

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2019 (Based on Japanese GAAP)

August 9, 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: August 13, 2020
 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, 2019 (from April 1, 2019 to June 30, 2019)

(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, 2019	70,725	3.2	6,569	7.7	7,361	10.4	5,241	13.1
Three months ended June 30, 2018	68,563	4.5	6,100	(2.3)	6,668	(1.9)	4,635	(8.9)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2019	43.89		–	
Three months ended June 30, 2018	38.31		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2019	396,013	334,014	83.9
As of March 31, 2019	395,708	332,200	83.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2019	–	22.00	–	23.00	45.00
Year ending March 31, 2020	–	–	–	–	–
Year ending March 31, 2020 (Forecast)	–	23.00	–	23.00	46.00

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

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, 2019	138,000	0.9	12,000	3.5	13,100	4.6	9,000	3.3	75.35
Full year	280,000	1.9	24,000	2.9	26,100	3.4	18,400	0.1	154.06

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2019
 (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, 2019	134,386,837 shares	As of March 31, 2019	134,386,837 shares
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Number of treasury shares at the end of the period

As of June 30, 2019	14,952,144 shares	As of March 31, 2019	14,952,144 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, 2019	119,434,693 shares	Three months ended June 30, 2018	121,002,376 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2019	As of June 30, 2019
Assets		
Current assets		
Cash and deposits	53,591	26,159
Trade notes and accounts receivable	45,806	46,440
Electronically recorded monetary claims - operating	943	875
Securities	8,500	–
Inventories	947	914
Other	6,974	6,487
Allowance for doubtful accounts	(57)	(57)
Total current assets	116,705	80,819
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	111,888	110,613
Land	97,686	97,685
Other, net	18,841	20,138
Total property, plant and equipment	228,416	228,437
Intangible assets	7,011	6,867
Investments and other assets		
Investment securities	33,430	69,261
Other	10,359	10,856
Allowance for doubtful accounts	(216)	(229)
Total investments and other assets	43,573	79,888
Total non-current assets	279,002	315,193
Total assets	395,708	396,013
Liabilities		
Current liabilities		
Trade notes and accounts payable	26,827	26,849
Income taxes payable	4,232	2,627
Provision for bonuses	181	283
Other	14,108	13,944
Total current liabilities	45,349	43,704
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	39	40
Provision for special repairs for ships and vessels	–	1
Retirement benefit liability	16,876	17,019
Other	1,242	1,232
Total non-current liabilities	18,158	18,294
Total liabilities	63,507	61,999

(Millions of yen)

	As of March 31, 2019	As of June 30, 2019
Net assets		
Shareholders' equity		
Share capital	31,642	31,642
Capital surplus	26,854	26,854
Retained earnings	295,208	297,703
Treasury shares	(28,020)	(28,020)
Total shareholders' equity	325,684	328,179
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,574	4,783
Foreign currency translation adjustment	69	121
Remeasurements of defined benefit plans	(970)	(930)
Total accumulated other comprehensive income	4,673	3,973
Non-controlling interests	1,841	1,860
Total net assets	332,200	334,014
Total liabilities and net assets	395,708	396,013

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, 2018	Three months ended June 30, 2019
Operating revenue	68,563	70,725
Operating cost	57,771	59,286
Operating gross profit	10,792	11,438
Selling, general and administrative expenses	4,691	4,868
Operating profit	6,100	6,569
Non-operating income		
Interest income	7	7
Dividend income	315	448
Share of profit of entities accounted for using equity method	186	302
Other	90	69
Total non-operating income	599	828
Non-operating expenses		
Foreign exchange losses	22	23
Other	9	12
Total non-operating expenses	32	36
Ordinary profit	6,668	7,361
Extraordinary income		
Gain on sales of non-current assets	31	11
Gain on sales of investment securities	–	124
Total extraordinary income	31	136
Extraordinary losses		
Loss on sales and retirement of non-current assets	6	26
Loss on sales of investment securities	1	–
Total extraordinary losses	8	26
Profit before income taxes	6,691	7,470
Income taxes - current	2,289	2,417
Income taxes - deferred	(247)	(209)
Total income taxes	2,042	2,208
Profit	4,648	5,262
Profit attributable to non-controlling interests	13	20
Profit attributable to owners of parent	4,635	5,241

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Profit	4,648	5,262
Other comprehensive income		
Valuation difference on available-for-sale securities	29	(701)
Foreign currency translation adjustment	(34)	32
Remeasurements of defined benefit plans, net of tax	33	39
Share of other comprehensive income of entities accounted for using equity method	(19)	(70)
Total other comprehensive income	9	(700)
Comprehensive income	4,657	4,561
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,643	4,541
Comprehensive income attributable to non-controlling interests	14	19