



Summary of Financial Results

for the Third Quarter of the Fiscal Year Ending March 31, 2019 [Consolidated]

(From April 1, 2018 to December 31, 2018)

[Japan GAAP]

February 7, 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:	February 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 Third Quarter of Fiscal Year Ending March 31, 2019 (From April 1, 2018 to December 31, 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	%
Nine months Ending December 31, 2018	183,409	10.9	12,244	19.0	13,539	21.4	9,112	24.3
Nine months Ending December 31, 2017	165,405	11.4	10,291	20.9	11,151	23.7	7,333	20.6

(Note) Comprehensive Income: Nine months Ending December 31, 2018 9,305 million yen (21.6%) Nine months Ending December 31, 2017 7,655 million yen (17.2%)

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
Nine months Ending December 31, 2018	61.11	56.03
Nine months Ending December 31, 2017	48.90	48.60

(2) Consolidated Financial Positions

	Total Assets	Net Assets	Equity Ratio
	Millions of yen	Millions of yen	%
As of December 31, 2018	123,046	48,746	39.2
As of March 31, 2018	125,998	42,808	33.6

(Reference) Shareholders' Equity: As of December 31, 2018 48,181 million yen As of March 31, 2018 42,277 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, 2018	-	0.00	-	22.00	22.00
Fiscal year ending March 31, 2019	-	0.00	-	-	-
Fiscal year ending March 31, 2019 (Projected)	-	-	-	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	%	Millions of yen	%	Yen
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)	As of December 31, 2018	152,951,200 shares	As of March 31, 2018	152,951,200 shares
2. Number of treasury stock at the end of period	As of December 31, 2018	3,825,737 shares	As of March 31, 2018	3,842,662 shares
3. Average number of shares during the period	3rd Quarter of FY2019/3	149,116,541 shares	3rd Quarter of FY2018/3	149,977,544 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 third quarter of the reporting fiscal year (As of December 31, 2018)
Assets		
Current assets		
Cash and deposits	27,933	25,743
Notes and accounts receivable-trade	14,892	10,285
Real estate for sale	9,894	9,397
Supplies	838	814
Advance payments	14,372	14,865
Other	8,665	8,301
Allowance for doubtful accounts	(24)	(25)
Total current assets	76,572	69,381
Noncurrent assets		
Property, buildings and equipment		
Buildings and structures	7,702	10,021
Accumulated depreciation	(2,651)	(2,930)
Buildings and structures, net	5,050	7,091
Tools, furniture and fixtures	1,762	1,848
Accumulated depreciation	(1,335)	(1,457)
Tools, furniture and fixtures, net	427	390
Land	1,953	2,540
Other	1,272	918
Accumulated depreciation	(449)	(419)
Other, net	822	498
Total property, buildings and equipment	8,254	10,520
Intangible assets		
Software	2,255	3,029
Goodwill	8,521	8,538
Other	182	173
Total intangible assets	10,960	11,742
Investments and other assets		
Investment securities	14,148	15,081
Lease and guarantee deposits	12,545	12,804
Other	3,544	3,547
Allowance for doubtful accounts	(79)	(71)
Total investments and other assets	30,158	31,362
Total noncurrent assets	49,372	53,625
Deferred assets		
Bond issuance expenses	50	37
Other	2	1
Total deferred assets	52	39
Total assets	125,998	123,046

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Previous fiscal year (As of March 31, 2018)	The third quarter of the reporting fiscal year (As of December 31, 2018)
Liabilities		
Current liabilities		
Accounts payable-trade	3,866	3,135
Short-term loans payable	7,013	2,465
Current portion of long-term loans payable	1,738	1,180
Income taxes payable	2,837	1,533
Advances received	17,370	18,380
Allowance for bonuses	873	435
Other	9,474	8,947
Total current liabilities	43,174	36,076
Noncurrent liabilities		
Bonds with stock acquisition rights	26,822	26,354
Corporate bond	1,200	600
Long-term loans payable	5,384	4,531
Long-term lease deposits	6,071	6,122
Net defined benefit liability	344	286
Negative goodwill	1	0
Other	190	326
Total noncurrent liabilities	40,015	38,222
Total liabilities	83,189	74,299
Net assets		
Shareholders' equity		
Capital stock	2,667	2,667
Capital surplus	2,871	2,869
Retained earnings	43,369	49,132
Treasury stock	(7,056)	(7,024)
Total shareholders' equity	41,852	47,643
Total accumulated other comprehensive income		
Valuation difference on available-for-sale securities	529	385
Foreign currency translation adjustment	(117)	141
Remeasurement of defined benefit plans	13	10
Total accumulated other comprehensive income	425	537
Subscription rights to shares	22	21
Non controlling interests	508	544
Total net assets	42,808	48,746
Total liabilities and net assets	125,998	123,046

Consolidated Financial Statements

(2) Consolidated Statements of Income

(Millions of yen)

	The third quarter of the previous fiscal year (From April 1, 2017 to December 31, 2017)	The third quarter of the reporting fiscal year (From April 1, 2018 to December 31, 2018)
Sales	165,405	183,409
Cost of Sales	138,292	151,237
Gross operating profit	27,112	32,172
Selling, general and administrative expenses	16,820	19,927
Operating profit	10,291	12,244
Non-operating income		
Interest income	7	480
Dividends income	6	6
Equity in earnings of affiliates	773	841
Foreign exchange gains	59	-
Reversal of provision for loss on guarantees	63	-
Other	144	158
Total non-operating income	1,055	1,487
Non-operating expenses		
Interest expenses	137	106
Foreign exchange losses	-	30
Other	58	55
Total non-operating expenses	195	192
Recurring profit	11,151	13,539
Extraordinary income		
Gain on sales of noncurrent assets	-	54
Total extraordinary income	-	54
Extraordinary loss		
Loss on sales of noncurrent assets	6	48
Other	58	66
Total extraordinary losses	64	114
Profit before income taxes	11,086	13,479
Income taxes-current	3,435	3,985
Income taxes-deferred	248	298
Total income taxes	3,683	4,284
Net income	7,402	9,195
Net income attributable to noncontrolling interests	69	82
Net income attributable to owners of parent	7,333	9,112