Summary of Consolidated Financial Results
For the Year Ended March 31, 2016
(Based on Japanese GAAP)

May 10, 2016

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: Kenjiro Nakano, President
Date of Ordinary General Shareholders' Meeting (Scheduled): June 21, 2016
Date of release of securities report (Scheduled): June 24, 2016
Starting date of dividend payments (Scheduled): June 22, 2016
Preparation of explanatory materials for quarterly financial results: Yes
Information meetings arranged related to quarterly financial results: Yes(for analysts, in Japanese)

(Yen in millions, rounded down)

1.Consolidated Financial Results for the Year Ended March 31, 2016 (April 1,2015 - March 31, 2016)

(1) Consolidated Operating Results

(% figures denote year-on-year changes)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2015	14,930	0.5	5,118	3.0	4,782	7.3	3,610	32.1
Fiscal 2014	14,852	5.9	4,966	11.3	4,457	20.5	2,732	15.3

Note: Comprehensive Income: March 31, 2016: 3,543 millions of yen(△18.7%) March 31, 2015: 4,356 millions of yen (74.2%)

	Net Income per Share	Diluted Net Income per Share	Return on equity	Return on assets	Operating income ratio
	Yen	Yen	%	%	%
Fiscal 2015	66.89	—	6.8	4.2	34.3
Fiscal 2014	50.63	—	5.5	3.9	33.4

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Book value per share
	Millions of yen	Millions of yen	%	Yen
Fiscal 2015	111,418	54,556	49.0	1,010.79
Fiscal 2014	115,243	51,850	45.0	960.64

Reference: Shareholders' Equity: March 31, 2016: 54,556 millions of yen March 31, 2015: 51,850 millions of yen

(3) Consolidated Cash Flows

(% figures denote year-on-year changes)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2015	4,919	14,818	△ 6,762	16,552
Fiscal 2014	7,086	△ 9,644	△ 6,148	3,576

2.Dividends

	Dividends per Share					Total Dividends paid (annual)	Dividend payout ratio (consolidated)	Dividend on Equity (consolidated)
	1Q	2Q	3Q	4Q	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal 2014	—	7.00	—	8.00	15.00	809	29.6	1.6
Fiscal 2015	—	7.50	—	8.50	16.00	863	23.9	1.6
Fiscal 2016 (Forecast)	—	8.00	—	8.00	16.00		27.0	

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

(% figures denote year-on-year changes)

	Net Sales		Operating Income		Ordinary Income		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	△ 1.5	5,000	△ 2.3	4,700	△ 1.7	3,200	△ 11.4	59.29

4.Notes

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

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

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

(ⅰ)Changes in accounting policies based on revisions of accounting standards: Yes

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

(ⅲ)Changes in accounting estimates: No

(ⅳ)Restatements: No

(3) Number of outstanding shares (common stocks)

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

Fiscal 2015	53,998,798 shares	Fiscal 2014	53,998,798 shares

(ⅱ)Number of treasury stock at the end of the period

Fiscal 2015	24,280 shares	Fiscal 2014	23,797 shares

(ⅲ)Average number of shares during the period (cumulative figure for consolidated quarterly accounting period)

Fiscal 2015	53,974,790 shares	Fiscal 2014	53,975,093 shares

* Implementation status of review processes

This Summary of Consolidated Financial Results are not subject to review processes under the Financial Instruments and Exchange Law. At the time of this document's release, the review of the financial statements under the Financial Instruments and Exchange Law have not been completed.

* 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

（Thousand of yen）

	Previous Fiscal Year As of Mar. 31, 2015	Current Fiscal Year As of Mar. 31, 2016
Assets		
Current assets		
Cash and deposits	3,576,600	16,552,616
Notes and accounts receivable - trade	281,973	258,186
Deferred tax assets	100,357	158,489
Other	139,031	126,656
Total current assets	4,097,962	17,095,949
Non-current assets		
Property, plant and equipment		
Buildings and structures	68,921,471	65,629,201
Accumulated depreciation	(31,977,414)	(31,976,751)
Buildings and structures, net	36,944,057	33,652,449
Land	51,291,266	32,438,542
Buildings in trust	2,133,426	3,412,201
Accumulated depreciation	(127,567)	(409,526)
Buildings in trust, net	2,005,858	3,002,674
Land in trust	6,261,065	11,038,280
Construction in progress	2,900	—
Other	648,040	704,844
Accumulated depreciation	(516,083)	(570,679)
Other, net	131,957	134,165
Total property, plant and equipment	96,637,105	80,266,112
Intangible assets	53,517	60,597
Investments and other assets		
Investment securities	11,806,140	11,364,573
Lease deposits	2,180,077	2,180,127
Deferred tax assets	9,286	9,286
Other	459,076	441,876
Total investments and other assets	14,454,581	13,995,864
Total non-current assets	111,145,204	94,322,573
Total assets	115,243,167	111,418,523

