

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2017 (Based on Japanese GAAP)

August 10, 2017

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: August 10, 2017
 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 three months ended June 30, 2017 (from April 1, 2017 to June 30, 2017)

(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	%
Three months ended June 30, 2017	65,587	9.2	6,241	11.6	6,799	14.4	5,089	25.0
Three months ended June 30, 2016	60,042	(1.0)	5,594	(0.9)	5,941	(6.5)	4,070	(6.9)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2017	20.71	–
Three months ended June 30, 2016	16.25	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2017	373,877	315,299	84.3
As of March 31, 2017	370,872	312,116	84.1

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, 2017	–	6.00	–	9.00	15.00
Year ending March 31, 2018	–				
Year ending March 31, 2018 (Forecast)		7.00	–	14.00	–

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

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
Six months ending September 30, 2017	126,000	4.0	11,500	2.2	12,300	2.0	8,400	0.9	34.19
Full year	253,000	2.8	23,200	2.9	24,800	3.2	17,000	3.8	138.37

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2017
(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 June 30, 2017	274,345,675 shares	As of March 31, 2017	274,345,675 shares
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Number of treasury shares at the end of the period

As of June 30, 2017	28,636,363 shares	As of March 31, 2017	28,636,313 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2017	245,709,346 shares	Three months ended June 30, 2016	250,414,009 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
Assets		
Current assets		
Cash and deposits	47,381	48,973
Notes and operating accounts receivable	41,765	42,493
Securities	700	700
Inventories	1,100	1,070
Other	8,204	8,417
Allowance for doubtful accounts	(53)	(54)
Total current assets	99,097	101,600
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	110,043	110,312
Land	93,317	93,317
Other, net	21,799	21,628
Total property, plant and equipment	225,160	225,258
Intangible assets	7,807	7,669
Investments and other assets		
Investment securities	30,825	31,491
Other	8,203	8,074
Allowance for doubtful accounts	(220)	(216)
Total investments and other assets	38,807	39,349
Total non-current assets	271,775	272,277
Total assets	370,872	373,877
Liabilities		
Current liabilities		
Notes and operating accounts payable - trade	25,674	26,447
Income taxes payable	4,282	2,663
Provision for bonuses	140	217
Other	11,907	12,353
Total current liabilities	42,005	41,680
Non-current liabilities		
Provision for directors' retirement benefits	25	26
Provision for special repairs for ships and vessels	11	12
Net defined benefit liability	15,547	15,688
Other	1,166	1,170
Total non-current liabilities	16,750	16,897
Total liabilities	58,755	58,577

	(Millions of yen)	
	As of March 31, 2017	As of June 30, 2017
Net assets		
Shareholders' equity		
Capital stock	31,642	31,642
Capital surplus	26,854	26,854
Retained earnings	272,709	275,587
Treasury shares	(24,349)	(24,349)
Total shareholders' equity	306,855	309,733
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,097	6,380
Foreign currency translation adjustment	(82)	(89)
Remeasurements of defined benefit plans	(810)	(781)
Total accumulated other comprehensive income	5,204	5,509
Non-controlling interests	56	56
Total net assets	312,116	315,299
Total liabilities and net assets	370,872	373,877

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Operating revenue	60,042	65,587
Operating cost	50,180	55,053
Operating gross profit	9,861	10,534
Selling, general and administrative expenses	4,267	4,292
Operating profit	5,594	6,241
Non-operating income		
Interest income	20	9
Dividend income	286	330
Share of profit of entities accounted for using equity method	67	74
Other	69	150
Total non-operating income	444	564
Non-operating expenses		
Foreign exchange losses	94	1
Other	1	5
Total non-operating expenses	96	6
Ordinary profit	5,941	6,799
Extraordinary income		
Gain on sales of non-current assets	31	9
Subsidy income	–	170
Total extraordinary income	31	180
Extraordinary losses		
Loss on sales and retirement of non-current assets	4	113
Loss on valuation of investment securities	2	–
Total extraordinary losses	6	113
Profit before income taxes	5,966	6,866
Income taxes - current	2,111	2,140
Income taxes - deferred	(216)	(365)
Total income taxes	1,894	1,775
Profit	4,071	5,090
Profit attributable to non-controlling interests	1	1
Profit attributable to owners of parent	4,070	5,089

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Profit	4,071	5,090
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,196)	284
Foreign currency translation adjustment	(47)	(10)
Remeasurements of defined benefit plans, net of tax	38	28
Share of other comprehensive income of entities accounted for using equity method	(36)	1
Total other comprehensive income	(1,242)	304
Comprehensive income	2,828	5,395
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,828	5,393
Comprehensive income attributable to non-controlling interests	0	1