 2020

Company name: Kamigumi Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 9364 URL <https://www.kamigumi.co.jp/>
 Representative: President & Representative Director Yoshihiro Fukai
 Executive Officer and Director of Financial
 Inquiries: Yasuhiro Kishino TEL 078-271-5119
 Div.
 Scheduled date to file Quarterly Securities Report: February 14, 2020
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2019 (from April 1, 2019 to December 31, 2019)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2019	211,472	1.7	19,084	6.6	20,752	7.1	14,586	9.0
Nine months ended December 31, 2018	207,971	5.8	17,907	1.6	19,370	2.1	13,385	(4.3)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2019	122.87	–
Nine months ended December 31, 2018	110.62	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2019	400,927	339,319	84.2
As of March 31, 2019	395,708	332,200	83.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2019	–	22.00	–	23.00	45.00
Year ending March 31, 2020	–	23.00	–		
Year ending March 31, 2020 (Forecast)				23.00	46.00

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

Percentages indicate year-on-year changes

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	281,000	2.2	24,600	5.4	26,500	5.0	18,500	0.6	155.46

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2019
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of December 31, 2019	134,386,837 shares	As of March 31, 2019	134,386,837 shares
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Number of treasury shares at the end of the period

As of December 31, 2019	16,247,591 shares	As of March 31, 2019	14,952,144 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2019	118,715,060 shares	Nine months ended December 31, 2018	121,002,363 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
Assets		
Current assets		
Cash and deposits	53,591	27,193
Trade notes and accounts receivable	45,806	47,899
Electronically recorded monetary claims - operating	943	737
Securities	8,500	—
Inventories	947	988
Other	6,974	6,685
Allowance for doubtful accounts	(57)	(58)
Total current assets	116,705	83,446
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	111,888	108,558
Land	97,686	97,682
Other, net	18,841	21,144
Total property, plant and equipment	228,416	227,385
Intangible assets	7,011	6,818
Investments and other assets		
Investment securities	33,430	73,455
Other	10,359	10,032
Allowance for doubtful accounts	(216)	(211)
Total investments and other assets	43,573	83,276
Total non-current assets	279,002	317,480
Total assets	395,708	400,927
Liabilities		
Current liabilities		
Trade notes and accounts payable	26,827	27,648
Income taxes payable	4,232	2,366
Provision for bonuses	181	163
Other	14,108	12,676
Total current liabilities	45,349	42,856
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	39	46
Provision for special repairs for ships and vessels	—	5
Retirement benefit liability	16,876	17,399
Other	1,242	1,300
Total non-current liabilities	18,158	18,750
Total liabilities	63,507	61,607

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
Net assets		
Shareholders' equity		
Share capital	31,642	31,642
Capital surplus	26,854	26,857
Retained earnings	295,208	304,330
Treasury shares	(28,020)	(31,154)
Total shareholders' equity	325,684	331,676
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,574	6,640
Foreign currency translation adjustment	69	(47)
Remeasurements of defined benefit plans	(970)	(851)
Total accumulated other comprehensive income	4,673	5,740
Non-controlling interests	1,841	1,902
Total net assets	332,200	339,319
Total liabilities and net assets	395,708	400,927

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Operating revenue	207,971	211,472
Operating cost	176,127	178,079
Operating gross profit	31,844	33,392
Selling, general and administrative expenses	13,937	14,308
Operating profit	17,907	19,084
Non-operating income		
Interest income	26	25
Dividend income	694	715
Share of profit of entities accounted for using equity method	461	762
Other	293	206
Total non-operating income	1,476	1,709
Non-operating expenses		
Foreign exchange losses	—	15
Other	13	26
Total non-operating expenses	13	42
Ordinary profit	19,370	20,752
Extraordinary income		
Gain on sales of non-current assets	43	38
Gain on sales of investment securities	—	230
Gain on sales of shares of subsidiaries and associates	15	—
Total extraordinary income	58	268
Extraordinary losses		
Loss on sales and retirement of non-current assets	123	57
Loss on sales of investment securities	1	—
Total extraordinary losses	125	57
Profit before income taxes	19,303	20,963
Income taxes - current	5,534	6,124
Income taxes - deferred	350	192
Total income taxes	5,885	6,316
Profit	13,418	14,646
Profit attributable to non-controlling interests	33	60
Profit attributable to owners of parent	13,385	14,586

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Profit	13,418	14,646
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,628)	1,199
Foreign currency translation adjustment	(25)	(89)
Remeasurements of defined benefit plans, net of tax	99	119
Share of other comprehensive income of entities accounted for using equity method	(24)	(160)
Total other comprehensive income	(1,578)	1,069
Comprehensive income	11,839	15,715
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,806	15,653
Comprehensive income attributable to non-controlling interests	33	62