



Summary of Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2020 [Consolidated] (From April 1, 2019 to June 30, 2019) [Japan GAAP]

August 9, 2019

Company name:	Relo Group, Inc.	Listed Exchange:	Tokyo Stock Exchange, First Section
Security code.:	8876	URL:	https://www.relo.jp/
Representative:	Kenichi Nakamura, President and Representative Director		
Contact:	Yasushi Kadota, Senior Managing Director	TEL:	03-5312-8704
Scheduled Date to Submit the Quarterly Securities Report:	August 14, 2019		
Scheduled Date to Start Distributing Dividends:	-		
Supplemental documents for the financial results provided:	Non		
Results briefing for the period under review provided:	Non		

(Millions of yen, rounded down)

1. Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2020 (From April 1, 2019 to June 30, 2019)

(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	%
Three months ending June 30, 2019	65,873	9.3	3,523	(11.0)	3,855	(5.7)	2,414	(10.2)
Three months ending June 30, 2018	60,271	8.7	3,961	12.5	4,088	10.4	2,689	10.9
(Note) Comprehensive Income:	Three months ending June 30, 2019		2,223 million yen (-27.7%)		Three months ending June 30, 2018		3,075 million yen (26.2%)	

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
Three months ending June 30, 2019	16.17	14.48
Three months ending June 30, 2018	18.04	16.46

(2) Consolidated Financial Positions

	Total Assets	Net Assets	Equity Ratio	
	Millions of yen	Millions of yen	%	
As of June 30, 2019	216,249	52,625	23.3	
As of March 31, 2019	148,477	54,507	35.2	
(Reference) Shareholders' Equity:	As of June 30, 2019	50,370 million yen	As of March 31, 2019	52,230 million yen

2. Dividends

	Dividends per Share				
	1st quarter	2nd quarter	3rd quarter	Fiscal Year	Total
	End	End	End	End	
	Yen	Yen	Yen	Yen	Yen
Fiscal year ending March 31, 2019	-	0.00	-	26.00	26.00
Fiscal year ending March 31, 2020	-				
Fiscal year ending March 31, 2020 (Projected)		0.00	-	29.00	29.00

(Note) 1. Revisions to the latest result projection announced: None

3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2020 (From April 1, 2019 to March 31, 2020)

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

	Operating Revenue		Profit before income taxes		Net Income attributable to parent shareholders		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full year	280,000	11.6	22,500	17.9	14,100	8.4	93.50

(Note) Revisions to the latest result projection announced: None

*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
Brookfield RPS Limited
Excluded: -

(2) Adoption of Special Accounting Treatment for preparing Quarterly Consolidate Financial Statement: None

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

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

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

1. Number of shares issued at the end of period (including treasury stock)
2. Number of treasury stock at the end of period
3. Average number of shares during the period

As of June 30, 2019	152,951,200 shares	As of March 31, 2019	152,951,200 shares
As of June 30, 2019	3,644,737 shares	As of March 31, 2019	3,644,737 shares
1st Quarter of FY2020/3	149,306,463 shares	1st Quarter of FY2019/3	149,113,351 shares

* 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, 2019)	The first quarter of the reporting fiscal year (As of June 30, 2019)
Assets		
Current assets		
Cash and deposits	27,320	27,016
Notes and accounts receivable-trade	16,333	51,152
Real estate for sale	17,136	20,914
Supplies	773	835
Advance payments	16,227	16,511
Other	9,595	10,999
Allowance for doubtful accounts	(40)	(36)
Total current assets	87,347	127,393
Noncurrent assets		
Property, buildings and equipment		
Buildings and structures	13,522	13,715
Accumulated depreciation	(3,748)	(3,872)
Buildings and structures, net	9,773	9,842
Tools, furniture and fixtures	2,083	2,101
Accumulated depreciation	(1,678)	(1,707)
Tools, furniture and fixtures, net	404	393
Land	6,291	6,342
Other	1,755	5,997
Accumulated depreciation	(951)	(2,995)
Other, net	804	3,002
Total property, buildings and equipment	17,274	19,581
Intangible assets		
Software	3,133	3,198
Goodwill	9,152	32,486
Other	26	1,019
Total intangible assets	12,312	36,704
Investments and other assets		
Investment securities	13,086	13,925
Lease and guarantee deposits	13,611	13,658
Other	4,868	5,032
Allowance for doubtful accounts	(58)	(77)
Total investments and other assets	31,507	32,539
Total noncurrent assets	61,094	88,824
Deferred assets		
Bond issuance expenses	33	28
Other	1	1
Total deferred assets	34	30
Total assets	148,477	216,249

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Previous fiscal year (As of March 31, 2019)	The first quarter of the reporting fiscal year (As of June 30, 2019)
Liabilities		
Current liabilities		
Accounts payable-trade	3,842	4,895
Short-term loans payable	5,568	56,395
Current portion of long-term loans payable	1,950	1,982
Income taxes payable	3,599	1,565
Advances received	19,247	20,592
Allowance for bonuses	943	467
Other	11,032	28,799
Total current liabilities	46,184	114,697
Noncurrent liabilities		
Bonds with stock acquisition rights	26,197	26,041
Corporate bond	1,100	800
Long-term loans payable	12,238	12,024
Long-term lease deposits	6,932	6,872
Net defined benefit liability	276	272
Other	1,039	2,915
Total noncurrent liabilities	47,785	48,926
Total liabilities	93,969	163,624
Net assets		
Shareholders' equity		
Capital stock	2,667	2,667
Capital surplus	2,869	2,722
Retained earnings	52,730	51,262
Treasury stock	(6,691)	(6,691)
Total shareholders' equity	51,575	49,961
Total accumulated other comprehensive income		
Valuation difference on available-for-sale securities	523	695
Foreign currency translation adjustment	124	(291)
Remeasurement of defined benefit plans	6	4
Total accumulated other comprehensive income	654	409
Subscription rights to shares	12	12
Non controlling interests	2,265	2,242
Total net assets	54,507	52,625
Total liabilities and net assets	148,477	216,249

Consolidated Financial Statements

(2) Consolidated Statements of Income

(Millions of yen)

	The first quarter of the previous fiscal year (From April 1, 2018 to June 30, 2018)	The first quarter of the reporting fiscal year (From April 1, 2019 to June 30, 2019)
Sales	60,271	65,873
Cost of Sales	49,886	54,671
Gross operating profit	10,384	11,201
Selling, general and administrative expenses	6,423	7,678
Operating profit	3,961	3,523
Non-operating income		
Interest income	160	160
Dividends income	0	4
Equity in earnings of affiliates	-	152
Other	67	155
Total non-operating income	228	472
Non-operating expenses		
Interest expenses	36	77
Equity in losses of affiliates	16	-
Foreign exchange losses	34	3
Other	13	59
Total non-operating expenses	101	140
Recurring profit	4,088	3,855
Extraordinary income		
Gain on sales of noncurrent assets	54	7
Gain on sales of investment securities	-	151
Total extraordinary income	54	158
Extraordinary loss		
Loss on sales of noncurrent assets	47	-
Other	21	11
Total extraordinary losses	68	11
Profit before income taxes	4,073	4,002
Income taxes-current	1,044	1,166
Income taxes-deferred	300	364
Total income taxes	1,345	1,530
Net income	2,728	2,471
Net income attributable to noncontrolling interests	38	56
Net income attributable to owners of parent	2,689	2,414