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 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

TEL 078-271-5119

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)

Holding of quarterly financial results meeting:

Percentages indicate year-on-year changes

(Amounts less than one million yen are rounded down)

	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)

No

	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	Yen	Yen	Yen	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

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	Operating rev	enue	Operating pr	ofit	Ordinary pro	ofit	Profit attributa owners of pa		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):

(2) Application of special accounting methods for preparing quarterly consolidated financial statements:

(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 No

Restatement of prior period financial statements:

(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			
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			
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			

No

No

Quarterly consolidated financial statements Consolidated balance sheets

Trade notes and accounts receivable 45,806 46,44 Electronically recorded monetary claims - operating 943 87 Securities 8,500 Inventories 947 91 Other 6,974 6,48 Allowance for doubtful accounts (57) (5 Total current assets 116,705 80,81 Non-current assets 111,888 110,61 Property, plant and equipment 111,888 110,61 Land 97,686 97,68 Other, net 18,841 20,13 Intangible assets 7,011 6,86 Investments and other assets 7,011 6,86 Investments ecurities 33,430 69,26 Other 10,359 10,85 Allowance for doubtful accounts (216) (22 Total investments and other assets 43,573 79,88 Total investments and other assets 43,573 79,88 Total investments and other assets 279,002 315,19 Total investments and			(Millions of yen)
Current assets 53.591 26,15 Trade notes and accounts receivable 45,806 46,44 Electronically recorded monetary claims - operating 943 87 Securities 8,500 — Inventories 947 91 Other 6,974 6,48 Allowance for doubtful accounts (57) (5 Total current assets 116,705 80,81 Non-current assets 111,888 110,61 Property, plant and equipment 111,888 110,61 Land 97,686 97,68 Other, net 18,841 20,13 Total property, plant and equipment 228,416 228,43 Investments and other assets 7,011 6,86 Investments securities 33,430 69,26 Other 10,359 10,85 Allowance for doubtful accounts (216) (22 Total investments and other assets 43,573 79,88 Total current assets 279,002 315,19 Total assets 26,8		As of March 31, 2019	As of June 30, 2019
Cash and deposits 53,591 26,15 Trade notes and accounts receivable 45,806 46,44 Electronically recorded monetary claims - operating 943 87 Securities 8,500 - Inventories 947 91 Other 6,974 6,48 Allowance for doubtful accounts (57) (5 Total current assets 116,705 80,81 Non-current assets 111,888 110,61 Land 97,686 97,68 Other, net 18,841 20,13 Total property, plant and equipment 228,416 228,43 Investments and other assets 7,011 6,86 Investment securities 33,430 69,26 Other 10,359 10,85 Allowance for doubtful accounts (216) (22 Total investments and other assets 43,573 79,88 Total non-current assets 279,002 315,19 Total assets 279,002 315,19 Total assets 26,827	Assets		
Trade notes and accounts receivable 45,806 46,44 Electronically recorded monetary claims - operating 943 87 Securities 8,500 Inventories 947 91 Other 6,974 6,48 Allowance for doubtful accounts (57) (5 Total current assets 116,705 80,81 Non-current assets 111,888 110,61 Property, plant and equipment 111,888 110,61 Land 97,686 97,68 Other, net 18,841 20,13 Intangible assets 7,011 6,86 Investments and other assets 7,011 6,86 Investments securities 33,430 69,26 Other 10,359 10,85 Allowance for doubtful accounts (216) (22 Total investments and other assets 43,573 79,88 Total current assets 279,002 315,19 Total assets 279,002 315,19 Total current assets 4,232	Current assets		
Electronically recorded monetary claims - operating Securities S	Cash and deposits	53,591	26,159
Securities 8,500 Inventories 947 91 Other 6,974 6,48 Allowance for doubtful accounts (577) (5 Total current assets 116,705 80,81 Non-current assets 1116,705 80,81 Non-current assets 1116,705 80,81 Non-current assets 111,888 110,61 Land 97,686 97,68 Other, net 18,841 20,13 Total property, plant and equipment 228,416 228,43 Investments and other assets 7,011 6,86 Investments and other assets 33,430 69,26 Other 10,359 10,85 Allowance for doubtful accounts (216) (22 Total investments and other assets 43,573 79,88 Total concurrent assets 279,002 315,19 Total assets 279,002 315,19 Total assets 26,827 26,84 Current liabilities 26,827 26,84 <td< td=""><td>Trade notes and accounts receivable</td><td>45,806</td><td>46,440</td></td<>	Trade notes and accounts receivable	45,806	46,440