（Thousand of yen）

	Previous Fiscal Year As of Mar. 31, 2015	Current Fiscal Year As of Mar. 31, 2016
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,375	111,740
Current portion of bonds	—	7,000,000
Short-term loans payable	15,384,140	5,548,000
Income taxes payable	1,155,278	1,294,254
Provision	25,744	26,862
Other	1,647,518	1,893,515
Total current liabilities	18,224,056	15,874,372
Non-current liabilities		
Bonds payable	22,000,000	20,000,000
Long-term loans payable	13,606,350	12,558,350
Lease deposits from tenants	6,483,013	5,436,175
Deferred tax liabilities	1,422,556	1,480,083
Deferred tax liabilities for land revaluation	1,202,109	1,141,905
Provision for directors' retirement benefits	182,267	175,960
Net defined benefit liability	60,918	67,972
Other	211,380	126,840
Total non-current liabilities	45,168,594	40,987,287
Total liabilities	63,392,651	56,861,659
Net assets		
Shareholders' equity		
Capital stock	9,827,611	9,827,611
Capital surplus	9,786,449	9,786,450
Retained earnings	32,388,529	35,162,337
Treasury shares	(9,592)	(9,931)
Total shareholders' equity	51,992,998	54,766,467
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,756,143	4,628,818
Revaluation reserve for land	(4,898,626)	(4,838,422)
Total accumulated other comprehensive income	(142,482)	(209,604)
Total net assets	51,850,515	54,556,863
Total liabilities and net assets	115,243,167	111,418,523

(2) Consolidated Statements of Income

（Thousand of yen）

	Year ended March 31, 2015	Year ended March 31, 2016
Net sales	14,852,697	14,930,467
Cost of sales	8,855,779	8,673,785
Gross profit	5,996,918	6,256,682
Selling, general and administrative expenses	1,030,123	1,138,672
Operating income	4,966,794	5,118,010
Non-operating income		
Interest income	2,282	2,997
Dividend income	176,286	225,024
Other	15,949	10,252
Total non-operating income	194,518	238,275
Non-operating expenses		
Interest expenses	440,774	275,904
Interest on bonds	222,400	258,734
Bond issuance cost	—	30,720
Amortization of long-term prepaid expenses	30,000	—
Commission for syndicate loan	1,000	—
Other	9,202	8,054
Total non-operating expenses	703,377	573,414
Ordinary income	4,457,935	4,782,870
Extraordinary income		
Gain on sales of non-current assets	4,810	1,205,242
Total extraordinary income	4,810	1,205,242
Extraordinary losses		
Loss on retirement of non-current assets	76,485	13,398
Loss on valuation of investment securities	—	101,269
Other	—	924
Total extraordinary losses	76,485	115,592
Income before income taxes and minority interests	4,386,260	5,872,520
Income taxes - current	1,591,549	2,049,734
Income taxes - deferred	61,880	212,366
Total income taxes	1,653,429	2,262,101
Profit	2,732,830	3,610,419
Profit attributable to owners of parent	2,732,830	3,610,419

(3) Consolidated Statement of Changes in Equity
Year ended March 31, 2015

（Thousand of yen）

	Shareholder's equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	9,827,611	9,786,449	30,411,351	△9,495	50,015,916
Changes of items during period					
Dividends of surplus			△755,651		△755,651
Profit attributable to owners of parent			2,732,830		2,732,830
Purchase of treasury shares				△96	△96
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	1,977,178	△96	1,977,081
Balance at end of current period	9,827,611	9,786,449	32,388,529	△9,592	51,992,998

