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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on Japanese GAAP)

August 07, 2020

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 12, 2020
 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, 2020 (April 01, 2020 to June 30, 2020)

(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, 2020	31,354	4.9	2,415	18.2	2,412	17.7	1,573	12.8
June 30, 2019	29,885	7.4	2,043	80.5	2,050	75.5	1,394	141.9

(Note) Comprehensive income: Three months ended June 30, 2020: ¥ 1,520 million [16.5%]
 Three months ended June 30, 2019: ¥ 1,305 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2020	23.08	-
June 30, 2019	20.24	-

(Reference) Profit before amortization of goodwill

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

Three months ended June 30, 2020: ¥ 1,671 million [11.8%]
 Three months ended June 30, 2019: ¥ 1,494 million [50.1%]
 Adjusted EPS Three months ended June 30, 2020: ¥ 24.78
 Three months ended June 30, 2019: ¥ 21.68

(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, 2020	61,319	41,390	67.5	613.60
March 31, 2020	65,968	42,855	65.0	621.77

(Reference) Equity: As of June 30, 2020: ¥ 41,387 million
 As of March 31, 2020: ¥ 42,852 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, 2020	-	19.00	-	20.00	39.00
Fiscal year ending March 31, 2021	-				
Fiscal year ending March 31, 2021 (Forecast)		-	-	-	-

(Note) The dividends forecast for the fiscal year ending March 31, 2021 are undetermined.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021(April 01, 2020 to March 31, 2021)

The consolidated financial results forecast for the fiscal year ending March 31, 2021 are undetermined since it is difficult to reasonably assess the impact of the COVID-19 on the Group at the present stage. It will be disclosed as soon as forecasting becomes possible.

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2020

(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: Yes

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

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: Yes

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, 2020: 69,503,040 shares

March 31, 2020: 69,503,040 shares

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

June 30, 2020: 2,052,270 shares

March 31, 2020: 582,226 shares

3) Average number of shares during the period:

Three months ended June 30, 2020: 68,162,171 shares

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

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2020	As of June 30,2020
Assets		
Current assets		
Cash and deposits	22,934	22,274
Notes and accounts receivable - trade	21,255	17,577
Work in process	1,593	1,977
Supplies	31	36
Other	2,003	2,416
Allowance for doubtful accounts	(28)	(33)
Total current assets	47,791	44,248
Non-current assets		
Property, plant and equipment	6,248	5,892
Intangible assets		
Goodwill	2,651	2,535
Other	892	843
Total intangible assets	3,544	3,379
Investments and other assets	8,383	7,799
Total non-current assets	18,176	17,071
Total assets	65,968	61,319
Liabilities		
Current liabilities		
Accounts payable - trade	3,414	2,938
Accounts payable - other	8,093	7,984
Income taxes payable	3,517	1,053
Provision for bonuses	1,368	1,729
Provision for bonuses for directors (and other officers)	70	7
Asset retirement obligations	31	-
Other	3,827	3,424
Total current liabilities	20,324	17,138
Non-current liabilities		
Retirement benefit liability	456	466
Asset retirement obligations	1,314	1,315
Other	1,016	1,008
Total non-current liabilities	2,788	2,791
Total liabilities	23,112	19,929

(Million yen)

	As of March 31,2020	As of June 30,2020
Net assets		
Shareholders' equity		
Share capital	998	998
Capital surplus	1,112	1,112
Retained earnings	39,779	40,008
Treasury shares	(592)	(2,233)
Total shareholders' equity	41,298	39,885
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22	58
Deferred gains or losses on hedges	37	-
Foreign currency translation adjustment	1,719	1,657
Remeasurements of defined benefit plans	(224)	(213)
Total accumulated other comprehensive income	1,554	1,502
Non-controlling interests	3	2
Total net assets	42,855	41,390
Total liabilities and net assets	65,968	61,319

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 30,2019	For the three months ended June 30,2020
Net sales	29,885	31,354
Cost of sales	25,246	26,109
Gross profit	4,639	5,244
Selling, general and administrative expenses	2,595	2,829
Operating profit	2,043	2,415
Non-operating income		
Interest income	14	6
Dividend income	3	4
Commission income	5	4
Share of profit of entities accounted for using equity method	8	2
Other	1	13
Total non-operating income	32	31
Non-operating expenses		
Interest expenses	25	19
Foreign exchange losses	-	8
Other	0	6
Total non-operating expenses	26	34
Ordinary profit	2,050	2,412
Extraordinary income		
Gain on sales of non-current assets	0	-
Gain on sales of investment securities	-	8
Compensation income	-	19
Subsidy bounty income	-	1
Total extraordinary income	0	28
Extraordinary losses		
Loss on temporary closure and other	-	7
Total extraordinary losses	-	7
Profit before income taxes	2,050	2,433
Income taxes	655	860
Profit	1,395	1,572
Profit (loss) attributable to non-controlling interests	0	(0)
Profit attributable to owners of parent	1,394	1,573

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

(Million yen)

	For the three months ended June 30,2019	For the three months ended June 30,2020
Profit	1,395	1,572
Other comprehensive income		
Valuation difference on available-for-sale securities	(1)	35
Deferred gains or losses on hedges	(8)	(37)
Foreign currency translation adjustment	(4)	(56)
Remeasurements of defined benefit plans, net of tax	(76)	11
Share of other comprehensive income of entities accounted for using equity method	1	(5)
Total other comprehensive income	(89)	(52)
Comprehensive income	1,305	1,520
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,305	1,520
Comprehensive income attributable to non-controlling interests	0	(0)