Inventories	Electronically recorded monetary claims - operating	943	875
Other 6,974 6,48 Allowance for doubtful accounts (57) (5 Total current assets 116,705 80,81 Non-current assets Property, plant and equipment 80,81 Buildings and structures, net 111,888 110,61 Land 97,686 97,68 Other, net 18,841 20,13 Total property, plant and equipment 228,416 228,43 Intangible assets 7,011 6,86 Investments and other assets 7,011 6,86 Investments securities 33,430 69,26 Other 10,359 10,85 Allowance for doubtful accounts (216) (22 Total investments and other assets 43,573 79,88 Total no-current assets 279,002 315,19 Total assets 395,708 396,01 Liabilities 26,827 26,84 Income taxes payable 4,232 2,62 Provision for bonuses 11,108 13,94 Other 14,108	Securities	8,500	=
Allowance for doubtful accounts (57) (5 Total current assets 116,705 80,81 Non-current assets Property, plant and equipment Buildings and structures, net 111,888 110,61 Land 97,686 97,68 Other, net 18,841 20,13 Total property, plant and equipment 228,416 228,43 Intragible assets 7,011 6,86 Investments and other assets 33,430 69,26 Other 10,359 10,85 Allowance for doubtful accounts (216) (22 Total investments and other assets 43,573 79,88 Total non-current assets 279,002 315,19 Total assets 279,002 315,19 Liabilities 20 20 Current liabilities 4,232 2,62 Provision for bonuses 181 28 Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities 39 4 </td <td>Inventories</td> <td>947</td> <td>914</td>	Inventories	947	914
Total current assets 116,705 80,81 Non-current assets Property, plant and equipment 111,888 110,61 Buildings and structures, net 111,888 110,61 140,666 97,686 97,686 O7,686 O7,686 O7,686 O7,686 O7,686 O7,686 10,013 Total property, plant and equipment 228,416 228,431 10,349 10,389 10,386 Investments and other assets 33,430 69,26 O,626 Other 10,359 10,389	Other	6,974	6,487
Non-current assets Property, plant and equipment Buildings and structures, net 111,888 110,61 Land 97,686 97,686 Other, net 18,841 20,13 Total property, plant and equipment 228,416 228,43 Intangible assets 7,011 6,86 Investments and other assets Investment securities 33,430 69,26 Other 10,359 10,85 Other 10,359 396,01 Other 10,359 396,01 Other 10,359 10,35 Other 10,359 10,359 Other 10,359 Ot	Allowance for doubtful accounts	(57)	(57)
Property, plant and equipment Buildings and structures, net 111,888 110,61 Land 97,686 97,68 Other, net 18,841 20,13 Total property, plant and equipment 228,416 228,43 Intragible assets 7,011 6,86 Investments and other assets 33,430 69,26 Other 10,359 10,85 Allowance for doubtful accounts (216) (22 Total investments and other assets 43,573 79,88 Total non-current assets 279,002 315,19 Total assets 395,708 396,01 Liabilities 26,827 26,84 Current liabilities 4,232 2,62 Provision for bonuses 181 28 Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities 39 4 Provision for retirement benefits for directors (and other officers) 39 4 Provision for special repairs for ships and vessels </td <td>Total current assets</td> <td>116,705</td> <td>80,819</td>	Total current assets	116,705	80,819
Buildings and structures, net 111,888 110,61 Land 97,686 97,686 Other, net 18,841 20,13 Total property, plant and equipment 228,416 228,43 Intangible assets 7,011 6,86 Investment securities 33,430 69,26 Other 10,359 10,85 Allowance for doubtful accounts (216) (222 Total investments and other assets 43,573 79,88 Total non-current assets 279,002 315,19 Total assets 395,708 396,01 Liabilities 20,827 26,844 Income taxes payable 4,232 2,62 Provision for bonuses 181 28 Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities 39 4 Provision for retirement benefits for directors (and other officers) 39 4 Provision for special repairs for ships and vessels - - Retireme	Non-current assets		
Land 97,686 97,686 Other, net 18,841 20,13 Total property, plant and equipment 228,416 228,43 Intangible assets 7,011 6,86 Investments and other assets 33,430 69,26 Other 10,359 10,85 Allowance for doubtful accounts (216) (22 Total investments and other assets 43,573 79,88 Total on-current assets 279,002 315,19 Total assets 395,708 396,01 Liabilities 20,827 26,84 Current liabilities 4,232 2,62 Provision for bonuses 181 28 Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities 39 4 Provision for retirement benefits for directors (and other officers) 39 4 Provision for special repairs for ships and vessels - - Retirement benefit liability 16,876 17,01 Other <td>Property, plant and equipment</td> <td></td> <td></td>	Property, plant and equipment		
