



Summary of Financial Results for the Fiscal Year Ending March 31, 2017 [Consolidated] (From April 1, 2016 to March 31, 2017) [Japan GAAP]

May 12, 2017

Company name:	Relo Group, Inc.	Listed Exchange:	Tokyo Stock Exchange, First Section
Security code.:	8876	URL:	http://www.relo.jp
Representative:	Kenichi Nakamura, President and Representative Director		
Contact:	Yasushi Kadota, Senior Managing Director	TEL:	03-5312-8704
Scheduled Date of Ordinary General Meeting of Shareholders:	June 23, 2017		
Scheduled Date to Start Distributing Dividends:	June 26, 2017		
Scheduled Date to Submit the Securities Report:	June 26, 2017		
Supplemental documents for the financial results provided:	Yes		
Results briefing for the period under review provided:	Yes (for institutional investors and securities analysts)		

(Millions of yen, rounded down)

1. Consolidated Financial Results for the Year Ended March 31, 2017

(From April 1, 2016 to March 31, 2017)

(1) Consolidated Operating Results

(% figures represent change from the same period of the previous fiscal year)

	Sales		Operating Profit		Recurring Profit		Net Income attributable to parent shareholders	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ending March 31, 2017	205,117	11.9	13,264	22.4	14,238	20.1	9,151	27.8
Fiscal year ending March 31, 2016	183,280	14.5	10,840	23.9	11,854	20.2	7,158	17.6

(Note) Comprehensive Income: Fiscal year ending March 31, 2017 9,587 million yen (34.9%) Fiscal year ending March 31, 2016 7,104 million yen (9.4%)

	Net Income per Share	Diluted Net Income per Share	Return on Equity (ROE)	Return on Assets (ROA)	Operating Profit Margin
	Yen	Yen	%	%	%
Fiscal year ending March 31, 2017	61.47	60.65	25.3	15.6	6.5
Fiscal year ending March 31, 2016	49.26	47.82	22.4	15.4	5.9

(Reference) Equity in Net Income of Affiliated Companies: Fiscal year ending March 31, 2017 941 million yen Fiscal year ending March 31, 2016 973 million yen

(Note) The company conducted a 1-for-10 stock split of common shares with an effective date of 1st April, 2017.

Net profit per share and diluted net profit per share are calculated based on the assumption that such stock split was implemented at the beginning of the previous fiscal year.

(2) Consolidated Financial Positions

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2017	99,347	39,742	39.6	262.22
As of March 31, 2016	83,410	33,475	39.6	225.33

(Reference) Shareholders' Equity: As of March 31, 2017 39,312 million yen As of March 31, 2016 33,070 million yen

(Note) The company conducted a 1-for-10 stock split of common shares with an effective date of 1st April, 2017.

Net assets per share is calculated based on the assumption that such stock split was implemented at the beginning of the previous fiscal year.

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ending March 31, 2017	1,023	(4,158)	3,613	13,309
Fiscal year ending March 31, 2016	3,993	(4,381)	2,634	12,828

2. Dividends

	Dividends per Share					Total Dividends	Dividend Payout Ratio (Consolidated)	Dividend / Net Assets Ratio (Consolidated)
	1st quarter End	2nd quarter End	3rd quarter End	Fiscal Year End	Total			
Fiscal year ending March 31, 2016	-	0.00	-	150.00	150.00	2,235	30.4	6.9
Fiscal year ending March 31, 2017	-	0.00	-	184.00	184.00	2,758	29.9	7.5
Fiscal year ending March 31, 2018 (Projected)	-	0.00	-	21.00	21.00		29.8	

(Note) The company conducted a 1-for-10 stock split of common shares with an effective date of 1st April, 2017.

For the fiscal year ended March 31, 2016 and fiscal year ended March 31, 2017, actual amount of dividends before the stock split is presented.

3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2018

(From April 1, 2017 to March 31, 2018)

(% figures represent change from the same period of the previous fiscal year)

	Operating Revenue		Operating Profit		Recurring Profit		Net Income attributable to parent shareholders		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
2nd quarter (Accumulated)	108,400	10.1	6,500	10.3	6,800	10.0	4,600	8.5	30.85
Full year	226,000	10.2	15,500	16.9	16,500	15.9	10,500	14.7	70.50

*Notes

(1) Changes in significant subsidiaries during the Fiscal Year (Changes in specified subsidiaries associated with changes in the scope of consolidation): Yes

Newly consolidated: One company
Associates for International Research, Inc.

Excluded: -

(2) Changes in Accounting Policies, Changes in Accounting Estimates and Restatements:

1. Changes in accounting policies associated with the revisions of accounting standards: Yes
2. Changes in accounting principles other than above 1: None
3. Changes in accounting estimates: None
4. Restatements: None

(3) Number of Shares Issued and Outstanding (Common stock)

1. Number of shares issued at the end of period (including treasury stock)	As of March 31, 2017	152,951,200 shares	As of March 31, 2016	152,951,200 shares
2. Number of treasury stock at the end of period	As of March 31, 2017	3,027,220 shares	As of March 31, 2016	6,186,220 shares
3. Average number of shares during the period	Year ending March 31, 2017	148,879,460 shares	Year ending March 31, 2016	145,299,660 shares

(Note) The company conducted a 1-for-10 stock split of common shares with an effective date of 1st April, 2017.

