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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2021 (Based on Japanese GAAP)

November 05, 2021

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: November 12, 2021

Scheduled date of commencing dividend payments: December 01, 2021

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes (for institutional investors and analysts)

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

## 1. Consolidated Financial Results for the Six Months Ended September 30, 2021 (April 01, 2021 to September 30, 2021)

## (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	%
Six months ended September 30, 2021	58,196	(6.4)	3,075	(28.9)	3,077	(29.0)	2,092	(26.6)
September 30, 2020	62,148	1.7	4,324	1.1	4,337	4.2	2,850	4.2

(Note) Comprehensive income: Six months ended September 30, 2021: ¥ 2,649 million [ (1.1) %]  
 Six months ended September 30, 2020: ¥ 2,678 million [ 11.6 %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2021	31.60	-
September 30, 2020	42.21	-

## (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2021	61,903	44,548	72.0	682.69
March 31, 2021	67,127	45,275	67.4	677.52

(Reference) Equity: As of September 30, 2021: ¥ 44,545 million  
 As of March 31, 2021: ¥ 45,272 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, 2021	-	19.00	-	23.00	42.00
Fiscal year ending March 31, 2022	-	21.00			
Fiscal year ending March 31, 2022 (Forecast)			-	21.00	42.00

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

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022(April 01, 2021 to March 31, 2022)

(% 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	120,000	(6.0)	8,400	(13.2)	8,400	(14.4)	5,600	(27.8)	83.81

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

## \* Notes:

## (1) Changes in significant subsidiaries during the six months ended September 30, 2021

(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: 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):

September 30, 2021: 66,820,721 shares  
 March 31, 2021: 66,820,721 shares

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

September 30, 2021: 1,571,288 shares  
 March 31, 2021: 88 shares

## 3) Average number of shares during the period:

Six months ended September 30, 2021: 66,220,645 shares  
 Six months ended September 30, 2020: 67,549,102 shares

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2021	As of September 30,2021
<b>Assets</b>		
Current assets		
Cash and deposits	25,658	25,293
Notes and accounts receivable - trade	21,888	16,599
Contract assets	-	2,048
Securities	-	700
Work in process	1,352	-
Supplies	65	51
Other	2,050	2,123
Allowance for doubtful accounts	(325)	(309)
Total current assets	50,690	46,506
Non-current assets		
Property, plant and equipment	6,233	6,028
Intangible assets		
Goodwill	2,132	2,078
Other	879	1,133
Total intangible assets	3,011	3,211
Investments and other assets	7,191	6,158
Total non-current assets	16,437	15,397
Total assets	67,127	61,903
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	2,923	2,493
Accounts payable - other	8,519	7,209
Lease obligations	536	580
Income taxes payable	1,421	1,148
Provision for bonuses	1,164	1,073
Provision for bonuses for directors (and other officers)	29	18
Other	4,198	1,773
Total current liabilities	18,793	14,297
Non-current liabilities		
Lease obligations	608	469
Retirement benefit liability	567	641
Asset retirement obligations	1,879	1,891
Other	3	55
Total non-current liabilities	3,058	3,057
Total liabilities	21,852	17,355

(Million yen)

	As of March 31,2021	As of September 30,2021
Net assets		
Shareholders' equity		
Share capital	998	998
Capital surplus	1,112	1,112
Retained earnings	41,968	42,692
Treasury shares	(0)	(2,007)
Total shareholders' equity	44,079	42,796
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1	1
Deferred gains or losses on hedges	-	(8)
Foreign currency translation adjustment	1,272	1,830
Remeasurements of defined benefit plans	(81)	(74)
Total accumulated other comprehensive income	1,192	1,748
Non-controlling interests	2	3
Total net assets	45,275	44,548
Total liabilities and net assets	67,127	61,903

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

(Million yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Net sales	62,148	58,196
Cost of sales	52,236	49,592
Gross profit	9,911	8,603
Selling, general and administrative expenses	5,586	5,527
Operating profit	4,324	3,075
Non-operating income		
Interest income	11	4
Dividend income	4	2
Commission income	9	7
Share of profit of entities accounted for using equity method	15	22
Gain on investments in investment partnerships	-	17
Other	33	9
Total non-operating income	74	64
Non-operating expenses		
Interest expenses	39	35
Foreign exchange losses	3	21
Other	17	5
Total non-operating expenses	60	62
Ordinary profit	4,337	3,077
Extraordinary income		
Gain on sale of investment securities	96	-
Compensation income	19	-
Subsidy bounty income	107	27
Total extraordinary income	223	27
Extraordinary losses		
Loss on temporary closure and other	7	-
Total extraordinary losses	7	-
Profit before income taxes	4,554	3,105
Income taxes	1,703	1,012
Profit	2,850	2,092
Profit (loss) attributable to non-controlling interests	(0)	0
Profit attributable to owners of parent	2,850	2,092

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

(Million yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Profit	2,850	2,092
Other comprehensive income		
Valuation difference on available-for-sale securities	(22)	0
Deferred gains or losses on hedges	(37)	(8)
Foreign currency translation adjustment	(133)	555
Remeasurements of defined benefit plans, net of tax	21	6
Share of other comprehensive income of entities accounted for using equity method	(0)	2
Total other comprehensive income	(172)	556
Comprehensive income	2,678	2,649
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,678	2,648
Comprehensive income attributable to non-controlling interests	(0)	0

## Quarterly Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Cash flows from operating activities		
Profit before income taxes	4,554	3,105
Depreciation	1,137	1,071
Amortization of goodwill	195	194
Loss (gain) on sale of investment securities	(96)	-
Increase (decrease) in provisions	(316)	(137)
Interest and dividend income	(15)	(7)
Interest expenses	39	35
Share of loss (profit) of entities accounted for using equity method	(15)	(22)
Decrease (increase) in trade receivables	2,340	4,083
Decrease (increase) in inventories	(778)	45
Increase (decrease) in trade payables	(466)	(515)
Increase (decrease) in accounts payable - other	(240)	(1,082)
Increase (decrease) in accrued consumption taxes	(762)	(1,142)
Other, net	(117)	(32)
Subtotal	5,457	5,594
Interest and dividends received	15	23
Interest paid	(39)	(35)
Income taxes paid	(3,097)	(1,296)
Net cash provided by (used in) operating activities	2,335	4,286
Cash flows from investing activities		
Purchase of property, plant and equipment	(354)	(732)
Purchase of intangible assets	(135)	(425)
Proceeds from sale of investment securities	105	-
Decrease (increase) in time deposits	500	-
Other, net	485	189
Net cash provided by (used in) investing activities	601	(968)
Cash flows from financing activities		
Repayments of lease obligations	(158)	(313)
Purchase of treasury shares	(2,329)	(2,007)
Dividends paid	(1,378)	(1,536)
Net cash provided by (used in) financing activities	(3,865)	(3,857)
Effect of exchange rate change on cash and cash equivalents	(36)	174
Net increase (decrease) in cash and cash equivalents	(965)	(365)
Cash and cash equivalents at beginning of period	22,934	25,658
Cash and cash equivalents at end of period	21,969	25,293