

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2021 (Based on Japanese GAAP)

May 14, 2021

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: Div. Yasuhiro Kishino TEL 078-271-5119
 Scheduled date of ordinary general meeting of shareholders: June 29, 2021
 Scheduled date to file Securities Report: June 30, 2021
 Scheduled date to commence dividend payments: June 30, 2021
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(1) Consolidated operating results

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	%
Year ended March 31, 2021	268,290	(3.8)	24,449	(0.9)	26,184	(0.8)	17,932	(2.4)
Year ended March 31, 2020	278,815	1.4	24,679	5.8	26,407	4.6	18,378	(0.1)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/operating revenue
	Yen	Yen	%	%	%
Year ended March 31, 2021	152.97	—	5.2	6.4	9.1
Year ended March 31, 2020	155.06	—	5.5	6.6	8.9

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2021	415,539	352,408	84.3	3,017.22
As of March 31, 2020	400,057	337,744	83.9	2,849.94

(3) Consolidated cash flows

	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
Year ended March 31, 2021	29,561	(30,252)	(8,630)	22,780
Year ended March 31, 2020	33,701	(44,490)	(9,342)	32,137

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2020	—	23.00	—	23.00	46.00	5,464	29.7	1.6
Year ended March 31, 2021	—	23.00	—	27.00	50.00	5,846	32.7	1.7
Year ending March 31, 2022 (Forecast)	—	27.00	—	27.00	54.00		34.1	

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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, 2021	121,200	—	11,500	—	12,300	—	8,500	—	73.18
Full year	247,000	—	25,000	—	26,700	—	18,400	—	158.40

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2021

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2021	129,066,837 shares	As of March 31, 2020	130,936,837 shares
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Number of treasury shares at the end of the period

As of March 31, 2021	12,907,087 shares	As of March 31, 2020	13,097,592 shares
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Average number of shares during the period

Year ended March 31, 2021	117,228,974 shares	Year ended March 31, 2020	118,521,107 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	32,233	33,376
Trade notes and accounts receivable	44,482	46,916
Electronically recorded monetary claims - operating	636	603
Securities	—	10,700
Inventories	957	783
Other	6,150	5,891
Allowance for doubtful accounts	(54)	(56)
Total current assets	84,405	98,214
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	109,515	105,822
Machinery, equipment and vehicles, net	16,171	15,387
Land	97,678	99,867
Construction in progress	3,313	4,963
Other, net	1,152	1,527
Total property, plant and equipment	227,830	227,568
Intangible assets	6,881	6,789
Investments and other assets		
Investment securities	68,376	72,244
Long-term loans receivable	269	158
Deferred tax assets	5,247	3,700
Other	7,383	7,184
Allowance for doubtful accounts	(336)	(321)
Total investments and other assets	80,939	82,966
Total non-current assets	315,651	317,324
Total assets	400,057	415,539

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Trade notes and accounts payable	25,528	26,066
Income taxes payable	4,885	4,958
Provision for bonuses	194	172
Provision for loss on disaster	—	450
Other	12,710	11,831
Total current liabilities	43,319	43,479
Non-current liabilities		
Deferred tax liabilities	146	346
Provision for retirement benefits for directors (and other officers)	49	54
Provision for special repairs for ships and vessels	6	13
Retirement benefit liability	17,772	18,166
Other	1,018	1,070
Total non-current liabilities	18,993	19,651
Total liabilities	62,312	63,130
Net assets		
Shareholders' equity		
Share capital	31,642	31,642
Capital surplus	26,854	26,854
Retained earnings	301,483	310,401
Treasury shares	(25,217)	(24,810)
Total shareholders' equity	334,761	344,087
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,104	7,252
Foreign currency translation adjustment	45	(27)
Remeasurements of defined benefit plans	(1,077)	(833)
Total accumulated other comprehensive income	1,073	6,392
Non-controlling interests	1,909	1,929
Total net assets	337,744	352,408
Total liabilities and net assets	400,057	415,539

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Operating revenue	278,815	268,290
Operating costs	235,056	225,064
Operating gross profit	43,758	43,225
Selling, general and administrative expenses	19,079	18,775
Operating profit	24,679	24,449
Non-operating income		
Interest income	34	36
Dividend income	751	758
Share of profit of entities accounted for using equity method	709	442
Other	324	550
Total non-operating income	1,820	1,787
Non-operating expenses		
Foreign exchange losses	15	17
Provision of allowance for doubtful accounts	15	—
Other	61	35
Total non-operating expenses	92	53
Ordinary profit	26,407	26,184
Extraordinary income		
Gain on sale of non-current assets	68	49
Gain on sale of investment securities	239	580
Total extraordinary income	307	629
Extraordinary losses		
Loss on sale and retirement of non-current assets	100	338
Loss on valuation of investment securities	4	100
Loss on valuation of shares of subsidiaries and associates	39	—
Loss on disaster	—	482
Total extraordinary losses	144	921
Profit before income taxes	26,570	25,892
Income taxes - current	8,473	8,358
Income taxes - deferred	(381)	(420)
Total income taxes	8,092	7,937
Profit	18,477	17,954
Profit attributable to non-controlling interests	99	22
Profit attributable to owners of parent	18,378	17,932