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total accumulated other comprehensive income	
Balance at beginning of current period	3,003,579	△4,769,308	△1,765,728	48,250,187
Changes of items during period				
Dividends of surplus				△755,651
Profit attributable to owners of parent				2,732,830
Purchase of treasury shares				△96
Net changes of items other than shareholders' equity	1,752,564	△129,317	1,623,246	1,623,246
Total changes of items during period	1,752,564	△129,317	1,623,246	3,600,328
Balance at end of current period	4,756,143	△4,898,626	△142,482	51,850,515

Year ended March 31, 2016

（Thousand of yen）

	Shareholder's equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	9,827,611	9,786,449	32,388,529	△9,592	51,992,998
Changes of items during period					
Dividends of surplus			△836,611		△836,611
Profit attributable to owners of parent			3,610,419		3,610,419
Purchase of treasury shares				△343	△343
Disposal of treasury shares		1		3	5
Net changes of items other than shareholders' equity					
Total changes of items during period	—	1	2,773,807	△339	2,773,469
Balance at end of current period	9,827,611	9,786,450	35,162,337	△9,931	54,766,467

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total accumulated other comprehensive income	
Balance at beginning of current period	4,756,143	△4,898,626	△142,482	51,850,515
Changes of items during period				
Dividends of surplus				△836,611
Profit attributable to owners of parent				3,610,419
Purchase of treasury shares				△343
Disposal of treasury shares				5
Net changes of items other than shareholders' equity	△127,325	60,203	△67,121	△67,121
Total changes of items during period	△127,325	60,203	△67,121	2,706,347
Balance at end of current period	4,628,818	△4,838,422	△209,604	54,556,863

(4) Consolidated Statements of Cash Flows

（Thousand of yen）

	Year ended March 31, 2015	Year ended March 31, 2016
Cash flows from operating activities		
Income before income taxes and minority interests	4,386,260	5,872,520
Depreciation	2,738,551	2,636,247
Increase (decrease) in provision for directors' retirement benefits	11,192	(6,307)
Increase (decrease) in net defined benefit liability	4,126	7,053
Increase (decrease) in provision for bonuses	1,942	1,118
Interest and dividend income	(178,568)	(228,022)
Interest expenses	440,774	275,904
Interest on bonds	222,400	258,734
Amortization of long-term prepaid expenses	30,000	—
Commission for syndicate loan	1,000	—
Bond issuance cost	—	30,720
Loss (gain) on valuation of investment securities	—	101,269
Loss (gain) on sales of property, plant and equipment	(4,810)	(1,205,242)
Loss on retirement of property, plant and equipment	76,485	13,398
Decrease (increase) in operating receivables	181,942	38,996
Increase (decrease) in operating debt	475,997	(946,098)
Increase (decrease) in accrued consumption taxes	(396)	304,950
Other, net	2,750	5,757
Subtotal	8,389,647	7,161,002
Interest and dividend income received	178,568	228,022
Interest expenses paid	(666,403)	(526,758)
Income taxes paid	(833,332)	(1,941,448)
Income taxes refund	17,809	—
Other, net	—	(924)
Net cash provided by (used in) operating activities	7,086,288	4,919,893
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,528,725)	(9,509,526)
Payments for retirement of property, plant and equipment	(1,300)	—
Proceeds from sales of property, plant and equipment	7,993	24,440,472
Purchase of intangible assets	(13,469)	(36,926)
Proceeds from sales of intangible assets	—	8,957
Proceeds from sales of treasury stock	(24,700)	—
Payments for long-term accounts payable-other	(84,540)	(84,540)
Net cash provided by (used in) investing activities	(9,644,741)	14,818,437
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	9,000,000	(9,000,000)
Proceeds from long-term loans payable	10,900,000	2,000,000
Repayments of long-term loans payable	(25,279,340)	(3,884,140)
Proceeds from issuance of bonds	—	5,000,000
Payments for issuance of bonds	—	(41,513)
Repayments of guarantee deposits received from tenants	(12,920)	—
Proceeds from sales of treasury stock	—	5
Purchase of treasury shares	(96)	(343)
Cash dividends paid	(755,658)	(836,323)
Net cash provided by (used in) financing activities	(6,148,014)	(6,762,314)
Effect of exchange rate change on cash and cash equivalents	—	—
Net increase (decrease) in cash and cash equivalents	(8,706,467)	1,276,015
Cash and cash equivalents at beginning of period	12,283,068	3,576,600
Cash and cash equivalents at end of period	3,576,600	16,552,616