



Summary of Financial Results

for the Second Quarter of the Fiscal Year Ending March 31, 2017 [Consolidated]

(From April 1, 2016 to September 30, 2016)

[Japan GAAP]

November 10, 2016

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 Filing Securities Report:	November 14, 2016		
Scheduled Date of Commencement of Dividend Payment:	-		
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 Results of Operation for the Second Quarter of the Fiscal Year Ending March 31, 2017 (From April 1, 2016 to September 30, 2016)

(1) Consolidated Operating Results (% figures represent change from the same period of the previous fiscal year)

	Operating Revenue		Operating Profit		Recurring Profit		Net Income attributable to parent shareholders	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months Ending September 30, 2016	98,499	8.1	5,891	20.0	6,182	18.0	4,238	23.8
Six months Ending September 30, 2015	91,132	18.6	4,908	22.5	5,237	19.5	3,423	22.2

(Note) Comprehensive Income: Six months Ending September 30, 2016 4,102 million yen (19.9%) Six months Ending September 30, 2015 3,420 million yen (21.5%)

	Net Income per Share		Diluted Net Income per Share	
	Yen	Yen	Yen	Yen
Six months Ending September 30, 2016	286.70		282.33	
Six months Ending September 30, 2015	235.39		227.49	

(2) Consolidated Financial Positions

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2016	92,289	35,738	38.3	2,363.19
As of March 31, 2016	83,410	33,475	39.6	2,253.26

(Reference) Shareholders' Equity: As of September 30, 2016 35,340 million yen As of March 31, 2016 33,070 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, 2016	-	0.00	-	150.00	150.00
Fiscal year ending March 31, 2017	-	0.00	-	150.00	150.00
Fiscal year ending March 31, 2017 (Projected)	-	-	-	170.00	170.00

Note: Revisions to the latest dividend projection announced: None

3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2017

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

(% 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	%	%	Yen	
Full year	202,000	10.2	13,000	19.9	13,800	16.4	8,200	14.6	550.30

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
Associates for International Research, Inc.
Excluded: -

(2) Application of Special Accounting Methods for Quarterly Consolidated Financial Statements: None

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

1. Changes due to revisions to accounting principles: Yes
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 September 30, 2016	15,295,120 shares	As of March 31, 2016	15,295,120 shares
As of September 30, 2016	340,422 shares	As of March 31, 2016	618,622 shares
2nd Quarter of FY2017/3	14,783,552 shares	2nd Quarter of FY2016/3	14,544,482 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.

* Explanation on the Appropriate Usage of Performance Projections and Other Specific Matters

The forward-looking statements such as projections 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 projections 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)	The second quarter of the reporting fiscal year (As of September 30, 2016)
Assets		
Current assets		
Cash and deposits	12,928	17,684
Notes and accounts receivable-trade	10,479	7,925
Real estate for sale	5,321	6,674
Supplies	393	438
Advance payments	10,647	11,418
Other	6,697	7,500
Allowance for doubtful accounts	(25)	(36)
Total current assets	46,442	51,606
Noncurrent assets		
Property, buildings and equipment		
Buildings and structures	5,675	6,438
Accumulated depreciation	(2,229)	(2,337)
Buildings and structures, net	3,446	4,101
Tools, furniture and fixtures	1,471	1,834
Accumulated depreciation	(1,062)	(1,355)
Tools, furniture and fixtures, net	408	478
Land	2,103	2,319
Other	567	590
Accumulated depreciation	(343)	(370)
Other, net	224	220
Total property, buildings and equipment	6,183	7,119
Intangible assets		
Software	1,173	1,221
Goodwill	7,070	9,391
Other	224	208
Total intangible assets	8,468	10,821
Investments and other assets		
Investment securities	9,644	9,756
Lease and guarantee deposits	10,543	10,671
Other	2,264	2,394
Allowance for doubtful accounts	(151)	(95)
Total investments and other assets	22,301	22,727
Total noncurrent assets	36,953	40,668
Deferred assets		
Bond issuance expenses	15	13
Total deferred assets	15	13
Total assets	83,410	92,289

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Previous fiscal year (As of March 31, 2016)	The second quarter of the reporting fiscal year (As of September 30, 2016)
Liabilities		
Current liabilities		
Accounts payable-trade	3,295	2,701
Short-term loans payable	7,468	13,414
Current portion of long-term loans payable	1,584	1,541
Income taxes payable	2,096	1,859
Advances received	13,808	14,735
Allowance for bonuses	645	507
Other	7,009	8,613
Total current liabilities	35,907	43,373
Noncurrent liabilities		
Corporate bond	2,400	2,100
Long-term loans payable	5,472	4,886
Long-term lease deposits	5,608	5,588
Allowance for loss on guarantees	62	62
Liabilities for retirement benefits	265	257
Negative goodwill	2	2
Other	215	278
Total noncurrent liabilities	14,028	13,176
Total liabilities	49,935	56,550
Net assets		
Shareholders' equity		
Capital stock	2,667	2,667
Capital surplus	2,871	2,871
Retained earnings	30,421	32,162
Treasury stock	(3,278)	(2,564)
Total shareholders' equity	32,682	35,136
Total accumulated other comprehensive income		
Valuation difference on available-for-sale securities	282	332
Foreign currency translation adjustment	112	(121)
Adjustment for retirement benefits	(7)	(7)
Total accumulated other comprehensive income	387	204
Subscription rights to shares	71	63
Non controlling interests	334	334
Total net assets	33,475	35,738
Total liabilities and net assets	83,410	92,289

Consolidated Financial Statements

(2) Consolidated Statements of Income

(Millions of yen)

	The second quarter of the previous fiscal year (From April 1, 2015 to September 30, 2015)	The second quarter of the reporting fiscal year (From April 1, 2016 to September 30, 2016)
Operating revenue	91,132	98,499
Operating expenses	78,192	83,602
Gross operating profit	12,939	14,896
Selling, general and administrative expenses	8,031	9,005
Operating profit	4,908	5,891
Non-operating income		
Interest income	6	8
Dividends income	4	5
Equity in earnings of affiliates	378	302
Other	73	127
Total non-operating income	462	443
Non-operating expenses		
Interest expenses	34	66
Foreign exchange losses	37	53
Treasury stock repurchase expenses	22	-
Other	39	31
Total non-operating expenses	133	151
Recurring profit	5,237	6,182
Extraordinary income		
Gain on sales of investment securities	41	-
Other	2	-
Total extraordinary income	44	-
Extraordinary loss		
Other	10	17
Total extraordinary losses	10	17
Income before income taxes	5,271	6,165
Income taxes-current	1,707	1,846
Income taxes-deferred	105	26
Total income taxes	1,813	1,872
Net income	3,457	4,292
Net income attributable to noncontrolling interests	34	53
Net income attributable to parent shareholders	3,423	4,238