Other, net 18,841 20,13 Total property, plant and equipment 228,416 228,43 Intangible assets 7,011 6,86 Investments and other assets 33,430 69,26 Other 10,359 10,85 Allowance for doubtful accounts (216) (22 Total investments and other assets 43,573 79,88 Total non-current assets 279,002 315,19 Total assets 395,708 396,01 Liabilities Trade notes and accounts payable 26,827 26,84 Income taxes payable 4,232 2,62 Provision for bonuses 181 28 Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities 39 4 Provision for retirement benefits for directors (and other officers) 39 4 Provision for special repairs for ships and vessels - - Retirement benefit liability 16,876 17,01 Other 1,242 <td< td=""><td>Buildings and structures, net</td><td>111,888</td><td>110,613</td></td<>	Buildings and structures, net	111,888	110,613
Total property, plant and equipment 228,416 228,43 Intangible assets 7,011 6,86 Investments and other assets 33,430 69,26 Other 10,359 10,85 Allowance for doubtful accounts (216) (22 Total investments and other assets 43,573 79,88 Total non-current assets 279,002 315,19 Total assets 395,708 396,01 Liabilities Trade notes and accounts payable 26,827 26,84 Income taxes payable 4,232 2,62 Provision for bonuses 181 28 Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities 39 4 Provision for retirement benefits for directors (and other officers) 39 4 Provision for special repairs for ships and vessels - - Retirement benefit liability 16,876 17,01 Other 1,242 1,232	Land	97,686	97,685
Intangible assets 7,011 6,86	Other, net	18,841	20,138
Intangible assets 7,011 6,86	Total property, plant and equipment	228,416	228,437
Investments and other assets Investment securities 33,430 69,26 Other 10,359 10,85 Allowance for doubtful accounts (216) (22 Total investments and other assets 43,573 79,88 Total non-current assets 279,002 315,19 Total assets 395,708 396,01 Liabilities Current liabilities Trade notes and accounts payable 26,827 26,84 Income taxes payable 4,232 2,62 Provision for bonuses 181 28 Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities Provision for retirement benefits for directors (and other officers) Provision for special repairs for ships and vessels -		7,011	6,867
Other 10,359 10,855 Allowance for doubtful accounts (216) (222 Total investments and other assets 43,573 79,88 Total non-current assets 279,002 315,19 Total assets 395,708 396,01 Liabilities Current liabilities Trade notes and accounts payable 26,827 26,844 Income taxes payable 4,232 2,62 Provision for bonuses 181 28 Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities 39 4 Provision for retirement benefits for directors (and other officers) 39 4 Provision for special repairs for ships and vessels - - Retirement benefit liability 16,876 17,019 Other 1,242 1,232		,	,
Other 10,359 10,855 Allowance for doubtful accounts (216) (222 Total investments and other assets 43,573 79,88 Total non-current assets 279,002 315,19 Total assets 395,708 396,01 Liabilities Current liabilities 26,827 26,84 Income taxes payable 4,232 2,62 Provision for bonuses 181 28 Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities 39 4 Provision for retirement benefits for directors (and other officers) 39 4 Provision for special repairs for ships and vessels - - Retirement benefit liability 16,876 17,019 Other 1,242 1,232	Investment securities	33,430	69,261
Allowance for doubtful accounts (216) (22c) Total investments and other assets 43,573 79,885 Total non-current assets 279,002 315,195 Total assets 395,708 396,01 Liabilities Current liabilities Trade notes and accounts payable 26,827 26,847 Income taxes payable 4,232 2,62 Provision for bonuses 181 28 Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities 39 4 Provision for retirement benefits for directors (and other officers) 39 4 Provision for special repairs for ships and vessels - - Retirement benefit liability 16,876 17,010 Other 1,242 1,232	Other		10,856
Total investments and other assets 43,573 79,88 Total non-current assets 279,002 315,19 Total assets 395,708 396,01 Liabilities Current liabilities Trade notes and accounts payable 26,827 26,84 Income taxes payable 4,232 2,62 Provision for bonuses 181 28 Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities 39 4 Provision for retirement benefits for directors (and other officers) 39 4 Provision for special repairs for ships and vessels - - Retirement benefit liability 16,876 17,019 Other 1,242 1,232	Allowance for doubtful accounts	(216)	(229)
