

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (Based on Japanese GAAP)

November 13, 2024

Company name: Kamigumi Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 9364 URL <https://www.kamigumi.co.jp/>
 Representative: President & Representative Director Yoshihiro Fukai
 Senior Corporate Officer, General Manager
 Inquiries: Yasuhiro Kishino TEL 078-271-5119
 of Financial Hq.
 Scheduled date to file Semi-annual Securities Report: November 14, 2024
 Scheduled date to commence dividend payments: December 5, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		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, 2024	137,656	2.3	16,875	9.3	18,690	7.2	13,519	7.2
Six months ended September 30, 2023	134,502	(3.6)	15,433	(5.0)	17,440	(4.8)	12,617	2.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2024	126.98		-	
Six months ended September 30, 2023	116.32		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	489,508	393,066	80.0
As of March 31, 2024	483,921	387,290	79.7

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, 2024	-	45.00	-	55.00	100.00
Year ending March 31, 2025	-	50.00	-	-	-
Year ending March 31, 2025 (Forecast)	-	-	-	50.00	100.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Net sales		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	274,000	2.7	31,300	2.3	34,200	0.0	25,000	(0.1)	239.64

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended September 30, 2024: No

(2) Application of special accounting methods for preparing semi-annual 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 September 30, 2024	112,076,837 shares	As of March 31, 2024	112,076,837 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	5,608,192 shares	As of March 31, 2024	5,621,632 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, 2024	106,468,332 shares	Six months ended September 30, 2023	108,465,529 shares
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Semi-annual consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	79,631	79,088
Trade notes and accounts receivable, and contract assets	48,073	49,109
Electronically recorded monetary claims - operating	861	1,084
Securities	10,800	20,297
Inventories	893	914
Other	2,897	4,119
Allowance for doubtful accounts	(54)	(55)
Total current assets	143,101	154,556
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	104,133	100,268
Machinery, equipment and vehicles, net	17,761	17,074
Land	100,230	100,710
Construction in progress	53	2,071
Other, net	1,799	1,802
Total property, plant and equipment	223,978	221,927
Intangible assets	6,774	6,586
Investments and other assets		
Investment securities	102,129	98,445
Long-term loans receivable	13	11
Deferred tax assets	223	254
Other	8,015	8,041
Allowance for doubtful accounts	(315)	(315)
Total investments and other assets	110,066	106,437
Total non-current assets	340,819	334,951
Total assets	483,921	489,508
Liabilities		
Current liabilities		
Trade notes and accounts payable	24,718	26,380
Income taxes payable	5,731	6,115
Provision for bonuses	178	184
Other	14,327	12,632
Total current liabilities	44,957	45,312
Non-current liabilities		
Long-term borrowings	30,000	30,000
Deferred tax liabilities	3,685	2,579
Provision for retirement benefits for directors (and other officers)	89	95
Provision for special repairs for ships and vessels	–	3
Retirement benefit liability	17,059	17,494
Provision for loss on business of subsidiaries and associates	267	267
Other	570	688
Total non-current liabilities	51,672	51,129
Total liabilities	96,630	96,442

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Net assets		
Shareholders' equity		
Share capital	31,642	31,642
Capital surplus	26,854	26,868
Retained earnings	317,355	325,019
Treasury shares	(14,697)	(14,645)
Total shareholders' equity	361,153	368,884
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21,717	19,236
Foreign currency translation adjustment	989	1,582
Remeasurements of defined benefit plans	1,806	1,725
Total accumulated other comprehensive income	24,513	22,544
Non-controlling interests	1,624	1,637
Total net assets	387,290	393,066
Total liabilities and net assets	483,921	489,508

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, 2023	Six months ended September 30, 2024
Operating revenue	134,502	137,656
Operating costs	108,810	109,873
Operating gross profit	25,691	27,783
Selling, general and administrative expenses	10,257	10,907
Operating profit	15,433	16,875
Non-operating income		
Interest income	14	46
Dividend income	1,059	986
Foreign exchange gains	89	41
Share of profit of entities accounted for using equity method	604	639
Other	286	169
Total non-operating income	2,053	1,883
Non-operating expenses		
Interest expenses	19	40
Other	27	29
Total non-operating expenses	47	69
Ordinary profit	17,440	18,690
Extraordinary income		
Gain on sale of non-current assets	22	155
Gain on sale of investment securities	590	455
Total extraordinary income	613	610
Extraordinary losses		
Loss on sale and retirement of non-current assets	43	44
Loss on sale of golf club membership	–	11
Total extraordinary losses	43	55
Profit before income taxes	18,010	19,245
Income taxes - current	5,512	5,799
Income taxes - deferred	(114)	(94)
Total income taxes	5,397	5,704
Profit	12,612	13,540
Profit (loss) attributable to non-controlling interests	(4)	21
Profit attributable to owners of parent	12,617	13,519

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	12,612	13,540
Other comprehensive income		
Valuation difference on available-for-sale securities	5,748	(2,402)
Foreign currency translation adjustment	201	467
Remeasurements of defined benefit plans, net of tax	596	(33)
Share of other comprehensive income of entities accounted for using equity method	222	(6)
Total other comprehensive income	6,769	(1,974)
Comprehensive income	19,382	11,565
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	19,377	11,550
Comprehensive income attributable to non-controlling interests	4	14

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	18,010	19,245
Depreciation	6,767	6,497
Increase (decrease) in allowance for doubtful accounts	(1)	0
Increase (decrease) in retirement benefit liability	132	402
Interest and dividend income	(1,073)	(1,032)
Interest expenses	19	40
Share of loss (profit) of entities accounted for using equity method	(604)	(639)
Loss (gain) on sale of investment securities	(590)	(455)
Loss (gain) on sale of golf club membership	–	11
Loss (gain) on sale and retirement of non-current assets	21	(111)
Decrease (increase) in trade receivables	(413)	(1,283)
Decrease (increase) in inventories	12	(20)
Increase (decrease) in trade payables	(717)	1,597
Other, net	1,784	(808)
Subtotal	23,347	23,444
Interest and dividends received	1,711	1,665
Interest paid	(20)	(39)
Income taxes paid	(5,519)	(5,420)
Net cash provided by (used in) operating activities	19,518	19,649
Cash flows from investing activities		
Net decrease (increase) in time deposits	–	(50)
Purchase of securities	(10,000)	(999)
Proceeds from sale of securities	10,000	10,000
Proceeds from redemption of securities	100	1,300
Purchase of non-current assets	(4,099)	(6,153)
Proceeds from sale of non-current assets	43	197
Payments for retirement of non-current assets	(246)	(26)
Purchase of investment securities	(10,112)	(215)
Proceeds from sale and redemption of investment securities	1,146	646
Purchase of shares of subsidiaries and associates	(1,253)	–
Other, net	101	(245)
Net cash provided by (used in) investing activities	(14,320)	4,452
Cash flows from financing activities		
Proceeds from short-term borrowings	–	748
Repayments of short-term borrowings	–	(329)
Dividends paid	(5,503)	(5,855)
Purchase of treasury shares	(11,113)	(0)
Other, net	(92)	(99)
Net cash provided by (used in) financing activities	(16,709)	(5,535)
Effect of exchange rate change on cash and cash equivalents	160	337
Net increase (decrease) in cash and cash equivalents	(11,351)	18,904
Cash and cash equivalents at beginning of period	66,147	80,098
Cash and cash equivalents at end of period	54,796	99,002