

March 27, 2020

To All Concerned Parties

Relia, Inc.
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(Code number: 4708, First Section of the Tokyo Stock
Exchange)
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Notification Regarding Revision of Full-Year Earnings Forecast

At the meeting of the Board of Directors held on March 27, 2020, taking into account recent trends in business performance, the Company revised its earnings forecasts for the fiscal year ending March 2020 (April 1, 2019 – March 31, 2020) from those disclosed on November 8, 2019 in the Notification Regarding Revision of Full-Year Earnings Forecast, Distribution of Retained Earnings (Interim Dividend) and Revision of Year-end Dividend Forecast.

Details

1. Revision of Full-Year Earnings Forecast

(1) Revision of forecast of the consolidated earnings figures for full year (April 1, 2019 – March 31, 2020)

	Net sales	Operating profit	Ordinary profit	Net profit attributable to owners of parent	Net profit per share
Previously announced forecast (A)	Million yen 124,000	Million yen 9,100	Million yen 8,900	Million yen 5,600	Yen 81.25
Newly revised forecast (B)	128,000	11,100	10,900	7,300	105.92
Difference (B-A)	4,000	2,000	2,000	1,700	
Percentage difference (%)	3.2	22.0	22.5	30.4	
(Ref.) Previous year's actual results (Year ended March 2019)	115,750	5,526	5,595	-7,283	-105.68

(2) Reason for revision

To achieve the target operating income ratio before amortization of goodwill of 8% for the fiscal year ending March 2021 declared in its Business Strategy 2020, the Company's Group is engaged in "implementation of the 4 Innovations," "strict profit management including restructuring customer portfolio," and "improvement of productivity by enhancement of recruiting and training and suppressing turnover rate." The consolidated companies in Japan continue to make progress in their efforts, which include strengthening the profitability confirmation process when accepting new orders and thorough profit management in their existing businesses. Their large spot business orders are also exceeding projections for profitability made at the time of the previous earnings forecast. In light of these factors and recent trends in business performance, the Company will revise its earnings forecasts as detailed above.

Regarding the impact of the novel coronavirus disease, the consolidated companies in Japan have partially reduced operations and their staff absentee rates have increased, but, as of the present, business activities have not been significantly hindered. Consolidated companies overseas have fiscal years that end in December, so the impact on full year consolidated earnings is expected to be negligible.

(3) Other

The dividend forecast has not been revised. At the meeting of the Board of Directors held today, the Company, having considered the market price of its shares and its financial position, has decided on matters related to a share buyback for the purpose of shareholder returns and maintaining a flexible capital policy in response to changes in the business environment. For more details, please refer to the Notification Regarding Decision on Matters Related to Share Buyback released today.

* Earnings forecasts have been prepared on the basis of currently available information. Due to a variety of factors, actual figures may differ from these forecasts.