

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2017 (Based on Japanese GAAP)

February 9, 2018

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, 2018
 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, 2017 (from April 1, 2017 to December 31, 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	%
Nine months ended December 31, 2017	196,521	6.8	17,632	3.5	18,973	4.6	13,982	12.0
Nine months ended December 31, 2016	184,073	(0.0)	17,036	(0.2)	18,140	(1.8)	12,479	0.7

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2017	114.18	–
Nine months ended December 31, 2016	99.67	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2017	379,590	319,656	84.2
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	–	7.00	–		
Year ending March 31, 2018 (Forecast)				21.00	–

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
Full year	253,000	2.8	23,200	2.9	24,800	3.2	17,400	6.2	142.51

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 2017	137,172,837 shares	As of March 31, 2017	137,172,837 shares
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Number of treasury shares at the end of the period

As of December 31, 2017	16,170,461 shares	As of March 31, 2017	14,318,156 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, 2017	122,460,986 shares	Nine months ended December 31, 2016	125,206,783 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Assets		
Current assets		
Cash and deposits	47,381	47,719
Notes and operating accounts receivable	41,765	45,946
Securities	700	700
Inventories	1,100	1,028
Other	8,204	7,413
Allowance for doubtful accounts	(53)	(57)
Total current assets	99,097	102,750
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	110,043	110,479
Land	93,317	93,678
Other, net	21,799	22,576
Total property, plant and equipment	225,160	226,734
Intangible assets	7,807	7,501
Investments and other assets		
Investment securities	30,825	35,086
Other	8,203	7,735
Allowance for doubtful accounts	(220)	(216)
Total investments and other assets	38,807	42,605
Total non-current assets	271,775	276,840
Total assets	370,872	379,590
Liabilities		
Current liabilities		
Notes and operating accounts payable - trade	25,674	27,270
Income taxes payable	4,282	2,405
Provision for bonuses	140	66
Other	11,907	13,147
Total current liabilities	42,005	42,890
Non-current liabilities		
Provision for directors' retirement benefits	25	29
Provision for special repairs for ships and vessels	11	13
Net defined benefit liability	15,547	15,772
Other	1,166	1,227
Total non-current liabilities	16,750	17,043
Total liabilities	58,755	59,934

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Net assets		
Shareholders' equity		
Capital stock	31,642	31,642
Capital surplus	26,854	26,854
Retained earnings	272,709	282,759
Treasury shares	(24,349)	(29,020)
Total shareholders' equity	306,855	312,236
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,097	8,143
Foreign currency translation adjustment	(82)	(59)
Remeasurements of defined benefit plans	(810)	(724)
Total accumulated other comprehensive income	5,204	7,359
Non-controlling interests	56	61
Total net assets	312,116	319,656
Total liabilities and net assets	370,872	379,590

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, 2016	Nine months ended December 31, 2017
Operating revenue	184,073	196,521
Operating cost	154,529	166,095
Operating gross profit	29,544	30,425
Selling, general and administrative expenses	12,508	12,793
Operating profit	17,036	17,632
Non-operating income		
Interest income	41	28
Dividend income	542	609
Share of profit of entities accounted for using equity method	311	240
Other	333	486
Total non-operating income	1,228	1,365
Non-operating expenses		
Foreign exchange losses	106	-
Other	17	23
Total non-operating expenses	124	23
Ordinary profit	18,140	18,973
Extraordinary income		
Gain on sales of non-current assets	39	60
Gain on sales of investment securities	-	689
Subsidy income	-	170
Total extraordinary income	39	920
Extraordinary losses		
Loss on sales and retirement of non-current assets	83	145
Loss on valuation of investment securities	2	-
Total extraordinary losses	86	145
Profit before income taxes	18,092	19,748
Income taxes - current	5,178	5,481
Income taxes - deferred	431	280
Total income taxes	5,610	5,762
Profit	12,482	13,986
Profit attributable to non-controlling interests	2	4
Profit attributable to owners of parent	12,479	13,982

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Profit	12,482	13,986
Other comprehensive income		
Valuation difference on available-for-sale securities	1,849	2,049
Foreign currency translation adjustment	(116)	(10)
Remeasurements of defined benefit plans, net of tax	114	86
Share of other comprehensive income of entities accounted for using equity method	(82)	29
Total other comprehensive income	1,765	2,155
Comprehensive income	14,247	16,142
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,243	16,136
Comprehensive income attributable to non-controlling interests	4	5