

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2021 (Based on Japanese GAAP)

November 12, 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: HQ Yasuhiro Kishino TEL 078-271-5119
 Scheduled date to file Quarterly Securities Report: November 12, 2021
 Scheduled date to commence dividend payments: December 7, 2021
 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 six months ended September 30, 2021 (from April 1, 2021 to September 30, 2021)

(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	%
Six months ended September 30, 2021	128,968	12.1	14,342	28.5	15,411	28.7	10,919	33.2
Six months ended September 30, 2020	115,038	—	11,162	—	11,972	—	8,197	—

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2021	94.01		—	
Six months ended September 30, 2020	69.56		—	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2021	426,873	362,067	84.4
As of March 31, 2021	415,539	352,408	84.3

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, 2021	—	23.00	—	27.00	50.00
Year ending March 31, 2022	—	27.00	—	—	—
Year ending March 31, 2022 (Forecast)	—	—	—	30.00	57.00

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
Full year	250,000	—	26,500	—	28,000	—	19,000	—	163.57

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2021
(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: Yes
- 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 September 30, 2021	129,066,837 shares	As of March 31, 2021	129,066,837 shares
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Number of treasury shares at the end of the period

As of September 30, 2021	12,907,860 shares	As of March 31, 2021	12,907,087 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2021	116,158,225 shares	Six months ended September 30, 2020	117,842,701 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Assets		
Current assets		
Cash and deposits	33,376	43,097
Trade notes and accounts receivable, and contract assets	46,916	45,421
Electronically recorded monetary claims - operating	603	705
Securities	10,700	10,500
Inventories	783	766
Other	5,891	6,103
Allowance for doubtful accounts	(56)	(54)
Total current assets	98,214	106,539
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	105,822	108,253
Land	99,867	99,775
Other, net	21,878	22,183
Total property, plant and equipment	227,568	230,211
Intangible assets	6,789	6,731
Investments and other assets		
Investment securities	72,244	73,431
Other	11,043	10,279
Allowance for doubtful accounts	(321)	(320)
Total investments and other assets	82,966	83,390
Total non-current assets	317,324	320,334
Total assets	415,539	426,873
Liabilities		
Current liabilities		
Trade notes and accounts payable	26,066	25,617
Income taxes payable	4,958	5,389
Provision for bonuses	172	179
Provision for loss on disaster	450	–
Other	11,831	13,412
Total current liabilities	43,479	44,599
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	54	60
Provision for special repairs for ships and vessels	13	16
Retirement benefit liability	18,166	18,484
Other	1,416	1,645
Total non-current liabilities	19,651	20,207
Total liabilities	63,130	64,806

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Net assets		
Shareholders' equity		
Share capital	31,642	31,642
Capital surplus	26,854	26,856
Retained earnings	310,401	318,184
Treasury shares	(24,810)	(24,798)
Total shareholders' equity	344,087	351,885
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,252	8,984
Foreign currency translation adjustment	(27)	165
Remeasurements of defined benefit plans	(833)	(745)
Total accumulated other comprehensive income	6,392	8,404
Non-controlling interests	1,929	1,777
Total net assets	352,408	362,067
Total liabilities and net assets	415,539	426,873

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Operating revenue	115,038	128,968
Operating costs	94,407	104,778
Operating gross profit	20,630	24,190
Selling, general and administrative expenses	9,468	9,847
Operating profit	11,162	14,342
Non-operating income		
Interest income	15	14
Dividend income	482	561
Foreign exchange gains	–	4
Share of profit of entities accounted for using equity method	124	287
Other	221	216
Total non-operating income	843	1,083
Non-operating expenses		
Foreign exchange losses	13	–
Other	19	14
Total non-operating expenses	33	14
Ordinary profit	11,972	15,411
Extraordinary income		
Gain on sale of non-current assets	16	228
Gain on sale of investment securities	32	627
Total extraordinary income	49	856
Extraordinary losses		
Loss on sale and retirement of non-current assets	83	499
Total extraordinary losses	83	499
Profit before income taxes	11,937	15,767
Income taxes - current	3,821	5,078
Income taxes - deferred	(127)	(78)
Total income taxes	3,693	5,000
Profit	8,243	10,767
Profit (loss) attributable to non-controlling interests	46	(152)
Profit attributable to owners of parent	8,197	10,919

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit	8,243	10,767
Other comprehensive income		
Valuation difference on available-for-sale securities	1,504	1,669
Foreign currency translation adjustment	(80)	128
Remeasurements of defined benefit plans, net of tax	77	79
Share of other comprehensive income of entities accounted for using equity method	(67)	135
Total other comprehensive income	1,433	2,014
Comprehensive income	9,677	12,782
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,627	12,932
Comprehensive income attributable to non-controlling interests	50	(150)

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from operating activities		
Profit before income taxes	11,937	15,767
Depreciation	6,312	6,289
Increase (decrease) in allowance for doubtful accounts	(4)	(2)
Increase (decrease) in retirement benefit liability	240	397
Interest and dividend income	(498)	(575)
Share of loss (profit) of entities accounted for using equity method	(124)	(287)
Loss (gain) on sale of investment securities	(32)	(627)
Loss (gain) on sale and retirement of non-current assets	67	270
Decrease (increase) in trade receivables	2,125	1,350
Decrease (increase) in inventories	123	16
Increase (decrease) in trade payables	(1,097)	(486)
Other, net	(331)	(405)
Subtotal	18,717	21,709
Interest and dividends received	869	1,087
Payments associated with disaster loss	–	(450)
Income taxes paid	(4,519)	(4,698)
Net cash provided by (used in) operating activities	15,067	17,647
Cash flows from investing activities		
Net decrease (increase) in time deposits	–	10,287
Purchase of securities	–	(10,000)
Proceeds from sale of securities	–	10,000
Proceeds from redemption of securities	–	900
Purchase of non-current assets	(5,668)	(6,672)
Proceeds from sale of non-current assets	18	322
Purchase of investment securities	(557)	(11)
Proceeds from sale and redemption of investment securities	151	1,689
Purchase of shares of subsidiaries and associates	(22)	(117)
Proceeds from collection of loans receivable	78	4
Other, net	100	(438)
Net cash provided by (used in) investing activities	(5,899)	5,963
Cash flows from financing activities		
Dividends paid	(2,710)	(3,136)
Purchase of treasury shares	(0)	(0)
Other, net	(1)	(45)
Net cash provided by (used in) financing activities	(2,711)	(3,182)
Effect of exchange rate change on cash and cash equivalents	(36)	75
Net increase (decrease) in cash and cash equivalents	6,420	20,503
Cash and cash equivalents at beginning of period	32,137	22,780
Cash and cash equivalents at end of period	38,558	43,284