



Summary of Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2019 [Consolidated] (From April 1, 2018 to June 30, 2018) [Japan GAAP]

August 10, 2018

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, 2018		
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, 2019

(From April 1, 2018 to June 30, 2018)

(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, 2018	60,271	8.7	3,961	12.5	4,088	10.4	2,689	10.9
Three months ending June 30, 2017	55,445	11.6	3,521	11.6	3,703	14.3	2,426	12.4

(Note) Comprehensive Income: Three months ending June 30, 2018 3,075 million yen (26.2%) Three months ending June 30, 2017 2,436 million yen (20.0%)

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
Three months ending June 30, 2018	18.04	16.46
Three months ending June 30, 2017	16.18	16.06

(2) Consolidated Financial Positions

	Total Assets	Net Assets	Equity Ratio
	Millions of yen	Millions of yen	%
As of June 30, 2018	123,855	42,524	33.9
As of March 31, 2018	125,998	42,808	33.6

(Reference) Shareholders' Equity: As of June 30, 2018 42,001 million yen As of March 31, 2018 42,277 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, 2018	-	0.00	-	22.00	22.00
Fiscal year ending March 31, 2019	-	-	-	-	-
Fiscal year ending March 31, 2019 (Projected)	-	0.00	-	25.00	25.00

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

3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2019

(From April 1, 2018 to March 31, 2019)

(% 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	
2nd quarter (Accumulated)	121,000	9.8	8,200	14.1	9,000	16.7	5,900	16.4	39.50
Full year	250,000	10.9	18,400	19.8	20,000	18.0	12,500	15.9	83.80

(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: 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 June 30, 2018	152,951,200 shares	As of March 31, 2018	152,951,200 shares
As of June 30, 2018	3,836,693 shares	As of March 31, 2018	3,842,662 shares
1st Quarter of FY2019/3	149,113,351 shares	1st Quarter of FY2018/3	149,934,259 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, 2018)	The first quarter of the reporting fiscal year (As of June 30, 2018)
Assets		
Current assets		
Cash and deposits	27,933	24,482
Notes and accounts receivable-trade	14,892	11,336
Real estate for sale	9,894	9,961
Supplies	838	607
Advance payments	14,372	14,674
Other	8,665	11,952
Allowance for doubtful accounts	(24)	(24)
Total current assets	76,572	72,990
Noncurrent assets		
Property, buildings and equipment		
Buildings and structures	7,702	8,063
Accumulated depreciation	(2,651)	(2,752)
Buildings and structures, net	5,050	5,310
Tools, furniture and fixtures	1,762	1,824
Accumulated depreciation	(1,335)	(1,391)
Tools, furniture and fixtures, net	427	432
Land	1,953	2,537
Other	1,272	1,699
Accumulated depreciation	(449)	(401)
Other, net	822	1,298
Total property, buildings and equipment	8,254	9,579
Intangible assets		
Software	2,255	2,555
Goodwill	8,521	8,428
Other	182	176
Total intangible assets	10,960	11,160
Investments and other assets		
Investment securities	14,148	14,160
Lease and guarantee deposits	12,545	12,630
Other	3,544	3,350
Allowance for doubtful accounts	(79)	(65)
Total investments and other assets	30,158	30,076
Total noncurrent assets	49,372	50,816
Deferred assets		
Bond issuance expenses	50	46
Other	2	3
Total deferred assets	52	49
Total assets	125,998	123,855

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Previous fiscal year (As of March 31, 2018)	The first quarter of the reporting fiscal year (As of June 30, 2018)
Liabilities		
Current liabilities		
Accounts payable-trade	3,866	3,117
Short-term loans payable	7,013	4,507
Current portion of long-term loans payable	1,738	1,657
Income taxes payable	2,837	1,030
Advances received	17,370	18,764
Allowance for bonuses	873	362
Other	9,474	12,464
Total current liabilities	43,174	41,904
Noncurrent liabilities		
Bonds with stock acquisition rights	26,822	26,666
Corporate bond	1,200	900
Long-term loans payable	5,384	5,055
Long-term lease deposits	6,071	6,089
Net defined benefit liability	344	339
Negative goodwill	1	1
Other	190	374
Total noncurrent liabilities	40,015	39,426
Total liabilities	83,189	81,331
Net assets		
Shareholders' equity		
Capital stock	2,667	2,667
Capital surplus	2,871	2,869
Retained earnings	43,369	42,735
Treasury stock	(7,056)	(7,045)
Total shareholders' equity	41,852	41,227
Total accumulated other comprehensive income		
Valuation difference on available-for-sale securities	529	654
Foreign currency translation adjustment	(117)	107
Remeasurement of defined benefit plans	13	12
Total accumulated other comprehensive income	425	773
Subscription rights to shares	22	21
Non controlling interests	508	501
Total net assets	42,808	42,524
Total liabilities and net assets	125,998	123,855

Consolidated Financial Statements

(2) Consolidated Statements of Income

(Millions of yen)

	The first quarter of the previous fiscal year (From April 1, 2017 to June 30, 2017)	The first quarter of the reporting fiscal year (From April 1, 2018 to June 30, 2018)
Sales	55,445	60,271
Cost of Sales	46,550	49,886
Gross operating profit	8,894	10,384
Selling, general and administrative expenses	5,373	6,423
Operating profit	3,521	3,961
Non-operating income		
Interest income	1	160
Dividends income	1	0
Equity in earnings of affiliates	73	-
Foreign exchange gains	34	-
Reversal of provision for loss on guarantees	60	-
Other	55	67
Total non-operating income	225	228
Non-operating expenses		
Interest expenses	29	36
Equity in losses of affiliates	-	16
Foreign exchange losses	-	34
Other	14	13
Total non-operating expenses	43	101
Recurring profit	3,703	4,088
Extraordinary income		
Gain on sales of noncurrent assets	-	54
Total extraordinary income	-	54
Extraordinary loss		
Loss on sales of noncurrent assets	-	47
Other	9	21
Total extraordinary losses	9	68
Profit before income taxes	3,694	4,073
Income taxes-current	1,011	1,044
Income taxes-deferred	216	300
Total income taxes	1,228	1,345
Net income	2,466	2,728
Net income attributable to noncontrolling interests	40	38
Net income attributable to owners of parent	2,426	2,689