Total number of issued shares (common shares) are calculated based on the assumption that such stock split was implemented at the beginning of the previous fiscal year.

* Statement concerning the Status of Financial Audit Procedures

This Summary of Consolidated Financial Results is not subject to audit procedures under the Financial Instruments and Exchange Act. At the time of disclosing this document, audit procedures specified in the Financial Instruments and Exchange Act have not been completed.

* Statement regarding the proper use of financial forecasts and other specific remarks

The forward-looking statements such as forecasts contained in this document are based on the information currently available to the company and certain assumptions which are regarded as reasonable. Actual results may differ from these forecasts due to various factors.

This translation is to be used solely as a reference and the consolidated financial statements in this release are unaudited.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Previous fiscal year (As of March 31, 2016)	Reporting fiscal year (As of March 31, 2017)
Assets		
Current assets		
Cash and deposits	12,928	13,309
Notes and accounts receivable-trade	10,479	12,094
Real estate for sale	5,321	6,729
Supplies	393	501
Advance payments	10,647	13,291
Deferred tax assets	709	763
Other	5,987	9,929
Allowance for doubtful accounts	(25)	(40)
Total current assets	46,442	56,580
Noncurrent assets		
Property, buildings and equipment		
Buildings and structures	5,675	6,749
Accumulated depreciation	(2,229)	(2,503)
Buildings and structures, net	3,446	4,246
Tools, furniture and fixtures	1,471	1,794
Accumulated depreciation	(1,062)	(1,312)
Tools, furniture and fixtures, net	408	482
Land	2,103	2,340
Other	567	783
Accumulated depreciation	(343)	(365)
Other, net	224	417
Total property, buildings and equipment	6,183	7,486
Intangible assets		
Software	1,173	1,485
Goodwill	7,070	8,862
Other	224	176
Total intangible assets	8,468	10,524
Investments and other assets		
Investment securities	9,644	10,585
Lease and guarantee deposits	10,543	11,627
Deferred tax assets	389	471
Other	1,874	2,131
Allowance for doubtful accounts	(151)	(72)
Total investments and other assets	22,301	24,744
Total noncurrent assets	36,953	42,754
Deferred assets		
Bond issuance expenses	15	12
Total deferred assets	15	12
Total assets	83,410	99,347

(Millions of yen)

	Previous fiscal year (As of March 31, 2016)	Reporting fiscal year (As of March 31, 2017)
Liabilities		
Current liabilities		
Accounts payable-trade	3,295	3,425
Short-term loans payable	7,468	12,663
Current portion of long-term loans payable	1,584	1,695
Income taxes payable	2,096	2,490
Advances received	13,808	16,067
Deferred tax liabilities	60	52
Allowance for bonuses	645	761
Other	6,949	8,564
Total current liabilities	35,907	45,720
Noncurrent liabilities		
Corporate bond	2,400	1,800
Long-term loans payable	5,472	5,440
Long-term lease deposits	5,608	5,867
Deferred tax liabilities	119	226
Allowance for loss on guarantees	62	60
Net defined benefit liability	265	326
Negative goodwill	2	2
Other	96	159
Total noncurrent liabilities	14,028	13,883
Total liabilities	49,935	59,604
Net assets		
Shareholders' equity		
Capital stock	2,667	2,667
Capital surplus	2,871	2,871
Retained earnings	30,421	36,342
Treasury stock	(3,278)	(3,246)
Total shareholders' equity	32,682	38,634
Total accumulated other comprehensive income		
Valuation difference on available-for-sale securities	282	459
Foreign currency translation adjustment	112	222
Remeasurement of defined benefit plans	(7)	(4)
Total accumulated other comprehensive income	387	677
Subscription rights to shares	71	39
Non controlling interests	334	390
Total net assets	33,475	39,742
Total liabilities and net assets	83,410	99,347

Consolidated Financial Statements

(2) Consolidated Statements of Income

(Millions of yen)

	Previous fiscal year (From April 1, 2015 to March 31, 2016)	Reporting fiscal year (From April 1, 2016 to March 31, 2017)
Sales	183,280	205,117
Cost of Sales	155,656	172,435
Gross operating profit	27,623	32,681
Selling, general and administrative expenses		
Advertising expenses	974	1,139
Employees' salaries and allowances	6,095	6,854
Provision of allowance for doubtful accounts	32	(11)
Provision for bonuses	519	619
Depreciation	367	422
Other	8,792	10,392
Total selling, general and administrative expenses	16,783	19,417
Operating profit	10,840	13,264
Non-operating income		
Interest income	12	9
Dividends income	11	15
Equity in earnings of affiliates	973	941
Other	214	278
Total non-operating income	1,211	1,244
Non-operating expenses		
Interest expenses	82	151
Foreign exchange losses	16	52
Other	98	66
Total non-operating expenses	197	269
Recurring profit	11,854	14,238
Extraordinary income		
Gain on sales of investment securities	41	-
Other	5	-
Total extraordinary income	46	-
Extraordinary loss		
Impairment loss	595	511
Other	133	139
Total extraordinary losses	728	650
Profit before income taxes	11,172	13,587
Income taxes-current	3,777	4,254
Income taxes-deferred	180	109
Total income taxes	3,958	4,363
Net income	7,213	9,224
Net income attributable to noncontrolling interests	55	73
Net income attributable to owners of parent	7,158	9,151