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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2017 (Based on Japanese GAAP)

February 02, 2018

Company name: Relia, Inc.
 Stock exchange listing: Tokyo
 Code number: 4708
 URL: <http://www.relia-group.com/>
 Representative: JUN NAKAGOME, President
 Contact: KENICHIRO IWAMOTO, General Manager
 Phone: 03-5351-7200
 Scheduled date of filing quarterly securities report: February 09, 2018
 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 Nine Months Ended December 31, 2017 (April 01, 2017 to December 31, 2017)

(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	%
Nine months ended December 31, 2017	80,994	17.3	3,428	6.2	3,479	7.8	2,305	5.5
December 31, 2016	69,021	18.0	3,229	11.9	3,227	10.8	2,185	14.4

(Note) Comprehensive income: Nine months ended December 31, 2017: ¥ 1,491 million [(21.7) %]
 Nine months ended December 31, 2016: ¥ 1,905 million [(11.3) %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2017	33.45	-
December 31, 2016	31.72	-

(Reference) Profit before amortization of goodwill

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

Nine months ended December 31, 2017: ¥ 3,604 million [64.2%]
 Nine months ended December 31, 2016: ¥ 2,195 million [12.9%]
 Adjusted EPS Nine months ended December 31, 2017: ¥ 52.31
 Nine months ended December 31, 2016: ¥ 31.86

(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 December 31, 2017	63,073	46,973	74.5	681.38
March 31, 2017	66,069	47,742	72.3	692.68

(Reference) Equity: As of December 31, 2017: ¥ 46,961 million
 As of March 31, 2017: ¥ 47,740 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, 2017	-	14.00	-	15.00	29.00
Fiscal year ending March 31, 2018	-	18.00	-		
Fiscal year ending March 31, 2018 (Forecast)				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, 2018(April 01, 2017 to March 31, 2018)

(% 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	108,200	12.5	5,400	23.5	5,400	23.5	3,400	4.2	49.33

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

(Reference) Profit before amortization of goodwill

	Fiscal year ended March 31, 2018:	¥	5,100 million	[37.9%]
Adjusted EPS	Fiscal year ended March 31, 2018:	¥	74.00		

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2017

(changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New 1 (Company name: MOCAP VIETNAM JOINT STOCK COMPANY)

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):

December 31, 2017: 69,503,040 shares

March 31, 2017: 69,503,040 shares

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

December 31, 2017: 582,144 shares

March 31, 2017: 582,144 shares

3) Average number of shares during the period:

Nine months ended December 31, 2017: 68,920,896 shares

Nine months ended December 31, 2016: 68,920,896 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2017	As of December 31,2017
Assets		
Current assets		
Cash and deposits	14,286	13,938
Notes and accounts receivable - trade	17,277	16,246
Work in process	1,189	1,544
Supplies	22	21
Other	2,117	2,273
Allowance for doubtful accounts	(44)	(44)
Total current assets	34,847	33,978
Non-current assets		
Property, plant and equipment	3,752	3,685
Intangible assets		
Goodwill	17,601	15,689
Other	672	632
Total intangible assets	18,274	16,321
Investments and other assets	9,195	9,087
Total non-current assets	31,222	29,094
Total assets	66,069	63,073
Liabilities		
Current liabilities		
Accounts payable - trade	3,260	2,648
Short-term loans payable	3,500	2,725
Accounts payable - other	6,353	6,542
Income taxes payable	1,208	502
Provision for bonuses	768	451
Provision for directors' bonuses	32	26
Asset retirement obligations	5	3
Other	1,987	1,925
Total current liabilities	17,115	14,825
Non-current liabilities		
Provision for directors' retirement benefits	20	20
Net defined benefit liability	267	308
Asset retirement obligations	911	935
Other	12	10
Total non-current liabilities	1,211	1,273
Total liabilities	18,327	16,099

(Million yen)

	As of March 31,2017	As of December 31,2017
Net assets		
Shareholders' equity		
Capital stock	998	998
Capital surplus	1,112	1,112
Retained earnings	43,401	43,436
Treasury shares	(592)	(592)
Total shareholders' equity	44,919	44,954
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	139	45
Deferred gains or losses on hedges	1	53
Foreign currency translation adjustment	2,899	2,100
Remeasurements of defined benefit plans	(219)	(192)
Total accumulated other comprehensive income	2,820	2,006
Non-controlling interests	1	12
Total net assets	47,742	46,973
Total liabilities and net assets	66,069	63,073

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

(Million yen)

	For the nine months ended December 31,2016	For the nine months ended December 31,2017
Net sales	69,021	80,994
Cost of sales	59,620	69,396
Gross profit	9,401	11,597
Selling, general and administrative expenses	6,171	8,169
Operating profit	3,229	3,428
Non-operating income		
Interest income	4	25
Dividend income	27	14
Commission fee	13	15
Foreign exchange gains	21	-
Other	15	41
Total non-operating income	82	95
Non-operating expenses		
Share of loss of entities accounted for using equity method	78	25
Foreign exchange losses	-	11
Other	5	8
Total non-operating expenses	83	45
Ordinary profit	3,227	3,479
Extraordinary income		
Gain on sales of investment securities	100	390
Other	-	27
Total extraordinary income	100	418
Extraordinary losses		
Loss on sales of non-current assets	-	6
Total extraordinary losses	-	6
Profit before income taxes	3,328	3,890
Income taxes - current	1,106	1,248
Income taxes - deferred	35	336
Total income taxes	1,142	1,585
Profit	2,185	2,305
Profit attributable to non-controlling interests	-	0
Profit attributable to owners of parent	2,185	2,305

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

(Million yen)

	For the nine months ended December 31,2016	For the nine months ended December 31,2017
Profit	2,185	2,305
Other comprehensive income		
Valuation difference on available-for-sale securities	(302)	(94)
Deferred gains or losses on hedges	-	51
Foreign currency translation adjustment	-	(800)
Remeasurements of defined benefit plans, net of tax	27	27
Share of other comprehensive income of entities accounted for using equity method	(4)	1
Total other comprehensive income	(280)	(814)
Comprehensive income	1,905	1,491
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,905	1,491
Comprehensive income attributable to non-controlling interests	-	0