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Profit	18,477	17,954
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,448)	4,882
Foreign currency translation adjustment	(28)	(58)
Remeasurements of defined benefit plans, net of tax	(106)	220
Share of other comprehensive income of entities accounted for using equity method	(20)	282
Total other comprehensive income	(3,603)	5,325
Comprehensive income	14,873	23,280
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,777	23,251
Comprehensive income attributable to non-controlling interests	96	29

Consolidated statements of changes in equity

Fiscal year ended March 31, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	31,642	26,854	295,208	(28,020)	325,684
Changes during period					
Dividends of surplus			(5,464)		(5,464)
Profit attributable to owners of parent			18,378		18,378
Purchase of treasury shares				(3,849)	(3,849)
Disposal of treasury shares		3		9	12
Cancellation of treasury shares		(3)	(6,639)	6,642	—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	6,274	2,802	9,077
Balance at end of period	31,642	26,854	301,483	(25,217)	334,761

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	5,574	69	(970)	4,673	1,841	332,200
Changes during period						
Dividends of surplus						(5,464)
Profit attributable to owners of parent						18,378
Purchase of treasury shares						(3,849)
Disposal of treasury shares						12
Cancellation of treasury shares						—
Net changes in items other than shareholders' equity	(3,470)	(24)	(106)	(3,600)	67	(3,533)
Total changes during period	(3,470)	(24)	(106)	(3,600)	67	5,544
Balance at end of period	2,104	45	(1,077)	1,073	1,909	337,744

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	31,642	26,854	301,483	(25,217)	334,761
Changes during period					
Dividends of surplus			(5,420)		(5,420)
Profit attributable to owners of parent			17,932		17,932
Purchase of treasury shares				(3,200)	(3,200)
Disposal of treasury shares		1		13	14
Cancellation of treasury shares		(1)	(3,593)	3,594	—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	8,918	407	9,325
Balance at end of period	31,642	26,854	310,401	(24,810)	344,087

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,104	45	(1,077)	1,073	1,909	337,744
Changes during period						
Dividends of surplus						(5,420)
Profit attributable to owners of parent						17,932
Purchase of treasury shares						(3,200)
Disposal of treasury shares						14
Cancellation of treasury shares						—
Net changes in items other than shareholders' equity	5,148	(73)	244	5,318	19	5,338
Total changes during period	5,148	(73)	244	5,318	19	14,664
Balance at end of period	7,252	(27)	(833)	6,392	1,929	352,408

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	26,570	25,892
Depreciation	13,046	12,914
Increase (decrease) in allowance for doubtful accounts	118	(13)
Increase (decrease) in retirement benefit liability	789	614
Interest and dividend income	(786)	(794)
Share of loss (profit) of entities accounted for using equity method	(709)	(442)
Loss (gain) on sale of investment securities	(239)	(580)
Loss (gain) on valuation of investment securities	4	100
Loss on valuation of shares of subsidiaries and associates	39	—
Loss on disaster	—	482
Loss (gain) on sale and retirement of non-current assets	32	289
Decrease (increase) in trade receivables	1,681	(2,370)
Decrease (increase) in inventories	(10)	174
Increase (decrease) in trade payables	(1,307)	441
Other, net	854	(465)
Subtotal	40,084	36,241
Interest and dividends received	1,591	1,606
Payments associated with disaster loss	(130)	(32)
Income taxes paid	(7,844)	(8,254)
Net cash provided by (used in) operating activities	33,701	29,561
Cash flows from investing activities		
Net decrease (increase) in time deposits	9,700	(10,500)
Purchase of securities	—	(16,000)
Proceeds from sale of securities	—	6,000
Proceeds from redemption of securities	—	300
Purchase of non-current assets	(14,847)	(12,155)
Proceeds from sale of non-current assets	85	90
Purchase of investment securities	(4,193)	(566)
Proceeds from sale and redemption of investment securities	892	2,508
Purchase of shares of subsidiaries and associates	(35,857)	(22)
Loan advances	(239)	—
Proceeds from collection of loans receivable	52	121
Payments of guarantee deposits	(13)	(32)
Other, net	(68)	3
Net cash provided by (used in) investing activities	(44,490)	(30,252)
Cash flows from financing activities		
Dividends paid	(5,464)	(5,420)
Purchase of treasury shares	(3,849)	(3,200)
Other, net	(28)	(9)
Net cash provided by (used in) financing activities	(9,342)	(8,630)
Effect of exchange rate change on cash and cash equivalents	(23)	(35)
Net increase (decrease) in cash and cash equivalents	(20,155)	(9,357)
Cash and cash equivalents at beginning of period	52,293	32,137
Cash and cash equivalents at end of period	32,137	22,780