

Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2019 (Based on Japanese GAAP)

August 06, 2019

Company name: Relia, Inc.  
 Stock exchange listing: Tokyo  
 Code number: 4708  
 URL: <https://www.relia-group.com/>  
 Representative: TAKASHI AMINO, President  
 Contact: KENICHIRO IWAMOTO, General Manager  
 Phone: 03-5351-7200  
 Scheduled date of filing quarterly securities report: August 09, 2019  
 Scheduled date of commencing dividend payments: -  
 Availability of supplementary briefing material on quarterly financial results: No  
 Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down)

## 1. Consolidated Financial Results for the Three Months Ended June 30, 2019 (April 01, 2019 to June 30, 2019)

## (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2019	29,885	7.4	2,043	80.5	2,050	75.5	1,394	141.9
June 30, 2018	27,829	3.5	1,132	19.8	1,168	20.1	576	3.8

(Note) Comprehensive income: Three months ended June 30, 2019: ¥ 1,305 million [ -%]  
 Three months ended June 30, 2018: ¥ (855) million [ -%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2019	20.24	-
June 30, 2018	8.37	-

(Reference) Profit before amortization of goodwill  
 (Profit attributable to owners of parent + amortization of goodwill)

Three months ended June 30, 2019: ¥ 1,494 million [ 50.1%]  
 Three months ended June 30, 2018: ¥ 995 million [ 0.1%]  
 Adjusted EPS Three months ended June 30, 2019: ¥ 21.68  
 Three months ended June 30, 2018: ¥ 14.45

(Note) Adjusted EPS : profit before amortization of goodwill / (number of shares issued at the end of the period – number of treasury stock at the end of the period)

## (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2019	56,400	37,729	66.9	547.39
March 31, 2019	55,755	37,814	67.8	548.62

(Reference) Equity: As of June 30, 2019: ¥ 37,726 million  
 As of March 31, 2019: ¥ 37,811 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2019	-	18.00	-	18.00	36.00
Fiscal year ending March 31, 2020	-				
Fiscal year ending March 31, 2020 (Forecast)		18.00	-	18.00	36.00

(Note) Revision to the forecast for dividends announced most recently: No

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2020(April 01, 2019 to March 31, 2020)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	116,000	0.2	7,600	37.5	7,600	35.8	5,200	-	75.45

(Note) Revision to the financial results forecast announced most recently: No

(Reference) Profit before amortization of goodwill

	Fiscal year ended March 31, 2020:	¥	5,600 million	[	19.5%]
Adjusted EPS	Fiscal year ended March 31, 2020:	¥	81.25		

\* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2019

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name: )

Exclusion: - (Company name: )

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: YES

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2019: 69,503,040 shares

March 31, 2019: 69,503,040 shares

2) Total number of treasury shares at the end of the period:

June 30, 2019: 582,172 shares

March 31, 2019: 582,172 shares

3) Average number of shares during the period:

Three months ended June 30, 2019: 68,920,868 shares

Three months ended June 30, 2018: 68,920,895 shares

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2019	As of June 30,2019
<b>Assets</b>		
Current assets		
Cash and deposits	16,659	16,754
Notes and accounts receivable - trade	17,827	17,366
Work in process	1,418	1,454
Supplies	28	15
Other	2,314	2,530
Allowance for doubtful accounts	(34)	(35)
<b>Total current assets</b>	<b>38,214</b>	<b>38,085</b>
Non-current assets		
Property, plant and equipment	4,654	6,416
Intangible assets		
Goodwill	3,086	2,985
Other	812	884
<b>Total intangible assets</b>	<b>3,898</b>	<b>3,870</b>
Investments and other assets	8,988	8,027
<b>Total non-current assets</b>	<b>17,541</b>	<b>18,314</b>
<b>Total assets</b>	<b>55,755</b>	<b>56,400</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	3,109	3,280
Short-term borrowings	500	-
Accounts payable - other	7,640	7,167
Income taxes payable	921	870
Provision for bonuses	975	1,446
Provision for bonuses for directors (and other officers)	43	13
Asset retirement obligations	-	10
Other	3,157	2,794
<b>Total current liabilities</b>	<b>16,346</b>	<b>15,582</b>
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	20	20
Retirement benefit liability	445	444
Asset retirement obligations	1,099	1,095
Other	30	1,527
<b>Total non-current liabilities</b>	<b>1,595</b>	<b>3,087</b>
<b>Total liabilities</b>	<b>17,941</b>	<b>18,670</b>

(Million yen)

	As of March 31,2019	As of June 30,2019
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	998	998
Capital surplus	1,112	1,112
Retained earnings	34,497	34,502
Treasury shares	(592)	(592)
<b>Total shareholders' equity</b>	<b>36,015</b>	<b>36,020</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	28	27
Deferred gains or losses on hedges	79	71
Foreign currency translation adjustment	1,796	1,793
Remeasurements of defined benefit plans	(109)	(186)
<b>Total accumulated other comprehensive income</b>	<b>1,795</b>	<b>1,705</b>
Non-controlling interests	2	2
<b>Total net assets</b>	<b>37,814</b>	<b>37,729</b>
<b>Total liabilities and net assets</b>	<b>55,755</b>	<b>56,400</b>

Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended June 30,2018	For the three months ended June 30,2019
Net sales	27,829	29,885
Cost of sales	23,836	25,246
Gross profit	3,992	4,639
Selling, general and administrative expenses	2,860	2,595
Operating profit	1,132	2,043
Non-operating income		
Interest income	5	14
Dividend income	3	3
Commission income	5	5
Compensation income	38	-
Share of profit of entities accounted for using equity method	1	8
Other	9	1
Total non-operating income	63	32
Non-operating expenses		
Interest expenses	0	25
Foreign exchange losses	26	-
Other	0	0
Total non-operating expenses	27	26
Ordinary profit	1,168	2,050
Extraordinary income		
Gain on sales of non-current assets	-	0
Total extraordinary income	-	0
Extraordinary losses		
Loss on sales of non-current assets	0	-
Loss on sales of shares of subsidiaries and associates	89	-
Loss on valuation of investment securities	344	-
Other	30	-
Total extraordinary losses	465	-
Profit before income taxes	703	2,050
Income taxes - current	120	701
Income taxes - deferred	8	(46)
Total income taxes	128	655
Profit	575	1,395
Profit (loss) attributable to non-controlling interests	(1)	0
Profit attributable to owners of parent	576	1,394

## Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Million yen)

	For the three months ended June 30,2018	For the three months ended June 30,2019
Profit	575	1,395
Other comprehensive income		
Valuation difference on available-for-sale securities	1	(1)
Deferred gains or losses on hedges	(64)	(8)
Foreign currency translation adjustment	(1,373)	(4)
Remeasurements of defined benefit plans, net of tax	7	(76)
Share of other comprehensive income of entities accounted for using equity method	(1)	1
Total other comprehensive income	(1,430)	(89)
Comprehensive income	(855)	1,305
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(854)	1,305
Comprehensive income attributable to non-controlling interests	(1)	0