

Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.



## Consolidated Financial Results for the Six Months Ended September 30, 2021 [Japanese GAAP]

October 22, 2021

Company name: Keihanshin Building Co., Ltd.  
 Stock exchange listing: Tokyo  
 Code number: 8818  
 URL: <http://www.keihanshin.co.jp/english/>  
 Representative: Koichi Minami, President  
 Contact: Toshiki Tabuchi, Operating Officer, General Manager (Accounting Dept)  
 Phone: 06-6202-7331  
 Scheduled date of filing quarterly securities report: October 29, 2021  
 Scheduled date of commencing dividend payments: December 03, 2021  
 Availability of supplementary briefing material on quarterly financial results: Yes  
 Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2021 (April 01, 2021 to September 30, 2021)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2021	8,824	15.3	2,361	(20.9)	2,243	(23.2)	1,570	(39.0)
September 30, 2020	7,654	(0.5)	2,986	5.6	2,919	5.7	2,575	7.7

(Note) Comprehensive income: Six months ended September 30, 2021: ¥ 2,008 million [(61.9)%]

Six months ended September 30, 2020: ¥ 5,267 million [180.7%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2021	30.93	30.82
September 30, 2020	49.56	49.38

(Reference) Ordinary income after tax before depreciation: Six months ended September 30, 2021: ¥ 3,386 million [8.3%]

Six months ended September 30, 2020: ¥ 3,126 million [3.9%]

The Company has positioned ordinary income after tax before depreciation as an important management indicator.

Ordinary income after tax before depreciation = (ordinary profit × (1-effective tax rate) + depreciation)

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of September 30, 2021	150,083	69,415	46.2
March 31, 2021	154,043	70,539	45.7

(Reference) Equity: As of September 30, 2021: ¥ 69,295 million

As of March 31, 2021: ¥ 70,419 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	-	13.50	-	17.50	31.00
Fiscal year ending March 31, 2022	-	15.50			
Fiscal year ending March 31, 2022 (Forecast)			-	17.50	33.00

(Note) Revision to the forecast for dividends announced most recently: Yes

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022(April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	17,600	14.8	5,100	(3.7)	4,900	(3.6)	4,300	(47.9)	85.75

(Note) Revision to the financial results forecast announced most recently: Yes

(Reference) Ordinary income after tax before depreciation : ¥ 7,000 million [ 20.8% ]

### \* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2021

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

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

September 30, 2021: 52,184,498 shares

March 31, 2021: 52,184,498 shares

2) Total number of treasury shares at the end of the period:

September 30, 2021: 2,036,568 shares

March 31, 2021: 481,029 shares

3) Average number of shares during the period:

Six months ended September 30, 2021: 50,792,900 shares

Six months ended September 30, 2020: 51,979,751 shares

\*This summary is not subject to quarterly review procedures by a certified public accountant or audit firm.

\*Appropriate use of business forecasts ; other special items

Information described in this document, such as projections, is prepared based on available information at the time of the release this document and certain assumptions that the Company judged as rational. Actual results may be significantly different due to various factors.

## Quarterly Consolidated Financial Statements

## Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2021	As of September 30,2021
<b>Assets</b>		
Current assets		
Cash and deposits	21,550,649	6,644,204
Notes and accounts receivable - trade	331,797	395,313
Other	720,947	2,138,661
Total current assets	22,603,394	9,178,179
Non-current assets		
Property, plant and equipment		
Buildings and structures	70,499,470	99,541,569
Accumulated depreciation	(39,354,505)	(41,034,464)
Buildings and structures, net	31,144,965	58,507,105
Land	52,424,697	52,941,954
Buildings in trust	3,343,060	3,343,060
Accumulated depreciation	(1,418,331)	(1,502,310)
Buildings in trust, net	1,924,729	1,840,750
Land in trust	11,038,280	11,038,280
Construction in progress	19,990,264	934,740
Other	932,810	1,025,855
Accumulated depreciation	(689,991)	(709,041)
Other, net	242,818	316,813
Total property, plant and equipment	116,765,755	125,579,644
Intangible assets	125,912	123,984
Investments and other assets		
Investment securities	11,910,639	12,511,221
Other	2,637,680	2,690,857
Total investments and other assets	14,548,320	15,202,078
Total non-current assets	131,439,988	140,905,707
Total assets	154,043,383	150,083,886

(Thousand yen)

