



Summary of Financial Results

for the Third Quarter of the Fiscal Year Ending March 31, 2020 [Consolidated]

(From April 1, 2019 to December 31, 2019)

[Japan GAAP]

February 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:	February 14, 2020		
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 Third Quarter of Fiscal Year Ending March 31, 2020 (From April 1, 2019 to December 31, 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	%
Nine months Ending December 31, 2019	226,768	23.6	12,173	(0.6)	13,889	2.6	9,775	7.3
Nine months Ending December 31, 2018	183,409	10.9	12,244	19.0	13,539	21.4	9,112	24.3

(Note) Comprehensive Income: Nine months Ending December 31, 2019 10,518 million yen (13.0%) Nine months Ending December 31, 2018 9,305 million yen (21.6%)

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
Nine months Ending December 31, 2019	65.01	59.33
Nine months Ending December 31, 2018	61.11	56.03

(2) Consolidated Financial Positions

	Total Assets	Net Assets	Equity Ratio
	Millions of yen	Millions of yen	%
As of December 31, 2019	234,336	61,081	24.9
As of March 31, 2019	148,477	54,507	35.2

(Reference) Shareholders' Equity: As of December 31, 2019 58,398 million yen As of March 31, 2019 52,230 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, 2019	-	0.00	-	26.00	26.00
Fiscal year ending March 31, 2020	-	0.00	-	-	-
Fiscal year ending March 31, 2020 (Projected)	-	-	-	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	%	
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
BGRS 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 December 31, 2019	152,951,200 shares	As of March 31, 2019	152,951,200 shares
As of December 31, 2019	1,719,769 shares	As of March 31, 2019	3,644,737 shares
3rd Quarter of FY2020/3	150,376,131 shares	3rd Quarter of FY2019/3	149,116,541 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 third quarter of the reporting fiscal year (As of December 31, 2019)
Assets		
Current assets		
Cash and deposits	27,320	34,095
Notes and accounts receivable-trade	16,333	52,034
Real estate for sale	17,136	23,914
Supplies	773	814
Advance payments	16,227	16,668
Other	9,595	10,562
Allowance for doubtful accounts	(40)	(56)
Total current assets	87,347	138,034
Noncurrent assets		
Property, buildings and equipment		
Buildings and structures	13,522	15,496
Accumulated depreciation	(3,748)	(4,559)
Buildings and structures, net	9,773	10,936
Tools, furniture and fixtures	2,083	2,981
Accumulated depreciation	(1,678)	(1,956)
Tools, furniture and fixtures, net	404	1,025
Land	6,291	7,633
Other	1,755	4,515
Accumulated depreciation	(951)	(1,440)
Other, net	804	3,074
Total property, buildings and equipment	17,274	22,669
Intangible assets		
Software	3,133	3,804
Goodwill	9,152	35,254
Other	26	1,142
Total intangible assets	12,312	40,201
Investments and other assets		
Investment securities	13,086	13,555
Lease and guarantee deposits	13,611	13,735
Other	4,868	6,257
Allowance for doubtful accounts	(58)	(140)
Total investments and other assets	31,507	33,408
Total noncurrent assets	61,094	96,279
Deferred assets		
Bond issuance expenses	33	19
Other	1	1
Total deferred assets	34	21
Total assets	148,477	234,336

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Previous fiscal year (As of March 31, 2019)	The third quarter of the reporting fiscal year (As of December 31, 2019)
Liabilities		
Current liabilities		
Accounts payable-trade	3,842	9,232
Short-term loans payable	5,568	64,165
Current portion of long-term loans payable	1,950	2,432
Income taxes payable	3,599	1,980
Advances received	19,247	20,098
Allowance for bonuses	943	522
Other	11,032	23,296
Total current liabilities	46,184	121,728
Noncurrent liabilities		
Bonds with stock acquisition rights	26,197	25,729
Corporate bond	1,100	977
Long-term loans payable	12,238	13,948
Long-term lease deposits	6,932	7,068
Net defined benefit liability	276	273
Other	1,039	3,528
Total noncurrent liabilities	47,785	51,526
Total liabilities	93,969	173,254
Net assets		
Shareholders' equity		
Capital stock	2,667	2,667
Capital surplus	2,869	2,722
Retained earnings	52,730	55,075
Capital surplus	(6,691)	(3,140)
Total shareholders' equity	51,575	57,325
Total accumulated other comprehensive income		
Valuation difference on available-for-sale securities	523	216
Foreign currency translation adjustment	124	856
Remeasurement of defined benefit plans	6	0
Total accumulated other comprehensive income	654	1,073
Subscription rights to shares	12	92
Non controlling interests	2,265	2,590
Total net assets	54,507	61,081
Total liabilities and net assets	148,477	234,336

Consolidated Financial Statements

(2) Consolidated Statements of Income

(Millions of yen)

	The third quarter of the previous fiscal year (From April 1, 2018 to December 31, 2018)	The third quarter of the reporting fiscal year (From April 1, 2019 to December 31, 2019)
Sales	183,409	226,768
Cost of Sales	151,237	189,148
Gross operating profit	32,172	37,620
Selling, general and administrative expenses	19,927	25,447
Operating profit	12,244	12,173
Non-operating income		
Interest income	480	480
Dividends income	6	13
Equity in earnings of affiliates	841	1,083
Foreign exchange gains	-	347
Other	158	288
Total non-operating income	1,487	2,214
Non-operating expenses		
Interest expenses	106	439
Foreign exchange losses	30	-
Other	55	58
Total non-operating expenses	192	498
Recurring profit	13,539	13,889
Extraordinary income		
Gain on sales of noncurrent assets	54	184
Gain on sales of investment securities	-	963
Other	-	0
Total extraordinary income	54	1,149
Extraordinary loss		
Loss on sales of noncurrent assets	48	13
Other	66	30
Total extraordinary losses	114	44
Profit before income taxes	13,479	14,994
Income taxes-current	3,985	4,832
Income taxes-deferred	298	62
Total income taxes	4,284	4,895
Net income	9,195	10,098
Net income attributable to noncontrolling interests	82	323
Net income attributable to owners of parent	9,112	9,775