



Consolidated Financial Results for the Three Months Ended June 30, 2019 [Japanese GAAP]

July 26, 2019

Company name: Keihanshin Building Co., Ltd.
 Stock exchange listing: Tokyo
 Code number: 8818
 URL: <http://www.keihanshin.co.jp/english/>
 Representative: Koichi Minami, President
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 Scheduled date of filing quarterly securities report: August 02, 2019
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: No
 Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2019 (April 01, 2019 to June 30, 2019)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2019	3,832	3.8	1,479	3.1	1,524	3.6	998	(17.2)
June 30, 2018	3,690	2.6	1,435	11.0	1,471	10.8	1,205	29.7

(Note) Comprehensive income: Three months ended June 30, 2019: ¥ 1,187 million [(44.0) %]
 Three months ended June 30, 2018: ¥ 2,120 million [48.2 %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2019	18.95	18.89
June 30, 2018	22.39	22.33

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
June 30, 2019	136,982	64,740	47.2
March 31, 2019	132,780	64,228	48.3

(Reference) Equity: As of June 30, 2019: ¥ 64,646 million
 As of March 31, 2019: ¥ 64,133 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, 2019	-	10.00	-	13.00	23.00
Fiscal year ending March 31, 2020	-				
Fiscal year ending March 31, 2020 (Forecast)		11.50	-	11.50	23.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2020(April 01, 2019 to March 31, 2020)

(% 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	15,200	1.4	5,500	0.9	5,300	1.6	3,500	(12.5)	66.41

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2019

(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: No

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):

June 30, 2019: 52,882,298 shares

March 31, 2019: 53,998,798 shares

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

June 30, 2019: 179,795 shares

March 31, 2019: 1,312,174 shares

3) Average number of shares during the period:

Three months ended June 30, 2019: 52,688,698 shares

Three months ended June 30, 2018: 53,828,139 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 of 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 31,2019	As of June 30,2019
Assets		
Current assets		
Cash and deposits	15,918,547	11,356,578
Notes and accounts receivable - trade	473,037	378,922
Other	128,934	377,654
Total current assets	16,520,519	12,113,155
Non-current assets		
Property, plant and equipment		
Buildings and structures	65,973,619	66,007,671
Accumulated depreciation	(36,788,019)	(37,273,798)
Buildings and structures, net	29,185,600	28,733,873
Land	52,640,231	52,640,231
Buildings in trust	3,343,060	3,343,060
Accumulated depreciation	(1,077,013)	(1,120,353)
Buildings in trust, net	2,266,046	2,222,707
Land in trust	11,038,280	11,038,280
Construction in progress	3,118,301	11,986,209
Other	791,084	795,532
Accumulated depreciation	(638,642)	(647,189)
Other, net	152,441	148,342
Total property, plant and equipment	98,400,902	106,769,644
Intangible assets	79,357	122,452
Investments and other assets		
Investment securities	15,104,819	15,315,775
Other	2,674,749	2,661,462
Total investments and other assets	17,779,568	17,977,238
Total non-current assets	116,259,828	124,869,335
Total assets	132,780,347	136,982,490

(Thousand yen)

	As of March 31,2019	As of June 30,2019
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,746	47,085
Current portion of bonds	5,000,000	5,000,000
Short-term borrowings	4,422,900	4,590,100
Income taxes payable	1,006,190	413,905
Provisions	33,990	-
Other	2,007,542	1,799,388
Total current liabilities	12,478,369	11,850,479
Non-current liabilities		
Bonds payable	35,000,000	35,000,000
Long-term borrowings	11,286,850	15,456,325
Retirement benefit liability	66,704	70,296
Asset retirement obligations	113,827	113,920
Other	9,605,737	9,751,229
Total non-current liabilities	56,073,119	60,391,771
Total liabilities	68,551,488	72,242,250
Net assets		
Shareholders' equity		
Share capital	9,827,611	9,827,611
Capital surplus	9,786,093	9,199,840
Retained earnings	43,029,004	42,966,038
Treasury shares	(1,126,658)	(154,379)
Total shareholders' equity	61,516,050	61,839,110
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,385,655	7,575,278
Revaluation reserve for land	(4,768,378)	(4,768,378)
Total accumulated other comprehensive income	2,617,277	2,806,900
Share acquisition rights	95,530	94,229
Total net assets	64,228,858	64,740,239
Total liabilities and net assets	132,780,347	136,982,490

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Thousand yen)

	For the three months ended June 30,2018	For the three months ended June 30,2019
Net sales	3,690,816	3,832,702
Cost of sales	1,931,527	2,009,899
Gross profit	1,759,289	1,822,802
Selling, general and administrative expenses	324,004	343,647
Operating profit	1,435,284	1,479,155
Non-operating income		
Interest income	99	402
Dividend income	145,631	159,882
Other	2,416	2,393
Total non-operating income	148,147	162,679
Non-operating expenses		
Interest expenses	45,545	40,105
Interest on bonds	64,764	74,546
Other	2,109	2,673
Total non-operating expenses	112,420	117,325
Ordinary profit	1,471,011	1,524,509
Extraordinary income		
Gain on sales of non-current assets	264,597	-
Total extraordinary income	264,597	-
Extraordinary losses		
Loss on retirement of non-current assets	52	42
Loss on valuation of investment securities	-	60,996
Total extraordinary losses	52	61,038
Profit before income taxes	1,735,556	1,463,470
Income taxes - current	439,749	414,429
Income taxes - deferred	90,697	50,770
Total income taxes	530,447	465,200
Profit	1,205,109	998,270
Profit attributable to owners of parent	1,205,109	998,270

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Thousand yen)

	For the three months ended June 30,2018	For the three months ended June 30,2019
Profit	1,205,109	998,270
Other comprehensive income		
Valuation difference on available-for-sale securities	915,378	189,622
Total other comprehensive income	915,378	189,622
Comprehensive income	2,120,487	1,187,892
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,120,487	1,187,892
Comprehensive income attributable to non-controlling interests	-	-