

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2018 (Based on Japanese GAAP)

February 8, 2019

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 13, 2019
 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, 2018 (from April 1, 2018 to December 31, 2018)

(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, 2018	207,971	5.8	17,907	1.6	19,370	2.1	13,385	(4.3)
Nine months ended December 31, 2017	196,521	6.8	17,632	3.5	18,973	4.6	13,982	12.0

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2018	110.62	–
Nine months ended December 31, 2017	114.18	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2018	388,677	329,929	84.7
As of March 31, 2018	383,481	321,907	83.9

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, 2018	–	7.00	–	21.00	–
Year ending March 31, 2019	–	22.00	–		
Year ending March 31, 2019 (Forecast)				23.00	45.00

3. Forecast of consolidated financial results for the year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

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	270,000	3.3	23,300	1.4	25,600	3.9	18,000	0.5	148.76

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2018
(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, 2018	134,386,837 shares	As of March 31, 2018	134,386,837 shares
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Number of treasury shares at the end of the period

As of December 31, 2018	13,384,518 shares	As of March 31, 2018	13,384,461 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, 2018	121,002,363 shares	Nine months ended December 31, 2017	122,460,986 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
Assets		
Current assets		
Cash and deposits	51,611	55,405
Notes and operating accounts receivable	44,638	47,312
Electronically recorded monetary claims - operating	600	853
Inventories	1,016	934
Other	6,667	6,554
Allowance for doubtful accounts	(56)	(57)
Total current assets	104,477	111,002
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	112,910	108,787
Land	94,092	96,760
Other, net	19,612	22,263
Total property, plant and equipment	226,615	227,811
Intangible assets	7,471	7,096
Investments and other assets		
Investment securities	35,311	33,194
Other	9,822	9,788
Allowance for doubtful accounts	(217)	(216)
Total investments and other assets	44,916	42,767
Total non-current assets	279,003	277,674
Total assets	383,481	388,677
Liabilities		
Current liabilities		
Notes and operating accounts payable - trade	26,363	28,078
Income taxes payable	4,890	1,687
Provision for bonuses	134	124
Other	13,097	11,416
Total current liabilities	44,486	41,307
Non-current liabilities		
Provision for directors' retirement benefits	26	29
Provision for special repairs for ships and vessels	14	17
Net defined benefit liability	15,955	16,355
Other	1,089	1,037
Total non-current liabilities	17,086	17,440
Total liabilities	61,573	58,747

	(Millions of yen)	
	As of March 31, 2018	As of December 31, 2018
Net assets		
Shareholders' equity		
Capital stock	31,642	31,642
Capital surplus	26,854	26,854
Retained earnings	281,680	290,205
Treasury shares	(24,020)	(24,020)
Total shareholders' equity	316,156	324,680
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,530	4,897
Foreign currency translation adjustment	(45)	137
Remeasurements of defined benefit plans	(796)	(696)
Total accumulated other comprehensive income	5,688	4,338
Non-controlling interests	62	909
Total net assets	321,907	329,929
Total liabilities and net assets	383,481	388,677

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, 2017	Nine months ended December 31, 2018
Operating revenue	196,521	207,971
Operating cost	166,095	176,127
Operating gross profit	30,425	31,844
Selling, general and administrative expenses	12,793	13,937
Operating profit	17,632	17,907
Non-operating income		
Interest income	28	26
Dividend income	609	694
Share of profit of entities accounted for using equity method	240	461
Other	486	293
Total non-operating income	1,365	1,476
Non-operating expenses		
Other	23	13
Total non-operating expenses	23	13
Ordinary profit	18,973	19,370
Extraordinary income		
Gain on sales of non-current assets	60	43
Gain on sales of investment securities	689	–
Gain on sales of shares of subsidiaries and associates	–	15
Subsidy income	170	–
Total extraordinary income	920	58
Extraordinary losses		
Loss on sales and retirement of non-current assets	145	123
Loss on sales of investment securities	–	1
Total extraordinary losses	145	125
Profit before income taxes	19,748	19,303
Income taxes - current	5,481	5,534
Income taxes - deferred	280	350
Total income taxes	5,762	5,885
Profit	13,986	13,418
Profit attributable to non-controlling interests	4	33
Profit attributable to owners of parent	13,982	13,385

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Profit	13,986	13,418
Other comprehensive income		
Valuation difference on available-for-sale securities	2,049	(1,628)
Foreign currency translation adjustment	(10)	(25)
Remeasurements of defined benefit plans, net of tax	86	99
Share of other comprehensive income of entities accounted for using equity method	29	(24)
Total other comprehensive income	2,155	(1,578)
Comprehensive income	16,142	11,839
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,136	11,806
Comprehensive income attributable to non-controlling interests	5	33