



Summary of Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2021 [Consolidated] (From April 1, 2020 to June 30, 2020) [Japan GAAP]

August 7, 2020

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, 2020		
Scheduled Date to Start Distributing Dividends:	-		
Supplemental documents for the financial results provided:	Non		
Results briefing for the period under review provided:	Yes (conference call for institutional investors and securities analysts)		

(Millions of yen, rounded down)

1. Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2021 (From April 1, 2020 to June 30, 2020)

(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, 2020	79,588	20.8	1,871	(46.9)	2,076	(46.1)	991	(59.0)
Three months ending June 30, 2019	65,873	9.3	3,523	(11.0)	3,855	(5.7)	2,414	(10.2)

(Note) Comprehensive Income: Three months ending June 30, 2020 1,528 million yen (-31.3%) Three months ending June 30, 2019 2,223 million yen (-27.7%)

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
Three months ending June 30, 2020	6.55	5.55
Three months ending June 30, 2019	16.17	14.48

(2) Consolidated Financial Positions

	Total Assets	Net Assets	Equity Ratio
	Millions of yen	Millions of yen	%
As of June 30, 2020	217,831	47,800	20.6
As of March 31, 2020	227,965	52,150	21.6

(Reference) Shareholders' Equity: As of June 30, 2020 44,921 million yen As of March 31, 2020 49,223 million yen

2. Dividends

	Dividends per Share				
	1st quarter End	2nd quarter End	3rd quarter End	Fiscal Year End	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ending March 31, 2020	-	0.00	-	29.00	29.00
Fiscal year ending March 31, 2021	-	-	-	-	-
Fiscal year ending March 31, 2021 (Projected)	-	-	-	-	-

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

2. Although the Company's dividend record date is specified in the Articles of Incorporation as the end dates of the second quarter and the fiscal year, the forecast dividend amount for the fiscal year ending March 31, 2021 has not been determined at present.

3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2021 (From April 1, 2020 to March 31, 2021)

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

	Operating Revenue		Operating profit		Profit before income taxes		Net Income attributable to parent shareholders		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full year	290,000	(7.4)	9,800	(45.2)	11,300	0.6	5,500	44.0	36.43

(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): None

Newly consolidated: -
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, 2020	152,951,200 shares	As of March 31, 2020	152,951,200 shares
As of June 30, 2020	1,998,169 shares	As of March 31, 2020	1,462,769 shares
1st Quarter of FY2021/3	151,292,215 shares	1st Quarter of FY2020/3	149,306,463 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, 2020)	The first quarter of the reporting fiscal year (As of June 30, 2020)
Assets		
Current assets		
Cash and deposits	34,052	30,817
Notes and accounts receivable-trade	50,151	43,260
Real estate for sale	22,354	22,069
Supplies	953	1,234
Advance payments	18,409	17,611
Other	12,444	13,759
Allowance for doubtful accounts	(43)	(57)
Total current assets	138,323	128,696
Noncurrent assets		
Property, buildings and equipment		
Buildings and structures	15,325	16,259
Accumulated depreciation	(4,590)	(4,802)
Buildings and structures, net	10,734	11,457
Tools, furniture and fixtures	2,951	2,729
Accumulated depreciation	(1,984)	(2,015)
Tools, furniture and fixtures, net	967	713
Land	7,768	7,741
Other	4,844	4,844
Accumulated depreciation	(1,744)	(1,918)
Other, net	3,099	2,926
Total property, buildings and equipment	22,570	22,839
Intangible assets		
Goodwill	15,756	15,364
Customer related assets	11,543	11,272
Software	5,301	5,602
Other	28	27
Total intangible assets	32,628	32,267
Investments and other assets		
Investment securities	13,047	12,892
Lease and guarantee deposits	14,736	14,533
Other	6,743	6,667
Allowance for doubtful accounts	(176)	(148)
Total investments and other assets	34,349	33,944
Total noncurrent assets	89,548	89,050
Deferred assets		
Bond issuance expenses	15	11
Other	77	72
Total deferred assets	93	83
Total assets	227,965	217,831

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Previous fiscal year (As of March 31, 2020)	The first quarter of the reporting fiscal year (As of June 30, 2020)
Liabilities		
Current liabilities		
Accounts payable-trade	8,741	8,785
Short-term loans payable	19,819	16,287
Current portion of bonds with stock acquisition rights	25,572	25,416
Current portion of long-term loans payable	9,847	9,821
Income taxes payable	3,484	1,239
Advances received	21,172	22,173
Allowance for bonuses	1,001	759
Other	22,204	21,681
Total current liabilities	111,843	106,164
Noncurrent liabilities		
Corporate bond	827	611
Long-term loans payable	49,447	49,383
Long-term lease deposits	7,349	7,314
Other	6,346	6,556
Total noncurrent liabilities	63,971	63,866
Total liabilities	175,815	170,030
Net assets		
Shareholders' equity		
Capital stock	2,667	2,667
Capital surplus	2,722	2,584
Retained earnings	48,644	45,235
Treasury stock	(2,666)	(3,965)
Total shareholders' equity	51,368	46,521
Total accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14	21
Foreign currency translation adjustment	(2,103)	(1,562)
Remeasurement of defined benefit plans	(56)	(59)
Total accumulated other comprehensive income	(2,145)	(1,600)
Subscription rights to shares	125	155
Non controlling interests	2,801	2,723
Total net assets	52,150	47,800
Total liabilities and net assets	227,965	217,831

Consolidated Financial Statements

(2) Consolidated Statements of Income

(Millions of yen)

	The first quarter of the previous fiscal year (From April 1, 2019 to June 30, 2019)	The first quarter of the reporting fiscal year (From April 1, 2020 to June 30, 2020)
Sales	65,873	79,588
Cost of Sales	54,671	66,022
Gross operating profit	11,201	13,565
Selling, general and administrative expenses	7,678	11,694
Operating profit	3,523	1,871
Non-operating income		
Interest income	160	161
Dividends income	4	25
Equity in earnings of affiliates	152	257
Other	155	119
Total non-operating income	472	564
Non-operating expenses		
Interest expenses	77	120
Foreign exchange losses	3	188
Other	59	50
Total non-operating expenses	140	359
Recurring profit	3,855	2,076
Extraordinary income		
Gain on sales of noncurrent assets	7	2
Gain on sales of investment securities	151	0
Other	-	2
Total extraordinary income	158	4
Extraordinary loss		
Loss on valuation of stocks of subsidiaries and affiliates	-	15
Other	11	35
Total extraordinary losses	11	51
Profit before income taxes	4,002	2,029
Income taxes-current	1,166	967
Income taxes-deferred	364	81
Total income taxes	1,530	1,049
Net income	2,471	980
Net income attributable to noncontrolling interests	56	(11)
Net income attributable to owners of parent	2,414	991