Total non-current assets 279,002 315,19 Total assets 395,708 396,01 Liabilities Current liabilities Trade notes and accounts payable 26,827 26,84 Income taxes payable 4,232 2,62 Provision for bonuses 181 28 Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities 39 4 Provision for retirement benefits for directors (and other officers) 39 4 Provision for special repairs for ships and vessels - - Retirement benefit liability 16,876 17,01 Other 1,242 1,232	Total investments and other assets	43,573	79,888
Total assets 395,708 396,01 Liabilities Current liabilities Trade notes and accounts payable 26,827 26,844 Income taxes payable 4,232 2,62 Provision for bonuses 181 28 Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities Provision for retirement benefits for directors (and other officers) 39 4 Provision for special repairs for ships and vessels - - Retirement benefit liability 16,876 17,019 Other 1,242 1,232	Total non-current assets		315,193
Liabilities Current liabilities Trade notes and accounts payable 26,827 26,844 Income taxes payable 4,232 2,62 Provision for bonuses 181 28 Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities 39 4 Provision for retirement benefits for directors (and other officers) 39 4 Provision for special repairs for ships and vessels - - Retirement benefit liability 16,876 17,019 Other 1,242 1,232	Total assets		
Current liabilities Trade notes and accounts payable Income taxes payable Income taxes payable Provision for bonuses Other Total current liabilities Provision for retirement benefits for directors (and other officers) Provision for special repairs for ships and vessels Retirement benefit liability Other Trade notes and accounts payable 26,827 26,84 4,232 2,62 181 28 28 14,108 13,94 43,70 43,70 44 37 Application for retirement benefits for directors (and other officers) Provision for special repairs for ships and vessels Retirement benefit liability 16,876 17,019 Other			
Trade notes and accounts payable Income taxes payable 4,232 2,62 Provision for bonuses Other Other Total current liabilities Provision for retirement benefits for directors (and other officers) Provision for special repairs for ships and vessels Retirement benefit liability Other 1,242 26,84 4,232 2,62 181 28 28 29 41,018 13,94 43,70 14,018 15,349 40 16,876 17,018 16,876 17,018 16,876 17,018			
Income taxes payable 4,232 2,62 Provision for bonuses 181 28. Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities Provision for retirement benefits for directors (and other officers) Provision for special repairs for ships and vessels Retirement benefit liability 16,876 17,019 Other 1,242 1,233		26.827	26,849
Provision for bonuses Other Other 14,108 13,94 Total current liabilities A5,349 Non-current liabilities Provision for retirement benefits for directors (and other officers) Provision for special repairs for ships and vessels Retirement benefit liability Other 1,242 1,233	* *		2,627
Other 14,108 13,94 Total current liabilities 45,349 43,70 Non-current liabilities Provision for retirement benefits for directors (and other officers) Provision for special repairs for ships and vessels Retirement benefit liability 16,876 17,019 Other 1,242 1,233	* *		283
Total current liabilities Non-current liabilities Provision for retirement benefits for directors (and other officers) Provision for special repairs for ships and vessels Retirement benefit liability Other 45,349 43,70 39 46 39 47 47 47 47 48 49 49 40 40 40 40 40 40 40 40			13,944
Non-current liabilities Provision for retirement benefits for directors (and other officers) Provision for special repairs for ships and vessels Retirement benefit liability Other 1,242 1,233			
Provision for retirement benefits for directors (and other officers) Provision for special repairs for ships and vessels Retirement benefit liability Other 1,242 1,233	·	,.	15,701
officers) Provision for special repairs for ships and vessels Retirement benefit liability Other 39 40 17,019 16,876 17,019 1,242 1,233			
Retirement benefit liability 16,876 17,019 Other 1,242 1,232	officers)	39	40
Other 1,242 1,232		_	1
· · · · · · · · · · · · · · · · · · ·	•		17,019
T 4 1 41' 1'1'' 10 150 10 10 20	•	1,242	1,232
10tal non-current liabilities 18,158 18,259	Total non-current liabilities	18,158	18,294
Total liabilities 63,507 61,999	Total liabilities	63,507	61,999

(Millions of yen)

		(Infilite of July)
	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	Three months ended
	June 30, 2018	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	Three months ended	
	June 30, 2018	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	(19)	(70)	
for using equity method	(17)	(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	14	19	
interests	14	19	