	As of March 31,2021	As of September 30,2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	3,533	-
Short-term borrowings	4,285,200	4,113,300
Income taxes payable	3,043,744	841,224
Provisions	38,609	47,017
Other	2,207,845	2,652,081
Total current liabilities	9,578,931	7,653,622
Non-current liabilities		
Bonds payable	45,000,000	45,000,000
Long-term borrowings	17,359,950	16,558,300
Retirement benefit liability	63,770	66,246
Asset retirement obligations	114,570	114,757
Other	11,386,470	11,275,188
Total non-current liabilities	73,924,761	73,014,491
Total liabilities	83,503,692	80,668,114
<b>Net assets</b>		
Shareholders' equity		
Share capital	9,827,611	9,827,611
Capital surplus	9,199,840	9,199,840
Retained earnings	50,938,631	51,603,455
Treasury shares	(697,656)	(2,924,281)
Total shareholders' equity	69,268,426	67,706,625
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,683,794	6,121,676
Revaluation reserve for land	(4,532,546)	(4,532,546)
Total accumulated other comprehensive income	1,151,248	1,589,130
Share acquisition rights	120,015	120,015
Total net assets	70,539,690	69,415,771
Total liabilities and net assets	154,043,383	150,083,886

## Quarterly Consolidated Statements of Income and Comprehensive Income

## Quarterly Consolidated Statements of Income (For the six months)

(Thousand yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Net sales	7,654,858	8,824,083
Cost of sales	3,961,974	5,712,444
Gross profit	3,692,883	3,111,639
Selling, general and administrative expenses	706,871	750,503
Operating profit	2,986,012	2,361,135
Non-operating income		
Interest income	374	98
Dividend income	157,739	140,907
Other	6,694	6,477
Total non-operating income	164,808	147,484
Non-operating expenses		
Interest expenses	78,283	84,776
Interest on bonds	147,466	169,201
Other	5,674	11,206
Total non-operating expenses	231,424	265,184
Ordinary profit	2,919,396	2,243,434
Extraordinary income		
Gain on sale of non-current assets	803,567	-
Contribution for construction	-	20,300
Gain on sale of investment securities	-	10,852
Total extraordinary income	803,567	31,152
Extraordinary losses		
Loss on retirement of non-current assets	5,866	3,610
Loss on sale of non-current assets	-	317
Total extraordinary losses	5,866	3,928
Profit before income taxes	3,717,097	2,270,659
Income taxes - current	1,072,007	792,346
Income taxes - deferred	69,096	(92,500)
Total income taxes	1,141,104	699,845
Profit	2,575,993	1,570,813
Profit attributable to owners of parent	2,575,993	1,570,813

## Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Thousand yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Profit	2,575,993	1,570,813
Other comprehensive income		
Valuation difference on available-for-sale securities	2,691,640	437,881
Total other comprehensive income	2,691,640	437,881
Comprehensive income	5,267,633	2,008,695
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,267,633	2,008,695
Comprehensive income attributable to non-controlling interests	-	-

## Quarterly Consolidated Statements of Cash Flows

(Thousand yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
<b>Cash flows from operating activities</b>		
Profit before income taxes	3,717,097	2,270,659
Depreciation	1,100,031	1,829,713
Share-based payment expenses	18,256	24,881
Increase (decrease) in retirement benefit liability	(6,964)	2,476
Increase (decrease) in provision for bonuses	6,866	8,408
Interest and dividend income	(158,113)	(141,006)
Interest expenses	78,283	84,776
Interest expenses on bonds	147,466	169,201
Loss (gain) on sale of investment securities	-	(10,852)
Loss (gain) on sale of property, plant and equipment	(803,567)	317
Loss on retirement of property, plant and equipment	5,866	3,610
Proceeds from contribution for construction	-	(20,300)
Decrease (increase) in trade receivables	(94,593)	279,188
Increase (decrease) in trade payables	1,368,642	365,111
Decrease (increase) in consumption taxes refund receivable	-	(1,789,391)
Increase (decrease) in accrued consumption taxes	187,511	(59,105)
Other, net	4,186	5,380
Subtotal	5,570,969	3,023,069
Interest and dividends received	158,113	141,006
Interest paid	(226,919)	(254,464)
Income taxes paid	(960,502)	(2,919,122)
Net cash provided by (used in) operating activities	4,541,661	(9,510)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(3,334,487)	(10,752,439)
Proceeds from sale of property, plant and equipment	1,269,467	1,922
Purchase of intangible assets	(5,833)	(11,069)
Proceeds from sale of investment securities	-	31,805
Other, net	1,555	1,555
Net cash provided by (used in) investing activities	(2,069,298)	(10,728,224)
<b>Cash flows from financing activities</b>		
Repayments of long-term borrowings	(845,250)	(973,550)
Purchase of treasury shares	(39,801)	(2,290,689)
Dividends paid	(804,705)	(904,470)
Other, net	15	-
Net cash provided by (used in) financing activities	(1,689,741)	(4,168,709)
Net increase (decrease) in cash and cash equivalents	782,620	(14,906,445)
Cash and cash equivalents at beginning of period	13,205,088	21,550,649
Cash and cash equivalents at end of period	13,987,709	6,644,204